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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF YOLO**

STEVEN SCOTT, VICTOR AUGUST,
individually, and on behalf of other members
of the general public similarly situated and on
behalf of other aggrieved employees pursuant
to the California Private Attorneys General
Act;

Plaintiffs,

vs.

PERFORMANCE FOOD GROUP, INC., a
Colorado corporation; CORE-MARK
INTERNATIONAL, INC., a Delaware
corporation; PERFORMANCE
FOODSERVICE, an unknown business entity;
CME TRANSCO, LLC, a Delaware
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. CV2024-0729

**DECLARATION OF DAVID MARA IN
SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS AND PAGA ACTION
SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF CLASS
NOTICE, SETTING OF FINAL
APPROVAL HEARING DATE**

Date: March 10, 2026

Time: 9:00 am

Judge: Hon. Timothy L. Fall

Dept: 11

1 I, DAVID MARA, declare as follows:

- 2 1. I am President of Mara Law Firm, PC, and counsel of record for the Plaintiff and the putative
3 class in this matter. I am duly admitted to practice before all the courts of the state of
4 California. The following facts are within my personal knowledge and, if called to testify, I
5 could and would competently testify thereto.
- 6 2. I graduated from California Western School of Law and was admitted to practice law in
7 California in May 2004.
- 8 3. I extensively handle employment cases which involve violations of the California Labor Code
9 and Industrial Welfare Commission Wage Orders, such as wage and hour class actions and
10 cases alleging violations of the Private Attorneys General Act of 2004 (“PAGA”). I have
11 litigated over three hundred and fifty (350) class action and PAGA lawsuits over the course of
12 approximately 20 years.
- 13 4. I was co-class counsel in *Hohnbaum v. Brinker Restaurant Corp.* (San Diego County
14 Superior Court, Case No. GIC834348) which was the underlying case in the California
15 Supreme Court’s landmark decision in *Brinker Restaurant Corp. v. Superior Court* (2012)
16 53 Cal.4th 1004, in which the California Supreme Court delineated the scope of employer
17 obligations to provide, and employee rights to receive, meal and rest periods under California
18 law.
- 19 5. I am previously authored Amicus Curiae briefs on behalf of Consumer Attorneys of
20 California (“CAOC”). For example, I authored the Amicus Curiae briefs on behalf of CAOC
21 in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, (The California Supreme
22 Court ruling that, like meal periods, employers must relieve employees of all duty and
23 relinquish all control to satisfactorily discharge its obligation to authorize and permit rest
24 periods.); *Frlekin v. Apple, Inc.* (2020) 8 Cal.5th 1038 (The California Supreme Court ruling
25 that the time spent on the employer’s premises waiting for, and undergoing, required exit
26 searches of packages, bags, or personal technology devices voluntarily brought to work is
27 compensable hours worked within the meaning of the Wage Orders.); *Oliver v. Superior*
28 *Court* (2021) California Court of Appeal Case No. H049185 (A brief asking the California

1 Court of Appeal for the Sixth Appellate District to determine whether mandatory drive time
2 of personal vehicles should be considered hours worked within the meaning of the Wage
3 Orders' suffered or permitted test.). *Davidson v. O'Reilly Auto Enterprises, LLC* (9th Cir.,
4 2020; Docket No. 18-56188)(a brief seeking Review *En Banc* of an order denying class
5 certification in a wage and hour matter).

6 6. I have also lectured as a panelist for California Employment Lawyers Association regarding
7 a host of wage and hour issues.

8 7. My firm has been named as class counsel in a number of wage and hour class actions in
9 which the Court granted the plaintiff's motion for class certification. For example, my firm
10 has been named class counsel in: *Mario Norona v. B&G Delivery System, Inc.* (Sacramento
11 County Superior Court, Case No. 34-2015-00186826-CU-OE-GDS); *Jerald Schroeder v.*
12 *YRC, Inc.; et al.* (Central District of California, Case No. 12-cv-01374-TJH); *John Martin v.*
13 *Sysco Corporation, et al.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-
14 SAB); *William Smith v. Werner Enterprises, Inc. d/b/a C.L. Werner, Inc.* (District of
15 Nebraska, Case No. 8:15-cv-287); *Thomas Perez v. City of San Diego* (San Diego County
16 Superior Court, Case No. 37-2014-00016621-CU-OE-CTL); *Eric Mendez v. M&N*
17 *Consulting, Inc. dba A-Line Messenger Service* (San Bernardino County Superior Court,
18 Case No. CIVDS1923624); *Denson Sales v. Professional Auto Transport, Inc. et al.* (San
19 Bernardino County Superior Court, Case No. CIVDS2010153); *Sonny Williams v. Hansen*
20 *and Adkins Auto Transport, Inc.; et al.* (San Bernardino County Superior Court, Case No.
21 CIVDS2020832); *Bobby Williams v. Mohsen Transport, Inc.* (San Diego County Superior
22 Court, Case No. 37-2019-00063361-CU-OE-CTL); *Ashton Harden v. Mushiana Transport*
23 *Inc.* (Sacramento County Superior Court, Case No. 34-2021-00301950-CU-OE-GDS); *Paul*
24 *Garcia, et al. v. Haralambos Beverage Co.* (Los Angeles County Superior Court, Case No.
25 BC660723); and *Ribaldo Olvera, et al. v. American Corporate Security, Inc.* (Los Angeles
26 County Superior Court, Case No. 21STCV16417).

27 8. I have also been named as class counsel in numerous cases during the settlement process.
28 Here is a non-exhaustive list of cases where I have been named as class counsel in cases

1 during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo County Superior Court,
2 Case No. CV-18-100); *Brian Davidson v. A&B Trucking Services, Inc.* (Kern County
3 Superior Court Case No. BCV-16-102985); *Alex Vega, et al. v. Advance Beverage Co., Inc.*
4 (Kern County Superior Court, Case No. BCV-16-100848); *Jaime Ruiz v. Altura Centers for*
5 *Health* (Kern County Superior Court, Case No. BCV-19-101577); *George Zamudio v.*
6 *AmeriPride Service, Inc.* (Alameda County Superior Court, Case No. RG1809666); *Richard*
7 *Hendricks v. Antonini Freight Express, Inc.* (San Joaquin County Superior Court, Case No.
8 STK-CV-UOE-2016-6999); *Alton Davis v. Apria Healthcare Group, Inc.* (San Diego County
9 Superior Court, Case No. 37-2014-00004724-CU-OE-CTL); *Alan Atchison v. Ashley*
10 *Furniture Industries, Inc., et al.* (Central District of California, Case No. 17-cv-00528-JAK-
11 SP); *Bernard Payton v. Atech Logistics, Inc.* (Sonoma County Superior Court, Case No. SCV
12 258595); *Ramon Jenkins v. Compass Group USA, Inc., et al.* (Yolo County Superior Court,
13 Case No. CVCV-18-747); *Timothy Spikes, et al. v. Bear Trucking, Inc., et al.* (San
14 Bernardino County Superior Court, Case No. CIVDS1715151); *Joshua Turpen v.*
15 *Benjamin's Transfer Inc.* (Solano County Superior Court, Case No. FCS048845); *Cesar*
16 *Mendoza v. Bi-Rite Food Service, Inc.* (San Mateo County Superior Court, Case No.
17 17CIV02044); *Terrance Bailey v. Blue Apron, LLC; et al.* (Northern District of California,
18 Case No. 18-cv-07000-VC); *Jeffrey Weast v. California Aseptic Beverages, LLC* (San
19 Bernardino County Superior Court, Case No. CIVDS1825256); *Michael Valentich v. Hub*
20 *Construction Specialties, Inc.* (San Bernardino County Superior Court, Case No.
21 JCCPDS4893); *Jose De Jesus Ortega Velazquez v. Hunter Landscape, Inc.; et al.* (San
22 Bernardino County Superior Court, Case No. CIVDS1928062); *Adrian Diaz v. Keystone*
23 *Automotive Operations, Inc.* (Riverside County Superior Court, Case No. RIC1817450);
24 *Arturo Gonzalez v. NCI Group, Inc. dba NCI Building Systems* (Eastern District of
25 California, Case No. 18-cv-00948-AWI-SKO); *Larry Perez v. The Nielsen Company (US),*
26 *LLC* (Orange County Superior Court, Case No. 30-2021-01194324-CU-OE-CXC); *Erik*
27 *Martinez v. Patrick Industries, Inc.* (San Bernardino County Superior Court, Case No.
28 CIVDS2009663); *Randolph Fitch v. Shaw Industries, Inc.; et al.* (San Bernardino County

- Superior Court, Case No. CIVSB2024674); *Joshua Rael v. Intercontinental Hotels Group Resources, Inc.* (Los Angeles County Superior Court, Case No. 19STCV16010); and *Aaron Romero v. Vitro Flat Glass, LLC* (Kern County Superior Court, Case No. BCV-21-101357).
9. On March 19, 2024, Plaintiff Steven Scott filed this class action in Yolo County Superior Court (Case No. CV2024-0729), alleging various wage and hour violations on behalf of similarly situated employees for Defendants including: (1) failure to pay overtime; (2) failure provide meal period premiums; (3) failure to provide rest period premiums; (4) failure to pay minimum wages; (5) failure to pay all wages due at termination; (6) failure to timely pay wages during employment; (7) failure to provide accurate itemized wage statements; (8) failure to keep requisite payroll records; (9) failure to reimburse business expenses; and (10) violations of California Business and Professions Code sections 17200, et seq. On March 19, 2024, Plaintiff Steven Scott also filed a separate PAGA action in Yolo County Superior Court (Case No. CV2024-0730) based on the same theories.
10. On March 20, 2024, Plaintiff Victor August filed a class action entitled *Victor August v. CME Transco, LLC* in the Sacramento County Superior Court (Case No. 24CV005326), alleging causes of action for Defendants (1) failure to pay all straight time wages; (2) failure to provide meal periods; (3) failure to authorize and permit rest periods; (4) knowing and intentional failure to comply with itemized wage statements; (5) failure to pay wages at termination; (6) failure to reimburse business expenses; and (7) violations of California Business and Professions Code sections 17200, et seq. On March 21, 2024, Plaintiff Victor August filed a PAGA action in Sacramento County Superior Court (Case No. 24CV009997) based on the same theories.
11. Pursuant to the Settlement Agreement, Plaintiff Steven Scott filed a First Amended Complaint encompassing all of the claims discussed above and adding Plaintiff Victor August as representative, which was accepted on October 14, 2025. Subsequently, the August Class and PAGA actions in the Sacramento Superior Court were dismissed, leaving this class action (Case No. CV2024-0729) as the lead case.
12. The Parties conducted significant investigation and discovery of the facts and law. Through

1 informal discovery, Defendants produced relevant policy documents that covered drivers’
2 employment with Defendants, such as employee handbooks and Defendants’ wage and hour
3 policies. Defendants also produced a sampling of time and wage records for Class Members.
4 Plaintiffs also requested, and Defendants produced, employee data points, such as the
5 number of Class Members and the number of workweeks worked by Class Members during
6 the relevant time period, to establish a potential exposure model in preparation for mediation.
7 From this discovery and data, Plaintiffs and their Counsel were able to analyze Defendants’
8 liability and prepare a realistic damage model.

9 13. The Parties attended an all-day mediation with respected mediator Kevin Barnes on April
10 23, 2025. The arms-length settlement discussion at this mediation ultimately resulted in
11 settlement. The Parties then met and conferred over all the terms of the settlement and
12 finalized their settlement in the Parties’ Agreement. The Parties seek preliminary approval
13 of the Agreement in the instant motion.

14 14. Employees must be paid for all “hours worked,” as that phrase is defined in the Wage Order
15 and interpreted by California courts. Hours worked is defined in Wage Order 9-2001 as “the
16 time during which an employee is subject to the control of an employer, and includes all the
17 time the employee is suffered or permitted to work, whether or not required to do so.” Wage
18 Order 9-2001, Subd. 2(K); see also *Mendiola v. CPS Security Solutions, Inc.* (2015) 60 Cal.
19 4th 833. Plaintiffs contend that class members were not paid for all hours worked.
20 Throughout the class period, Defendants employed drivers based on a piece-rate and an
21 hourly basis. For piece-rate drivers, Plaintiffs that Defendants only paid drivers-based
22 number of miles driven, cases delivered and stops made. However, Plaintiffs contend that
23 Defendants needed to also separately compensate Plaintiffs for all non-productive time tasks
24 such as time spent performing inspections, safety checks, paperwork, loading and preparing
25 trailers, dealing with customers, and other general housekeeping duties. *See Cardinas v.*
26 *McLane Foodservices, Inc.* (C.D. Cal. 2011) 796 F.Supp.2d 1246, 1252; *Gonzalez v.*
27 *Downtown LA Motors, LP* (2013) 215 Cal.App.4th 36, 49; *see also* Cal. Lab Code § 226.2.

28 15. Likewise, Plaintiffs contend that hourly employees were also not paid for the aforementioned

1 tasks because Defendants forced and instructed employees to perform these tasks off-the-
2 clock in order to meet Defendants strict time frames. Further, Defendants required hourly
3 employees to undergo mandatory security checks at designated locations after clocking out
4 for the day. *See Frlekin v. Apple Inc.* (2020) 8 Cal. 5th 1038.

5 16. Defendants dispute the unpaid wages claim in its entirety and note that employees were
6 always paid for all hours worked in accordance with California law. Defendants contend
7 that they can point to wage statements verifying that they paid piece-rate employees for
8 non-productive time. Similarly, Defendants assert that they do not have a policy of forcing
9 employees to work off-the-clock and that it could provide declarations from numerous
10 employees verifying that drivers were instructed to perform all tasks on-the-clock and that
11 drivers were paid for all time worked. As such, Defendants maintain that the unpaid wages
12 claims would fail both at certification and on the merits.

13 17. Plaintiffs also contend that drivers were not able to take complaint meal and rest breaks.
14 Plaintiffs allege that they and other class members had to remain on-call during meal and
15 rest breaks. Particularly, Plaintiffs contend that they must always be near trucks in order to
16 guard and protect its contents, and must always keep their phones with them to immediately
17 respond when dispatch calls. Similarly, drivers need to routinely work through meal and rest
18 breaks in order to meet and comply with Defendants' demanding delivery schedules.
19 Moreover, Plaintiffs claim that there is a rebuttable presumption that meal periods are not
20 taken whenever Defendants' records show a missed, short, or delayed meal period. *See*
21 *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 77. Plaintiffs assert that following
22 *Loper Bright Enters. v. Raimondo*, 603 U.S. 369, 412-13(2024) and *Murillo-Chavez v. Bondi*,
23 (9th Cir. 2025) 128 F.4th 1076, 1086, that meal and rest break claims are not necessarily
24 preempted by the FMCSA's December 28, 2018, Decision and Order given courts can no
25 longer simply defer to agency determinations.

26 18. Defendants maintain that Plaintiffs' meal and rest break claims are preempted and
27 unenforceable by the FMCSA's Determination and Order and that *Loper* and *Murillo* do not
28 change this analysis. *See Int'l Bhd. of Teamsters, Local 2785 v. Fed. Motor Carrier Safety*

1 *Admin.* (9th Cir. 2021) 986 F.3d 841, 846. Even if the claims were not preempted, Defendants
2 assert that they had compliant meal and rest break policies at all times. Defendants
3 emphasize that during these breaks, drivers were completely free to do whatever they wanted
4 and that they could provide driver declarations verifying as such. Moreover, further
5 complicating the issue, Defendants contend that they also maintain valid and enforceable
6 meal waivers for drivers and that they have previously paid meal period premiums to drivers.
7 As such, Defendants remain confident that they would be able to rebut any presumption
8 under *Donohue*. Thus, Defendants contend that these claims not only lack merit, but that they
9 are highly individualized and not certifiable.

10 19. Plaintiffs claim that Defendants fail to reimburse drivers for business expenses. Plaintiffs
11 argue that Defendants require drivers to use their personal cell phones in order to remain in
12 constant contact and provide updates about things such as delivery status. Despite this
13 Defendants fail to reimburse employees for the costs associated with the use of their personal
14 cell phones.

15 20. Defendants contend that they never required employees to use their personal cell phone for
16 business purposes. Defendants further contend if drivers decided to use their personal cell
17 phones for business purposes, it was solely that driver's choice and not the result of any
18 purported mandate by Defendants. Under Labor Code section 2802, the employer must
19 "indemnify its employees for expenses they necessarily incur in the discharge of their
20 duties[.]" The California Supreme Court in *Gattuso v. Harte-Hanks Shoppers, Inc.*, makes
21 clear that the goal of section 2802 is "to prevent employers from passing on their operating
22 expenses to their employees." *Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal. 4th
23 554, 569-71.

24 21. Plaintiffs allege Class Members are not provided with accurate itemized wage statements in
25 violation of California Labor Code § 226. Specifically, Plaintiffs allege that for piece-rate
26 employees, Defendants failed to correctly itemize the units/rates for piece-rate compensation
27 such as mileage, deliveries, or stops. Additionally, Plaintiffs make the derivative claim that
28 wage statements were inaccurate and noncompliant for failure to pay all wages and

1 premiums, as outlined above. If Plaintiffs underlying claims failed, these derivative claims
2 would fail as well.

3 22. Further, Defendants argue that they followed the requirements of section 226 for all
4 employees, including those paid on a piece-rate basis, and that it could provide examples of
5 perfectly compliant wage statements. Moreover, even if Plaintiffs were successful in their
6 underlying claims, Defendants argue that the underlying claims cannot form a basis for the
7 wage statement claims. *Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308,
8 (noting employees do not suffer injury under California Labor Code § 226(a) so long as the
9 wage statements correctly reflected the hours worked and the pay received even if the pay is
10 later determined to be inaccurate).

11 23. Plaintiffs also pursued claims for failure to provide accurate waiting time penalty claims.
12 These claims are derivative of Plaintiffs' underlying claims outlined above. Should
13 Plaintiffs' underlying claims fail, these claims would also fail.

14 24. Defendants emphasize, that Plaintiffs would have to prove Defendants "willfully" failed to
15 pay employees the appropriate wages and premiums due upon separation of employment.
16 Defendants contend that any failure to pay wages due at the separate of employment was not
17 willful and that it would not be liable for waiting time penalties because a "good faith
18 dispute" exists over the payment of those wages. *See* Cal. Code Regs. Tit. 8 § 13520; *Amaral*
19 *v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1201.

20 25. As discussed, Plaintiffs allege that Defendants fail to pay drivers for all time worked for
21 failing to pay for time spent performing tasks such as inspections, safety checks, loading and
22 preparing trailers. Through the discovery conducted, Plaintiffs estimated that drivers
23 averaged 1 hour of unpaid time a day. Thus, the potential exposure for unpaid wages would
24 be \$10,704,643.62 (285,153 shifts x \$37.54 average hourly rate x 1 hour = \$10,704,643.62).

25 26. Defendants contend these amounts are zero because it lawfully pays drivers for all hours
26 worked. Specifically, Defendants argue that piece-rate drivers are paid for all non-productive
27 time and hourly drivers are not instructed to perform any work off-the-clock. Accordingly,
28 Defendants claim Plaintiffs should take nothing on these claims and, if the factfinder agreed,

1 Plaintiffs would take nothing. Although remaining confident in their position, Plaintiffs had
2 no way of knowing how the factfinder would rule on this issue, and a substantial discount
3 had to be given to make settlement possible.

4 27. Plaintiffs contend that drivers did not receive meal and rest breaks because they were forced
5 remain on-call at all times and routinely had to work through breaks in order to satisfy
6 Defendants strict delivery schedules. Assuming a meal or rest period violation in every single
7 shift, Plaintiffs estimated the potential exposure at \$10,704,643.62 (285,153 shifts x \$37.54
8 average hourly rate = \$10,704,643.62).

9 28. Defendants contend that these claims are worth nothing because drivers' meal and rest break
10 claims are preempted based on the FMCSA's December 28, 2018, Decision and Order.
11 Regardless Defendants also assert that their meal and rest period policies and practices are
12 wholly compliant. Further, adding to their defense, Defendants contend that they have valid
13 and enforceable meal break waivers for drivers. If the factfinder agreed with Defendants,
14 Plaintiffs would receive nothing on these claims.

15 29. Plaintiffs allege that Defendants fail to reimburse drivers for personal cell phone usage, even
16 though they are expected to remain in constant contact with Defendants and provide status
17 updates about deliveries. If Plaintiffs were to prevail on their reimbursement cause of action,
18 class members would be entitled to reimbursement for a reasonable percentage of their costs
19 associated with their personal cell phones. Therefore, the maximum potential exposure under
20 this theory of liability would be \$1,473,900 (approximately 51 months during the relevant
21 time period x \$50, or 50% of a \$100 monthly phone bill, x 578 employees = \$1,473,900).

22 30. However, Defendants contends these amounts are zero because it never required employees
23 to use their personal cell phone for business purposes. Further, if drivers decided to use their
24 personal cell phones for business purposes, it was solely that driver's choice and not the
25 result of any purported mandate by Defendants.

26 31. Plaintiffs allege that Defendants failed to provide accurate itemized wage statements which
27 is largely derivative of Plaintiffs' underlying claims. If Plaintiffs were to prevail on these
28 claims, the maximum potential exposure would be \$2,312,000. (\$4000 maximum penalty x

1 578 employees in wage statement class = \$2,312,000).

2 32. However, if Plaintiffs' underlying unpaid wages and meal and rest break claims failed, this
3 claim would also fail. Moreover, Defendants also asserts that any violation of California
4 Labor Code § 226 was not "knowing and intentional" and that drivers cannot show that they
5 have suffered an injury as a result of any potential violation.

6 33. Similarly, if Plaintiffs prevailed on their underlying claims, class members may be entitled
7 to waiting time penalties for failure to pay all wages due at termination. Plaintiffs calculate
8 the potential maximum exposure for this waiting time penalties cause of action as
9 \$9,085,258.12 (719 former employees x 30 days x 11.22 average hours x \$37.54 average
10 hourly rate = \$9,085,258.12).

11 34. But again, if Plaintiffs' underlying claims for unpaid wages and meal and rest breaks failed,
12 so would this claim. Further, there is also a possibility that the factfinder could find these
13 violations are not willful. If this were to occur, Plaintiffs and the class would receive nothing
14 under these claims. In addition, a good faith dispute that any wages are due will preclude any
15 imposition of waiting time penalties.

16 35. Plaintiffs also seek PAGA penalties for the failure to pay all time worked, failure to provide
17 meal periods, failure to provide rest periods, failure to reimburse business expenses, failure
18 to provide accurate wage statements, and failure to pay wages owed twice per month. PAGA
19 allows the private enforcement of certain California Labor Code sections relating to wage
20 and hour violations. The statute of limitations for PAGA violations go back one year. The
21 potential damages under PAGA for Plaintiffs' core claims is thus \$10,460,400 (\$100 x 6
22 PAGA violations x 17,434 pay periods = \$10,460,400).

23 36. Defendants contend that Plaintiffs would not be allowed to "stack" PAGA penalties. If the
24 Court were to agree with this and only award one PAGA penalty per pay period, Defendants'
25 exposure would be \$1,743,400. Further, as Plaintiffs' PAGA claims are based on the same
26 alleged unlawful conduct as their class claims, Plaintiffs' PAGA claims are subject to the
27 same risks on the merits as Plaintiffs' class claims. In addition, the Court may reduce any
28 PAGA penalties awarded under Section 2699, subdivision (e)(2). The likelihood of the Court

1 reducing the PAGA penalties awarded to Plaintiffs and the PAGA Group Members –
2 assuming liability is proven as to each of Plaintiffs’ claims – is higher in this case where
3 these same individuals may also be receiving money for the same unlawful conduct under
4 the class claims. As such, the Court may reduce any PAGA penalty amount awarded to
5 Plaintiffs and the PAGA Members.

6 37. Although remaining confident in their position, Plaintiffs had no way of knowing how the
7 factfinder would rule on these issues, and a substantial discount had to be given to make
8 settlement possible. Thus, not taking into account any of Defendants’ defenses or arguments,
9 Plaintiffs’ estimated that if they were successful in their core claims, Defendants’ total
10 exposure would be approximately \$22,883,187.24 [\$10,704,643.62 (unpaid time) +
11 \$10,704,643.62 (meal and rest breaks) + \$1,473,900 (reimbursements) = \$22,883,187.24]. If
12 the fact finder were to side with Defendants on the unpaid wages and meal and rest break
13 claims, Plaintiffs and the Class Members would also not be entitled to any damages for
14 derivative wage statement, waiting time, or PAGA penalties. If Plaintiffs are successful in
15 their unpaid wages and meal and rest break claims, and are able to prove that Defendants’
16 wage statement and waiting time penalties violations were “knowing and intentional” and
17 “willful,” they may also be entitled to damages for wage statement penalties and waiting
18 time penalties in the amounts of \$2,312,000 and \$9,085,258.12, respectively. Plaintiffs and
19 the PAGA Group Members may also be entitled to PAGA penalties in the amount of
20 \$10,460,400, subject to Court reduction.

21 38. In light of the risks Plaintiffs’ claims faced, Plaintiffs and their Counsel believe that the
22 settlement amount of \$1,500,000 – with an average settlement share amount estimated at
23 \$822.18 – is a reasonable and fair settlement amount.

24 39. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 1**. A true
25 and correct copy of the proposed Class Notice is attached to **Exhibit 1** as **Exhibit A**

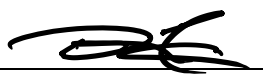
26 40. A true and correct copy of the confirmation that the upload of Plaintiff’s preliminary approval
27 motion and supporting was received by the LWDA is attached as **Exhibit 2**.

28 I declare under penalty of perjury under the laws of the State of California that all the

1 foregoing is true and correct.

2 Date: February 5, 2026

MARA LAW FIRM, PC

Signed: 
David Mara, Esq.

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Exhibit 1

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this settlement agreement is made between Plaintiffs Victor August and Steven Scott (hereinafter “Plaintiffs”) on behalf of themselves and the Class, and Defendants CME Transco, LLC, Performance Food Group, Inc., and Core-Mark International, Inc. (hereinafter “Defendants”) (collectively Plaintiffs and Defendants are referred to in this Agreement as the “Parties”). This agreement is intended to settle the cases entitled *Victor August v. CME Transco, LLC*, Sacramento County Superior Court, Case No. 24CV005326 (the “August Class Action”), *Victor August v. CME Transco, LLC*, Sacramento County Superior Court, Case No. 24CV009997 (the “August PAGA Action”), *Steven Scott v. Performance Food Group, Inc., et al.*, Yolo County Superior Court, Case No. CV2024-0729 (the “Scott Class Action”), and *Steven Scott v. Performance Food Group, Inc., et al.*, Yolo County Superior Court, Case No. CV2024-0730 (the “Scott PAGA Action”) (collectively the “Actions”).

I. DEFINITIONS

In addition to the other terms defined in this agreement, the terms below have the following meaning:

1. **Actions**: The cases entitled *Victor August v. CME Transco, LLC*, Sacramento County Superior Court, Case No. 24CV005326 (the “August Class Action”), *Victor August v. CME Transco, LLC*, Sacramento County Superior Court, Case No. 24CV009997 (the “August PAGA Action”), *Steven Scott v. Performance Food Group, Inc., et al.*, Yolo County Superior Court, Case No. CV2024-0729 (the “Scott Class Action”), and *Steven Scott v. Performance Food Group, Inc., et al.*, Yolo County Superior Court, Case No. CV2024-0730 (the “Scott PAGA Action”), and any operative complaint.
2. **Administration Costs**: The costs incurred by the Settlement Administrator, ILYM Group, Inc., to administer this Settlement, which shall not exceed \$17,000. All Administration Costs shall be paid from the Gross Settlement Amount. If the actual administration costs are less than the amount allocated in this agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.
3. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement**: The settlement agreement reflected in this document, titled “Joint Stipulation and Settlement Agreement.”
4. **Attorneys Fee Award**: The amount of attorneys’ fees approved of by the Court and awarded to Class Counsel. This amount shall not exceed thirty-five percent (35%) of the Gross Settlement Amount. Thirty-five percent of the Gross Settlement Amount is currently \$525,000, but is subject to increase pursuant to

Paragraph III.54.A. The Attorneys Fee Award shall be paid from the Gross Settlement Amount. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.

5. **Class**: All current and former California-based truck drivers, driver helpers, and related job classifications employed by Defendants Core-Mark International, Inc. and/or CME Transco, LLC, within the State of California, at any time from March 19, 2020, through June 22, 2025, or, if applicable, the Alternate End Date (as defined in Paragraph III.54.A, below).
6. **Class Counsel**: David Mara and Matthew Crawford of Mara Law Firm, PC, and Arby Aiwasian, Yasmin Hosseini, and Ryan Slinger of Lawyers *for* Justice, PC.
7. **Class Data**: The electronic database Defendants shall deliver to the Settlement Administrator which will list the following information for each Class Member: (1) last known first and last name; (2) last known mailing address; (3) social security number; (4) last known telephone number; and (5) his or her dates of employment and/or weeks worked during the Class Period. The Class Data shall be based on Defendants' payroll, personnel, and other business records.
8. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.
9. **Class Notices**: The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
10. **Class Period**: March 19, 2020, through June 22, 2025, or, if applicable, the Alternate End Date (as defined in Paragraph III.54.A, below).
11. **Class Representatives or Plaintiffs**: Victor August and Steven Scott.
12. **Class Representative Enhancement Payments**: The amount the Court awards to Plaintiffs, which will not exceed \$10,000 to each Plaintiff. This payment shall be paid from the Gross Settlement Amount. This payment is being offered in consideration for Plaintiffs executing a general release of claims against Defendants, a release that is broader than any Participating Class Member will provide in consideration for a settlement share. This payment is also offered in consideration for the Plaintiffs' actions in conferring a benefit upon the State of California and the Class, and the time and effort Plaintiffs put into pursuing the litigation. If the Court awards less than the amount requested, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
13. **Cost Award**: The amount that the Court orders Defendants to pay Class

Counsel for payment of actual litigation costs, which shall not exceed \$40,000. The Cost Award will be paid from the Gross Settlement Amount and will not be opposed by Defendants. The Cost Award is subject to Court approval. If the actual costs incurred are less than the amount allocated in this Agreement, or if the Court awards less than the amount requested, the difference in the amount allocated in this Agreement and the amount awarded by the Court will become part of the Net Settlement Amount for distribution to Participating Class Members.

14. **Counsel for Defendants:** Philip Azzara of Fisher & Phillips LLP.
15. **Court:** Superior Court of California for the County of Yolo.
16. **Defendants:** CME Transco, LLC, Performance Food Group, Inc., and Core-Mark International, Inc.
17. **Disbursement of the Settlement:** Within ten (10) business days after the Settlement Administrator's receipt of the Gross Settlement Amount, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Net PAGA Settlement Amount to PAGA Group Members; (3) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (4) the Class Representative Enhancement Payments paid to the Class Representatives, as approved by the Court; (5) the Administration Costs, as approved by the Court; and (6) the LWDA Payment to the LWDA.
18. **Effective Final Settlement Date:** The effective date of this Settlement will be when the final approval of the settlement can no longer be appealed, or, if there are no objectors and no plaintiffs in intervention at the time the court grants final approval of the settlement, the date the court enters judgment granting final approval of the settlement.
19. **Employer Taxes:** Defendants' portion of payroll taxes as the Class Members' current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) owed to the appropriate local, state, and federal taxing authorities. Defendants will pay their portion of employer payroll taxes separate and apart from the Gross Settlement Amount.
20. **Final Judgment or Final Approval:** The final order entered by the Court approving this Agreement.
21. **Funding of Settlement:** Defendants shall wire or otherwise provide to the Settlement Administrator the Gross Settlement Amount no later than ten (10) business days after the Effective Final Settlement Date.
22. **Gross Settlement Amount or GSA:** The total value of the Settlement is a non-

reversionary amount of \$1,500,000. This is the gross amount Defendants can be required to pay under this Settlement Agreement, with the exception of its obligation to pay Employer Taxes and any additional amounts owed pursuant to the escalator provision (as defined in Paragraph III.54.A, below). The Gross Settlement Amount includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payments paid to the Class Representatives, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to PAGA Group Members, as approved by the Court. Defendants' portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants for any reason.

23. **Individual Class Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Class Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Class Settlement Share automatically, without the return of a claim form.
24. **Individual PAGA Settlement Share(s)**: The amount payable to each PAGA Group Member under the terms of this Settlement Agreement. PAGA Group Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Also, even if a PAGA Group Member requests exclusion from the Class Settlement as described in this Agreement, the PAGA Group Member will receive an Individual PAGA Settlement Share. Therefore, PAGA Group Members will receive an Individual PAGA Settlement Share automatically, without the return of a claim form and regardless of whether they request to be excluded from the Class Settlement.
25. **LWDA**: California Labor and Workforce Development Agency ("LWDA").
26. **LWDA Payment**: Refers to the \$56,250, seventy-five percent (75%) of the PAGA Payment of \$75,000, that is to be paid to the LWDA as described in this Settlement.
27. **Net PAGA Settlement Amount or NPSA**: Refers to the \$18,750, twenty-five percent (25%) of the PAGA Payment of \$75,000.00, that is to be paid to the PAGA Group Members as described in this Settlement.
28. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorneys Fee Award, Cost Award, Class Representative Enhancement Payments, the PAGA Payment, and Administration Costs. In other words, the NSA is the

portion of the GSA that will be distributed to Participating Class Members. The payment of employee-side taxes on the portion of the settlement shares earmarked as wages shall be paid out of the Net Settlement Amount. Thus, the Individual Settlement Shares that are paid out of the Net Settlement Amount shall be reduced by the employee's tax liability for the share for the portion of the settlement shares allocated as wages.

29. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
30. **PAGA Data**: The electronic database Defendants shall deliver to the Settlement Administrator which will list the following information for each PAGA Group Member: (1) last known first and last name; (2) last known mailing address; (3) social security number; (4) last known telephone number; and (5) his or her dates of employment and/or the total number of pay periods during which the PAGA Group Member performed work during the PAGA Period as a member of the PAGA Group Members. The PAGA Data shall be based on Defendant's payroll, personnel, and other business records.
31. **PAGA Group Members**: All current and former California-based truck drivers, driver helpers, and related job classifications employed by Defendants Core-Mark International, Inc. and/or CME Transco, LLC, within the State of California, at any time from January 8, 2023, through June 22, 2025, or, if applicable, the Alternate End Date (as defined in Paragraph III.54.A, below).
32. **PAGA Payment**: Refers to the \$75,000 the Parties have agreed to settle the PAGA claims. 75% of this amount, or \$56,250, shall be paid to the LWDA. The remaining 25%, or \$18,750, shall become part of the Net PAGA Settlement Amount payable to PAGA Group Members.
33. **PAGA Period**: January 8, 2023, through June 22, 2025, or, if applicable, the Alternate End Date.
34. **PAGA Settlement**: Refers to the settlement of claims included in the Released PAGA Claims, for which PAGA Group Members will receive an Individual PAGA Settlement Share payment.
35. **Participating Class Members**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
36. **Parties**: Plaintiffs Victor August and Steven Scott, as individuals and as Class Representatives, and Defendants CME Transco, LLC, Performance Food Group, Inc., and Core-Mark International, Inc..
37. **Preliminary Approval or Preliminary Approval Order**: The Court's order preliminarily approving the Class Settlement.

38. **Released Class Claims:** Any and all claims alleged by Plaintiffs, on behalf of themselves and/or any putative class of employees as set forth in the *Scott* Class Action and the *August* Class Action, based on the facts and causes of action alleged in the first amended consolidated complaint that will be filed in the *Scott* Class Action, and that could have been asserted based on said facts and causes of action, including any and all claims relating to the payment of minimum wages, overtime wages, rest periods, meal periods, wage statement and paystubs, penalties, meal and rest period penalties, waiting time penalties, unreimbursed business expenses, unfair business practices related to the alleged Labor Code violations, interest, and attorney's fees during the Class Period.
39. **Released PAGA Claims:** Plaintiffs, or such other designee who has properly exhausted administrative requirements, acting in the capacity of a representative of the State of California, and on behalf of the group of PAGA Group Members, shall agree to release any and all claims for PAGA penalties alleged by Plaintiffs, as set forth in the *Scott* PAGA Action and the *August* PAGA Action, and the corresponding LWDA notice letters (including but not limited to the January 8, 2024 letter on behalf of Plaintiff Steven Scott and alleged aggrieved employees, and the March 14, 2024 letter on behalf of Plaintiff Victor August and alleged aggrieved employees), based on the facts and causes of action alleged in the first amended consolidated complaint that will be filed in the *Scott* Class Action, and that could have been asserted by the Labor Commissioner against Defendants under the PAGA during the PAGA Period, Cal. Lab. Code § 2698, *et seq.* based on said facts and causes of action, including any and all claims for PAGA penalties relating to the payment of minimum wages, overtime wages, rest periods, meal periods, wage statement and paystubs, penalties, meal and rest period penalties, waiting time penalties, unreimbursed business expenses, interest, and attorney's fees during the PAGA Period.
40. **Released Parties:** Defendants, and their respective officers, directors, shareholders, partners, members, customers, agents and employees, and all parents, subsidiaries and related or affiliated entities.
41. **Response Deadline:** Sixty (60) calendar days from the initial mailing of the Class Notices.
42. **Settlement Administration:** The Settlement Administrator will use the National Change of Address Database to obtain updated addresses for Class Members. The Settlement Administrator will mail the Class Notices by first class U.S. Mail to all Class Members at the address resulting from the search of the National Change of Address Database. The Class Notices will inform Class Members that they have until the Response Deadline to either object to the Settlement or to opt-out of the Settlement. Any Class Member who does not receive notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment.

43. **Settlement Administrator:** The third-party administrator agreed upon by Parties to administer this Settlement is ILYM Group, Inc. (“ILYM”).

II. **RECITALS**

44. Plaintiff Scott filed a class action complaint on March 19, 2024, in the Superior Court of California, County of Yolo (Case No. CV2024-0729). The *Scott* Class Action alleges the following causes of action against Defendants: 1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); 2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); 3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); 4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); 5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); 6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); 7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); 8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); 9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and 10) Violation of California Business & Professions Code §§ 17200, et seq.
45. Plaintiff Scott submitted his Notice of Labor Code Violations to the LWDA on January 8, 2024. Thereafter, a PAGA representative action complaint against Defendants was filed by Plaintiff Scott (as an agent of the LWDA) in the Superior Court of California, County of Yolo on March 19, 2024 (Case No. CV2024-0730). The *Scott* PAGA Action sought civil penalties under the PAGA for the same Labor Code violations alleged in the *Scott* Class Action that were suffered by allegedly similar aggrieved employees.
46. Plaintiff August filed a class action complaint on March 20, 2024, in Sacramento County Superior Court (Case No. 24CV005325). The Class Action alleges the following causes of action against Defendant CME Transco, LLC: 1) Failure to Pay All Straight Time Wages; 2) Failure to Provide Meal Periods; 3) Failure to Authorize and Permit Rest Periods; 4) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 5) Failure to Pay all Wages Due at the Time of Termination of Employment; 6) Failure to Reimburse/Illegal Deductions; and 7) Violation of Unfair Competition Law, on behalf of Plaintiff and those similarly situated
47. Plaintiff August submitted his Notice of Labor Code Violations to the LWDA on March 14, 2024. Thereafter, a PAGA representative action complaint against Defendant CME Transco, LLC was filed by Plaintiff (as an agent of the LWDA) in the Superior Court of California, County of Sacramento on May 21, 2024 (Case No. 24CV009992). The PAGA Action sought civil penalties under the PAGA in relation to the following alleged violations suffered by allegedly similar aggrieved employees: 1) Failure to Pay All Straight, Regular Rate Wages for All Work Performed; 2) Failure to Provide Meal Periods; 3) Failure

to Provide Rest Periods; 4) Failure to Pay Wages Due at Termination and During Employment; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statements; 6) Failure to Employees Two Times Per Month; and 7) Failure to Reimburse Business Expenses Incurred in Discharging Duties.

45. The Parties met and conferred regarding the case on multiple occasions and then agreed to attend a global mediation to resolve the Actions. Prior to the mediation, Defendants provided class-wide data, documents, and information permitting Plaintiffs and their lawyers to fully evaluate class-wide exposure.
46. On April 23, 2025, the parties participated in a full-day mediation with respected wage and hour mediator, Kevin Barnes, which ultimately resulted in the settlement that is reflected in this Agreement.
47. **Benefits of Settlement to Class Members.** Plaintiffs and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendants through trial and through any possible appeals. Plaintiffs and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiffs and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiffs and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.
48. **Defendants' Reasons for Settlement.** Defendants recognize that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendants have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiffs. Defendants, therefore, have agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
49. **Defendants' Denial of Wrongdoing.** Defendants and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendants or the Released Parties. This Settlement and the fact that Plaintiffs and Defendants were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement). Nothing in this Agreement shall be construed as an admission by Defendants of any liability or wrongdoing as to Plaintiffs, Class Members, alleged aggrieved

employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. Moreover, it is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that a class action is appropriate. The Parties have entered into this Settlement with the intention of avoiding further disputes and litigation with the attendant inconvenience, expenses and risks. Defendants agree to certification of this class solely for purposes of this settlement. It is not an admission that class certification is proper. Should any part of this settlement not be approved or be terminated, the settlement class (if certified) will be decertified and the conditional agreement to class certification will be inadmissible and have no effect on any future actions related to this litigation.

- 50. Plaintiffs' Claims.** Plaintiffs assert that Defendants' defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiffs, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, the Plaintiffs, Participating Class Members, PAGA Group Members, and Class Counsel will not oppose Defendants' efforts to use this Agreement to prove that Plaintiffs, Participating Class Members, and PAGA Group Members have resolved and are forever barred from re-litigating the claims released under this Agreement.
- 51.** Whether or not there is a Final Judgment, neither the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Plaintiffs or Defendants or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.
- 52.** This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may only be admitted in evidence and otherwise used in any and all proceedings for the limited purpose of enforcing any or all terms of this Agreement or defending any claims released or barred by this Agreement.

III. SETTLEMENT TERMS AND CONDITIONS

- 54. Gross Settlement Amount.** Subject to the terms and conditions of this

Agreement, the maximum Gross Settlement Amount that Defendants are obligated to pay under this Settlement Agreement, with the exception of their obligation to pay Employer Taxes and any additional amounts owed pursuant to the Escalator Provision (as set forth in subsection A, below), is \$1,500,000. The Gross Settlement Amount includes, but is not limited to: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement Payments paid to the Class Representatives, as approved by the Court; (4) the Administration Costs, as approved by the Court; and (5) the PAGA Payment, as approved by the Court. Defendants' portion of payroll taxes as the Class Members' current or former employer will be paid outside of and in addition to the Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendants for any reason.

A. Escalator Provision: Defendants certify that the number of workweeks for all Class Members from March 19, 2020, through April 23, 2025, is 74,547 workweeks (the "Certified Workweek Amount"). If the actual number of workweeks for all Class Members from March 19, 2020, to June 22, 2025, should exceed the Certified Workweek Amount by more than ten percent (10%), Defendants shall have the option, in their sole discretion, of either (a) increasing the Gross Settlement Amount by the percentage increase in the number of workweeks worked by the Class Members above ten percent (10%) (e.g., if the number of workweeks increases by 11%, the Gross Settlement Amount will increase by 1%; if the number of workweeks increases by 12%, the Gross Settlement Amount will increase by 2%); or (b) rolling back the Class Period to an earlier date in time so as to allow for a reduction in the total workweek count as of a date (prior to June 22, 2025) in which the total workweek count does not exceed 82,002 workweeks ("Alternate End Date"). Should Defendants elect to end the Class Period on the Alternate End Date, the PAGA Period shall also end on the Alternate End Date.

55. Class Certification. Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.

56. Conditional Nature of Stipulation for Certification. The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiffs and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the

Settlement does not become effective, Defendants reserve the right to contest any issues relating to class certification and liability.

- 57. **Appointment of Class Representatives.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiffs Victor August and Steven Scott shall be appointed as representatives for the Class.
- 58. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- 59. **Individual Class Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Class Settlement Share from the Net Settlement Amount to each Participating Class Member.

A. Calculation.

- i. **Individual Class Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Defendants, based on the Class Data provided by Defendants, divided by (ii) the total number of weeks worked by all Participating Class Members during the Class Period based on the same Class Data, which is then multiplied by the Net Settlement Amount. Therefore, the value of each Class Member's Individual Settlement Share ties directly to the amount of weeks that he or she worked for Defendants in California.

B. Tax Withholdings. Each Class Member's Individual Settlement Share will be apportioned as follows: one-third wages, one-third penalties, and one-third interest. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be paid from each Class Member's Individual Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

- 60. **Individual PAGA Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual PAGA Settlement Share from the Net PAGA Settlement Amount to each PAGA Group Member.

A. Calculation.

- i. Individual PAGA Settlement Share Calculation.** Each PAGA Group Member will receive a proportionate share of the Net PAGA Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendants during the PAGA Period based on the PAGA Data provided by Defendants, divided by (ii) the total number of pay periods worked by all PAGA Group Member during the PAGA Period based on the same PAGA data, which is then multiplied by the Net PAGA Settlement Amount. Therefore, the value of each PAGA Group Member's Individual PAGA Settlement Share ties directly to the amount of pay periods that he or she worked during the PAGA Period for Defendants in California.

- B. Tax Withholdings.** Each PAGA Group Member's Individual PAGA Settlement Share will be apportioned as 100% penalties. The Individual PAGA Settlement Shares shall therefore be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms.

- 61. Constituents of Gross Settlement Amount Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator shall disburse the Gross Settlement Amount as directed later on herein to the following:

- A. To the Named Plaintiffs:** In addition to their Individual Settlement Shares, and subject to the Court's approval, the named Plaintiffs Victor August and Steven Scott, will receive up to \$10,000 each in consideration for providing Defendants a General Release, a release that is broader than the claims released by Participating Class Members. Defendants shall not oppose this request. The Settlement Administrator will pay the Class Representative Enhancement Payments out of the Gross Settlement Amount. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payments. An IRS Form 1099 will be issued to Plaintiffs with respect to his Class Representative Enhancement Payments.
- B. To Class Counsel.** At the Final Approval Hearing, Class Counsel will apply to the Court for an Attorneys Fee Award not to exceed 35% of the GSA (which currently equates to \$525,000) and a Cost Award not to exceed \$40,000. Defendants shall not oppose this request. The Settlement Administrator will pay the Court approved amounts for the Attorneys Fee Award and Cost Award out of the Gross Settlement Amount. The Settlement Administrator may, at the request of Class Counsel, purchase an annuity to utilize U.S. treasuries and bonds or other attorneys fee deferral

vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorneys Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorneys Fee Award. In the event the Court does not approve the entirety of the application for the Attorneys Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendants nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorneys Fee Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.

- C. To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each Class Member's Individual Settlement Share. Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) will be paid outside of and in addition to the GSA. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and will forward the amount of the Participating Class Members' portion of normal payroll withholding taxes to the appropriate taxing authorities.
- D. To the Settlement Administrator.** The Settlement Administrator – ILYM – will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$17,000. This will be paid out of the Gross Settlement Amount. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- E. To the LWDA and PAGA Group Members.** The Settlement Administrator will pay \$56,250 of the PAGA Payment to the LWDA. This is 75% of the \$75,000 allocated to satisfy the PAGA penalties claim. The remaining 25% of the PAGA Payment (which equates to \$18,750) shall become part of the Net PAGA Settlement Amount payable to PAGA Group Members.
- F. To Participating Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members and PAGA Group Members shall be made from the Gross Settlement Amount.

- 62. Appointment of Settlement Administrator.** Solely for the purposes of this

Settlement, the Parties stipulate and agree that ILYM shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Class Notice to Class Members and PAGA Group Members; performing skip traces and remailing notices to Class Members and PAGA Group Members; calling Class Members and PAGA Group Members with undeliverable notices to obtain accurate addresses; keeping track of any objections or requests for exclusion from Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's and PAGA Group Member's Individual Settlement Share; maintaining a website which will include settlement documents; providing weekly status reports to Defendants' Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing and remailing Individual Settlement Shares to Participating Class Members and PAGA Group Members; calculating and mailing the LWDA Payment to the LWDA; distributing the Attorneys Fee Award and Cost Award to Class Counsel; printing and providing Participating Class Members, PAGA Group Members, and Plaintiffs with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Court upon the completion of the Settlement; providing any funds remaining as a result of uncashed checks to the State Controller's Office in the name of the Participating Class Member, in the amounts directed per this Settlement, including the administration of related tax reimbursements; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in ILYM or otherwise have a relationship with ILYM that could create a conflict of interest.

63. Procedure for Approving Settlement.

- A. **Cooperation.** All Parties and their counsel shall support the Settlement and take such steps as are reasonably necessary to effectuate the Settlement.
- B. **Amending the *Scott* Class Action.** Plaintiffs agree to prepare, for Defendants' review and comment, a first amended consolidated complaint, to be filed in the *Scott* Class Action, that will serve to add all parties and all claims encompassed within the *Scott* Class Action, the *August* Class Action, the *Scott* PAGA Action, and the *August* PAGA Action. Once the Parties are in full agreement on the proposed first amended consolidated complaint, the Parties will enter into a stipulation to allow for the filing of the proposed first amended consolidated complaint for settlement purposes only. As part of the stipulation, the Parties will stipulate that Defendant Performance Food Group, Inc., which did not employ Class Members, will be dismissed from the action without prejudice. Once the Court in the *Scott* Class Action has executed the order allowing for the filing of the first amended consolidated complaint in the *Scott* Class Action and the first amended

consolidated complaint has been filed, counsel for the Plaintiffs will dismiss the *Scott* PAGA Action, the *August* Class Action, and the *August* PAGA Action without prejudice.

C. Motion for Preliminary Approval and Conditional Certification.

- i. Plaintiffs will move for an order: (1) conditionally certifying the Class for settlement purposes only; (2) granting Preliminary Approval of the Settlement; (3) setting a date for the Final Approval hearing; and (4) approving the Class Notice.
- ii. At the same time that Plaintiffs file their Motion for Preliminary Approval, Plaintiffs shall send a copy of the Agreement to the LWDA pursuant to the 2016 amendments to PAGA.
- iii. At the Preliminary Approval hearing, Plaintiffs will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- iv. **Effect of Denial of Preliminary Approval.** Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement Agreement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payments are not to be deemed “material aspects of the Settlement” such that the failure of the Court to award the amounts agreed upon for these items would serve to nullify the Agreement. In the event the Court declines to award the amounts agreed upon for these items, different amounts shall be determined by the Court and the Court’s determination on these amounts shall be final and binding. The Court’s approval or denial of any amount requested for these items is not a condition of this Settlement Agreement, and these items are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement Agreement. Any order or proceeding relating to an application for the Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payments shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff’s or Class Counsel’s ability to appeal any decision by the Court to award less than the requested

Attorneys Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement Payments.

D. Notice to Class Members and PAGA Group Members. After the Court enters its Preliminary Approval Order, every Class Member and PAGA Group Member will be provided with the Class Notice in accordance with the following procedure:

- i. Delivery of Class and PAGA Data.** Within ten (10) business days after entry of the Preliminary Approval Order, Defendants shall deliver to the Settlement Administrator an electronic database, which will list the Class and PAGA Data. The Settlement Administrator will use the National Change of Address Database to obtain updated addresses for Class Members. The Class Data and PAGA Data shall be based on Defendants' payroll, personnel, and other business records. The Settlement Administrator shall maintain the Class and PAGA Data and all information contained within the Class and PAGA Data as private and confidential.
- ii. Preparation of Class Notices.** Based on the information in the Class and PAGA Data and the formulae set forth in Paragraph 59(A)(i) and 60(A)(i), above, the Settlement Administrator shall promptly calculate the estimated Individual Settlement Share and Individual PAGA Settlement Share for every Class Member and PAGA Group Member, to be included in the individualized Class Notices to be sent to that Class Member and/or PAGA Group Member, and shall prepare and mail a spreadsheet setting forth those calculations to Class Counsel and Defendants' Counsel no fewer than five (5) days before mailing the Class Notices to Class Members and PAGA Group Members. The Class Notices will inform each Class Member of his/her right to do nothing, dispute the number of workweeks worked, opt out of the Settlement, or object to the Settlement. It will also inform Class Members that if they first request exclusion from the Settlement and then object, the objections would not be considered valid. In addition, if the Class Members object and then request exclusion from the Class Settlement, the Class Members would be deemed to have waived their objection.
- iii. Mailing of Class Notices.** Within ten (10) business days after receipt of the Class and PAGA Data, the Settlement Administrator will mail via first-class regular U.S. Mail the Class Notice to all identified Class Members and PAGA Group Members using the mailing address information provided by Defendants and the results of the search of the National Change of Address Database on all Class Members and PAGA Group Members.

- iv. **Returned Notices.** If a Class Notice is returned because of an incorrect address, within five (5) business days from receipt of the returned notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail, performing address searches for all mail returned without a forwarding address, and promptly re-mailing to Class Members for whom new addresses are found. Class Members to whom Notices are re-mailed after having been returned to the Settlement Administrator shall have an additional fifteen (15) calendar days beyond the Response Deadline to dispute the number of work weeks worked, opt out of the Settlement, or object to the Settlement.
- v. **Weekly Status Reports.** The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendants' Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion or objections received.
- vi. **Settlement Administrator's Declaration.** No later than fifteen (15) calendar days after the Response Deadline, or on a date mutually agreed upon by the Parties and the Settlement Administrator, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel at the same time as the final approval motion is filed. Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

E. Objections to Settlement. The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings.

- i. **Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.
- ii. **Notice of Intent to Appear.** Objecting Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel. Objecting Class Members are permitted to appear regardless of whether they submitted a written objection.

F. Request for Exclusion from the Settlement ("Opt-Out"). The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and the last four digits of the Class Member's social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful representative; and (e) be postmarked no later than the Response Deadline.

- i. **Effect of "Opt-Out."** Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share or any benefit of this Settlement. If the Class Member is also a PAGA Group Member as defined in this Agreement, however, he or she will still receive an Individual PAGA Settlement Share payment as approved by the Court. PAGA Group Members have no right to opt-out of the PAGA Settlement.
- ii. **Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely, valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Class Settlement Share, and be bound by all terms and

conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.

- iii. **Report.** No later than five (5) business days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.

G. Class Member and PAGA Group Member Disputes. If a Class Member or PAGA Group Member who receives a Class Notice wishes to dispute the number of work weeks listed on the Class Notice, the Class Member or PAGA Group Member may notify the Settlement Administrator by mail or telephone no later than the Response Deadline and should produce any available supporting evidence, such as wage statements, offers of employment, termination letters, and/or other employment records, to the Settlement Administrator. The documentation should provide evidence of the dates the Class Member or PAGA Group Member contends he or she worked for Defendant during the Class or PAGA Period. The Settlement Administrator shall then provide the documentation provided by the Class Member or PAGA Group Member to Defendants. Defendants shall review their records, the documentation provided by the Class Member or PAGA Group Member, and shall provide information to the Settlement Administrator in response to any such disputed claim. Defendants' records shall be presumed to be determinative, but the Settlement Administrator shall evaluate the evidence submitted by the Class Member or PAGA Group Member and make the decision as to which dates should be applied. The determination by the Settlement Administrator shall be final and binding.

H. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

I. Motion for Final Approval.

- i. Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1)

the Attorneys' Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Enhancement Payments; and (5) PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Class Claims and Released PAGA Claims of the Participating Class Members, the PAGA Group Members, and the LWDA.

ii. **Denial or Appeal of Final Approval.** If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendants to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement Payments, Attorneys Fee Award, Cost Award, and Administration Costs award will not constitute a material modification to the Settlement within the meaning of this paragraph.

iii. **Proposed Order and Judgment.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under Court rules and applicable law.

J. **Waiver of Right to Appeal.** Provided that the judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.

K. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a

notice of appeal, the reviewing Court vacates, reverses, or modifies the judgment such that there is a material modification to the Settlement Agreement, and that Court's decision is not completely reversed and the judgment is not fully affirmed on review by a higher Court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

L. Disbursement of Settlement Shares and Payments. Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Court's Final Approval Order and Judgment. The Settlement Administrator shall keep Defendants' Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendants' Counsel and Class Counsel. No person shall have any claim against Defendants, Defendants' Counsel, Plaintiffs, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.

- i. Funding the Settlement:** Defendants shall wire or otherwise provide to the Settlement Administrator the Gross Settlement Amount and Employer Taxes no later than ten (10) business days after the Effective Final Settlement Date.
- ii. Disbursement:** Within ten (10) business days after the Defendants provides the GSA to the Settlement Administrator, the Settlement Administrator shall disburse: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) the Net PAGA Settlement Amount to be Paid to PAGA Group Members; (3) the Attorneys Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (4) the Class Representative Enhancement Payments paid to the Class Representatives, as approved by the Court; (5) the Administration Costs, as approved by the Court; (6) the LWDA Payment to the LWDA; and (7) Defendants' portion of payroll taxes as the Class Members' current or former employer.
- iii. Qualified Settlement Fund or QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.468B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set

forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

M. Settlement Administrator's Final Report. Within ten (10) business days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. The Parties shall file this declaration with the Court. The Settlement Administrator will provide any supplemental declaration required by the Court or the Parties.

N. Uncashed Checks. Participating Class Members and PAGA Group Members must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them.

i. Reminder Postcard. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced.

ii. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within one hundred eighty (180) calendar days after the checks are mailed, cancel the checks. All funds associated with the Individual Settlement Share checks returned as undeliverable and funds associated with those Individual Settlement Share checks remaining un-cashed, shall be transmitted by the Settlement Administrator to the California State Controller – Unclaimed Property Division, with the identity of the Participating Class Member to whom the funds belong. The funds shall be held by the California State Controller – Unclaimed Property Division in the name of the Participating Class Member.

O. Defendants' Legal Fees. Defendants are responsible for paying for all of Defendants' own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Amount.

64. Release of Class Claims. As of the date the Gross Settlement Amount is provided by Defendants to the Settlement Administrator, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Class Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Class Claims.

65. **Release of PAGA Claims.** As of the date the Gross Settlement Amount is provided by Defendants to the Settlement Administrator, Plaintiffs, or such other designee who has properly exhausted administrative requirements, acting in the capacity of a representative of the State of California, and on behalf of the group of the PAGA Group Members, will release the Released Parties from the Released PAGA Claims. PAGA Group Members may not opt out of the PAGA Settlement.
66. **Plaintiffs' Release of Claims and General Release.** As of the date the Gross Settlement Amount is provided by Defendants to the Settlement Administrator, and in exchange for the Class Representative Enhancement Payments to the named Plaintiffs in an amount not to exceed \$10,000 each, Plaintiffs Victor August and Steven Scott shall, on behalf of themselves and their respective spouses, heirs, successors and assigns, forever release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, from the beginning of time through the date of his signature on this Agreement, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to their employment with Defendants or the remuneration for, or termination of, such employment. Plaintiffs' Release of Claims also includes a waiver of California Civil Code section 1542, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

This release excludes any claims that may not be released as a matter of law.

67. **Miscellaneous Terms**

- A. **No Admission of Liability.** Defendants make no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendants reserve the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendants deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is

intended or will be construed as an admission by Defendants of liability or wrongdoing. This Settlement and Plaintiffs' and Defendants' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).

- B. No Effect on Employee Benefits.** The Class Representative Enhancement Payments and/or Individual Settlement Shares paid to Plaintiffs and Participating Class Members and/or PAGA Group Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiffs, the Participating Class Members, or PAGA Group Members. The Parties agree that any Class Representative Enhancement Payments and/or Individual Settlement Share paid to Plaintiffs or the Participating Class Members and/or PAGA Group Members under the terms of this Agreement do not represent any modification of Plaintiffs', Participating Class Members', and/or PAGA Group Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendants. Further, any Class Representative Enhancement Payments shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendants.
- C. Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
- D. Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendants' Counsel warrant and represent that they are authorized by Plaintiffs and Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents,

supplemental provisions, and assistance of the Court will be consistent with this Agreement.

- E. Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
- F. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Court.
- G. Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
- H. Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- I. No Prior Assignment.** Plaintiffs hereby represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
- J. Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
- K. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
- L. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members and PAGA Group Members will assume any such

tax obligations or consequences that may arise from this Agreement, and that Class Members and PAGA Group Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member or PAGA Group Member, such Class Member assumes all responsibility for the payment of such taxes.

M. Jurisdiction of the Court. The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

N. Invalidity of Any Provision; Severability. Before declaring any provision of this Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

O. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

P. Execution in Counterpart. This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

[signatures on the following pages]

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Agreement.

Dated: 10/10/2025

VICTOR AUGUST

DocuSigned by:

998D02703AB7402...

Dated: _____

STEVEN SCOTT

Dated: _____

CME TRANSCO, LLC

Name:
Title:

Dated: _____

PERFORMANCE FOOD GROUP, INC.

Name:
Title:

Dated: _____

CORE-MARK INTERNATIONAL, INC.

Name:
Title:

IV. EXECUTION BY PARTIES AND COUNSEL

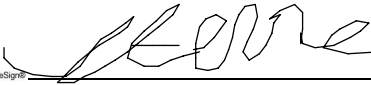
The Parties and their counsel execute this Agreement.

Dated: _____

VICTOR AUGUST

Dated: 10/09/2025

STEVEN SCOTT

Electronically Signed _____ 2025-10-09 18:54:52 UTC, 73.2.100.137

Hinter AssureSign® _____ e2f6c236-e1d6-4a89-bdd3-638015d82e1e

Dated: _____

CME TRANSCO, LLC

Name:
Title:

Dated: _____

PERFORMANCE FOOD GROUP, INC.

Name:
Title:

Dated: _____

CORE-MARK INTERNATIONAL, INC.

Name:
Title:

Dated: October 10, 2025

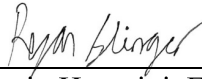
MARA LAW FIRM, PC



David Mara, Esq.
Matthew Crawford, Esq.
Attorneys for Plaintiffs, on behalf of themselves, and
the Settlement Class

Dated: 10/09/2025

LAWYERS FOR JUSTICE, PC



Yasmin Hosseini, Esq.
Ryan Slinger, Esq.
Attorneys for Plaintiffs, on behalf of themselves, and
the Settlement Class

Dated: _____

FISHER & PHILLIPS LLP

Philip Azzara, Esq.
Attorneys for Defendants

Exhibit A

CALIFORNIA SUPERIOR COURT, COUNTY OF YOLO

Steven Scott and Victor August, individually, and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees, Plaintiffs, vs. Performance Food Group, Inc.; Core-Mark International, Inc.; Performance Foodservice; CME Transco, LLC, Defendants
Case No. CV2024-0729

NOTICE OF CLASS ACTION SETTLEMENT

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected by whether you act or don't act.*

TO: All current and former California-based truck drivers, driver helpers, and related job classifications employed by Defendants Core-Mark International, Inc. and/or CME Transco, LLC, within the State of California, at any time from March 19, 2020, through June 22, 2025.

The Superior Court for the County of Yolo has granted preliminary approval to a proposed settlement (“Settlement”) of the above-captioned action (“the Lawsuit”). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement (“Notice”) carefully.

The Court has certified the following class for settlement purposes (“Class” or “Class Members”):

All current and former California-based truck drivers, driver helpers, and related job classifications employed by Defendants Core-Mark International, Inc. and/or CME Transco, LLC, within the State of California, at any time from March 19, 2020, through June 22, 2025.

The purpose of this Notice is to provide a brief description of the claims alleged in the Lawsuit, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

WHAT INFORMATION IS IN THIS NOTICE

1. Why Have I Received This Notice?.....	Page 1
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1. Why Have I Received This Notice?

Core-Mark International, Inc., Performance Food Group, Inc. and/or CME Transco, LLC’s (hereinafter referred to as “Defendants”) records indicate that you may be a Class Member. The settlement will resolve all Class

Members' Released Claims, as described in Section No. 9 below, from March 19, 2020, through **June 22, 2025** (the "Class Period").

A Preliminary Approval Hearing was held on **INSERT**, in the California Superior Court, County of Yolo. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Fairness Hearing concerning the proposed settlement on **[final approval date]** at **[time]**, before Honorable Samuel T. McAdam in Department 14, located at 1000 Main Street, Woodland, CA 95695.

2. *What Is This Case About?*

Plaintiff Steven Scott filed a class action complaint on March 19, 2024, in Yolo County Superior Court (Case No. CV2024-0729) (the "*Scott Class Action*"). The action alleges the following causes of action against Defendants: 1) Unpaid Overtime; 2) Unpaid Meal Period Premiums; 3) Unpaid Rest Period Premiums; 4) Unpaid Minimum Wages; 5) Final Wages Not Timely Paid; 6) Wages Not Timely Paid During Employment; (7) Non-Compliant Wage Statements; 8) Failure To Keep Requisite Payroll Records; 9) Unreimbursed Business Expenses; and 10) Violation of California Business & Professions Code.

Plaintiff Steven Scott submitted a Notice of Labor Code Violations to the LWDA on January 8, 2024. Thereafter, a PAGA representative action complaint against Defendants was filed by Plaintiff Scott (as an agent of the LWDA) in the Superior Court of California, County of Yolo on March 19, 2024 (Case No. CV2024-0730) (the "*Scott PAGA Action*"). The action sought civil penalties under the PAGA for the underlying wage and hour violations alleged in Plaintiff Scott's class action complaint.

Plaintiff Victor August filed a class action complaint on March 20, 2024, in Sacramento County Superior Court (Case No. 24CV005326) (the "*August Class Action*"). The action alleges the following causes of action against Defendants: 1) Failure to Pay All Straight Time Wages; 2) Failure to Provide Meal Periods; 3) Failure to Authorize and Permit Rest Periods; 4) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statement Provisions; 5) Failure to Pay all Wages Due at the Time of Termination of Employment; 6) Failure to Reimburse/Illegal Deductions; and 7) Violation of Unfair Competition Law.

Plaintiff Victor August submitted a Notice of Labor Code Violations to the LWDA on March 14, 2024. Thereafter, a PAGA representative action complaint against Defendants was filed by Plaintiff August (as an agent of the LWDA) in the Superior Court of California, County of Sacramento on May 21, 2024 (Case No. 24CV009997) (the "*August PAGA Action*"). The PAGA Action sought civil penalties under the PAGA in relation to the following alleged violations suffered by allegedly similar aggrieved employees: 1) Failure to Pay All Straight, Regular Rate Wages for All Work Performed; 2) Failure to Provide Meal Periods; 3) Failure to Provide Rest Periods; 4) Failure to Pay Wages Due at Termination and During Employment; 5) Knowing and Intentional Failure to Comply with Itemized Employee Wage Statements; 6) Failure to Employees Two Times Per Month; and 7) Failure to Reimburse Business Expenses Incurred in Discharging Duties.

All four of these matters have been effectively consolidated through the filing of the First Amended Complaint in Case No. 2024-0729.

The Court has not made any determination as to whether the claims advanced by the Plaintiffs have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiffs or Defendants; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial.

Defendants expressly deny that they did anything wrong or that they violated the law and further deny any liability whatsoever to Plaintiffs or to the Class. Defendants maintain that at all times their policies and practices were compliant with California law.

3. *Am I A Class Member? Am I A PAGA Group Member?*

You are a Class Member if you worked for Defendants as a California-based truck driver, driver helper, or related job classification at any time from March 19, 2020, through **June 22, 2025**.

If you worked for Defendants in the State of California as a Class Member from January 8, 2023, through **June 22, 2025**, you are also a PAGA Group Member under the settlement.

4. *How Does This Class Action Settlement Work?*

Plaintiffs brought these actions on behalf of themselves and all other similarly situated employees who were employed by Defendants as California-based truck drivers, driver helpers, or related job classifications at any time during the Class Period. Plaintiffs and these other current and former employees comprise a “Class.” The settlement of this Lawsuit resolves the Released Class Claims of all Class Members, as defined in the Settlement Agreement and Final Judgment, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

The Court must review the terms of the settlement and determine if it is fair and reasonable to the Class. The Court file has the settlement documents, which explain the settlement in greater detail. If you would like copies of the settlement documents, you can obtain them for a nominal fee at the Yolo County Superior Court, located at 1000 Main Street, Woodland, CA 95695. You may also contact Plaintiffs’ counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. *Who Are the Attorneys Representing the Parties?*

Attorneys for Plaintiffs and the Class	Attorneys for Defendants
LAWYERS FOR JUSTICE, PC Arby Aiwarzian Yasmin Hosseini Ryan Slinger 450 North Brand Blvd., Suite 900 Glendale, California 91203 Telephone: (818) 265-1020 Facsimile: (818) 265-1021 MARA LAW FIRM, PC David Mara Matthew Crawford 2650 Camino Del Rio North, Suite 302 San Diego, California 92108 Telephone: (619) 234-2833 Facsimile: (619) 234-4048	FISHER & PHILLIPS LLP Philip Azzara 2050 Main Street, Suite 1000 Irvine, California 92614 Telephone: (949) 851-2424 Facsimile: (949) 851-0152

The Court has decided that Lawyers for Justice, PC and Mara Law Firm, PC are qualified to represent you and all other Class Members together.

You do not need to hire your own attorney because Class Counsel is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

6. What Are My Options?

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: *Defendants will not retaliate against you in any way for either participating or not participating in this Settlement.*

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you will become part of this Class Action and may receive a payment from the Settlement. You will be bound to the release of the Released Class Claims as defined in the Settlement Agreement and the Final Judgment. You will also give up your right to pursue the Released Class Claims as defined in Section No. 9 below.
- **OPT OUT:** If you do not want to participate as a Class Member, you may “opt out,” which will remove you from the Class and this Class Action. If the Court grants final approval of the Settlement, you will not receive a Settlement payment and you will not give up the right to sue Defendants and the Released Parties for the Released Class Claims.
- **OBJECT:** You may file a legal objection to the proposed settlement. If you would like to object, you may not opt out of this case.

If you are a PAGA Group Member, you will receive a portion of the PAGA Payment and will be deemed to have released the PAGA Claims regardless of whether you opt-out of the settlement.

7. How Do I Opt Out Or Exclude Myself From This Settlement?

If you do not want to take part in the Settlement, you must mail a written Request for Exclusion to the Settlement Administrator. The written request for exclusion must: (a) state your name, address, telephone number, and social security number or employee identification number; (b) state your intention to exclude yourself from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator at [address]; (d) be signed by you or your lawful representative; and (e) be postmarked no later than [the Response Deadline].

If the Court approves the Settlement at the Final Approval Hearing, the Court will enter a Judgment. If you do not request exclusion from the Settlement, the Judgment will bind you to the terms of the Settlement. If you are a PAGA Group Member, you will receive a portion of the PAGA Payment, even if you opt-out of the settlement.

8. How Do I Object To The Settlement?

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by submitting your objection in writing, signed, dated, and mailed to the Settlement

Administrator postmarked no later than [the Response Deadline]. The objection must state: (a) your full name, address, and telephone number; (b) the words “Notice of Objection” or “Formal Objection;” (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) you may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval hearing. The objection will not be valid if it objects only to the appropriateness of the actions or their merits.

Class Members may appear at the Final Approval Hearing, either in person or through the objector’s own counsel, regardless of whether they submitted a written objection. If the Court rejects the objection, he/she will receive an Individual Settlement Share payment and will be bound by the terms of the Settlement.

9. *How Does This Settlement Affect My Rights? What are the Released Claims?*

If the proposed settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court’s Final Judgment and will release Defendants and the Released Parties¹ from the Released Class Claims. The Released Class Claims are:

Any and all claims alleged by Plaintiffs, on behalf of themselves and/or any putative class of employees as set forth in the *Scott* Class Action and the *August* Class Action, based on the facts and causes of action alleged in the first amended consolidated complaint that will be filed in the *Scott* Class Action, and that could have been asserted based on said facts and causes of action, including any and all claims relating to the payment of minimum wages, overtime wages, rest periods, meal periods, wage statement and paystubs, penalties, meal and rest period penalties, waiting time penalties, unreimbursed business expenses, unfair business practices related to the alleged Labor Code violations, interest, and attorney’s fees during the Class Period.

If you are a PAGA Group Member, you will be bound by the Final Judgment as to the Released PAGA Claims, even if you opt-out of the settlement. The Released PAGA Claims include:

Any and all claims for PAGA penalties alleged by Plaintiffs, as set forth in the *Scott* PAGA Action and the *August* PAGA Action, and the corresponding LWDA notice letters (including but not limited to the January 8, 2024 letter on behalf of Plaintiff Steven Scott and alleged aggrieved employees, and the March 14, 2024 letter on behalf of Plaintiff Victor August and alleged aggrieved employees), based on the facts and causes of action alleged in the first amended consolidated complaint that will be filed in the *Scott* Class Action, and that could have been asserted by the Labor Commissioner against Defendants under the PAGA during the PAGA Period, Cal. Lab. Code § 2698, *et seq.* based on said facts and causes of action, including any and all claims for PAGA penalties relating to the payment of minimum wages, overtime wages, rest periods, meal periods, wage statement and paystubs, penalties, meal and rest period penalties, waiting time penalties, unreimbursed business expenses, interest, and attorney’s fees during the PAGA Period.

10. *How Much Can I Expect to Receive From This Settlement?*

The total maximum amount that Defendants could be required to pay under this Agreement shall be up to but no

¹ “Released Parties” means Defendants, and their respective officers, directors, shareholders, partners, members, customers, agents and employees, and all parents, subsidiaries and related or affiliated entities.

more than \$1,500,000 (“Gross Settlement Amount” or “GSA”).

A. Deductions from the Settlement

The “Net Settlement Amount” or “NSA” means the portion of the GSA, available for distribution to Class Members after the deduction of (1) the Class Representative Enhancement Payments to the named Plaintiffs in an amount up to \$10,000 each, for prosecution of the Lawsuit, risks undertaken for the payment of attorneys’ fees and costs, and a general release of all claims; (2) the Settlement Administration Costs to the Settlement Administrator in an amount estimated not to exceed \$17,000; (3) a payment of \$75,000 allocated to the PAGA claims; and (4) payment to Class Counsel in an amount not to exceed \$525,000 (35% of the GSA) for attorneys’ fees and an amount not to exceed \$40,000 for litigation costs. All of these payments are subject to court approval.

B. How Class Member Settlement Payments are Calculated

After deducting the above-referenced items, the remaining Net Settlement Amount will be proportionately distributed amongst all Class Members who have not opted out. Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the number of weeks he or she worked for Defendants in California, based on the Class Data provided by Defendants, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class Data, which is then multiplied by the Net Settlement Amount. Therefore, the value of each Class Member’s Individual Class Settlement Share ties directly to the amount of weeks that he or she worked.

C. How PAGA Group Member Settlement Payments are Calculated

If you are a PAGA Group Member under the settlement, you will also receive a portion of the PAGA Payment. Pursuant to PAGA, the LWDA will receive a payment of \$56,250 (75% of the \$75,000 total PAGA Payment). The remaining \$18,750 is the “Net PAGA Settlement Amount” or “NPSA” and will be proportionately distributed amongst all PAGA Group Members. Each PAGA Group Member will receive a proportionate share of the Net PAGA Settlement Amount that is equal to (i) the number of pay periods he or she worked for Defendants in California, based on the Class Data provided by Defendants, divided by (ii) the total number of pay periods worked by all PAGA Group Members based on the same Class Data, which is then multiplied by the Net PAGA Settlement Amount. Therefore, the value of each Eligible PAGA Group Member’s Individual PAGA Settlement Share ties directly to the amount of pay periods that he or she worked.

D. Your Estimated Settlement Payment

Although your exact share of the Net Settlement Amount as a Class Member cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: \$ [REDACTED], less taxes. This is based on the Class Data which shows you worked [REDACTED] workweeks during the Class Period. The maximum number of workweeks any Class Member may have is [REDACTED].

If you are also a PAGA Group Member, you will receive a share of the Net PAGA Settlement Amount. Based upon the calculation above, your approximate share of the Net PAGA Settlement Amount, is as follows: \$ [REDACTED]. This is based on the PAGA Data which shows you worked [REDACTED] pay periods during the PAGA Period. The maximum number of pay periods any PAGA Group Member may have is [REDACTED].

E. Tax Treatment of Your Settlement Payments

Each Class Member’s Individual Class Settlement Share will be apportioned as follows: one-third wages, one-

third penalties, and one-third interest. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. The amounts paid as penalties and interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Only the employee share of payroll tax withholdings shall be paid from each Class Member's Individual Class Settlement Share. The employer share of payroll tax withholdings shall be paid separate from and in addition to the Gross Settlement Amount.

If you are a PAGA Group Member, your Individual PAGA Settlement Share will be apportioned as 100% penalties. This will not be reduced by payroll tax withholding and deductions. The Settlement Administrator will issue to each PAGA Group Member an IRS Form 1099 with respect to his/her Individual PAGA Settlement Share.

Nothing in this Notice is intended to constitute legal advice relating to the tax liability of any Class Member or PAGA Group Member. To the extent that this Notice is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

F. What Happens If You Don't Cash Your Check?

It is strongly recommended that upon receipt of your check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period, the Settlement Administrator will pay over the amount represented by the check to California State Controller – Unclaimed Property Division in the name of the Class Member.

11. How Will the Attorneys for the Class and the Class Representative Be Paid?

The attorneys for Plaintiffs and the Class will be paid from the GSA. Subject to Court approval, the attorneys for Plaintiffs and the Class shall be paid an amount not to exceed 35% of the GSA (\$525,000) for attorney fees and \$40,000 for litigation costs. Defendants have paid all of their own attorneys' fees and costs.

Plaintiffs will also be paid, subject to Court approval, an amount not to exceed \$10,000 each, as an enhancement for the initiation of and prosecution of this case, the risks undertaken for the payment of costs in the event this case had been lost, and a general release of all claims.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel listed above, or the Settlement Administrator at the telephone number listed below, toll free. You can also obtain documents related to this case and this settlement by visiting [\[administrator website\]](#), a website maintained by the Settlement Administrator. Please refer to the CME Transco Class Action Settlement.

This Notice does not contain all of the terms of the proposed settlement or all of the details of these proceedings. For more detailed information, you may obtain the underlying documents and papers on file with the Court for a nominal fee at the Yolo County Superior Court, located at 1000 Main Street, Woodland, CA 95695. You may also contact Plaintiffs' counsel and they will provide you with a copy free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

Exhibit 2