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ONTRAC and ONTRAC LOGISTICS, INC.

[ADDITIONAL COUNSEL ON NEXT PAGE]

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN BERNARDINO

PHILLIP BERNAL, an individual, and TRUHILL
NOEL, an individual, on behalf of themselves and
all others similarly situated,

Plaintiffs,

v.

EXPRESS MESSENGER SYSTEMS, INC., dba
ONTRAC, a Minnesota Corporation, ONTRAC
LOGISTICS, INC., a Delaware Corporation, and
DOES 2-10, Inclusive,

Defendants.

Case No. CIVSB2319614

ASSIGNED FOR ALL PURPOSES TO HON.
JOSEPH T. ORTIZ, DEPT. S17

**SETTLEMENT AGREEMENT AND
RELEASE OF CLASS AND PAGA
CLAIMS**

Trial Date: Not Yet Set
Complaint Filed: August 15, 2023

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CARMEN HERNANDEZ and WENDY QUINTERO

IT IS HEREBY STIPULATED, by and between Plaintiffs Phillip Bernal, Truhill Noel, Khyell Martin, Damien McNorton, Gilbert Estrada, Waddie Earnest, Carmen Hernandez and Wendy Quintero, on behalf of themselves and all others similarly situated and the general public (“Plaintiffs”), on the one hand, and OnTrac Logistics, Inc. (formerly known as Express Messenger Systems, Inc. dba OnTrac) (“Defendant”), on the other hand (collectively the “Parties”), and subject to the approval of the Court, that the Lawsuits is hereby compromised and settled pursuant to the terms and conditions set forth in this Settlement Agreement and Release of Claims (“Settlement Agreement”) and that the Court shall enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and subject to the definitions, recitals, and terms set forth herein which by this reference become an integral part of this Settlement Agreement.

DEFINITIONS

1. “Approval Hearing” means the hearing to be conducted by the Court after the filing of an appropriate motion by Plaintiffs, at which time Plaintiffs shall request that the Court approve the Settlement, enter the Judgment, and take other appropriate action. It is agreed Plaintiffs will prepare a motion for approval of the Settlement subject to review and approval by Defendant prior to filing.

2. “Attorneys’ Fees and Costs” means the reasonable attorneys’ fees for Class Counsel’s litigation and resolution of the lawsuits in an amount not to exceed Thirty-Five (35%) percent of the Gross Settlement Amount (*i.e.*, not to exceed one million and five hundred and seventy-five thousand dollars (\$1,575,000.00)), plus reasonable costs in an amount not to exceed Fifty-Five Thousand Dollars (\$55,000.00). These fees and costs will be included in the Gross Settlement Amount and will be reported by means of an IRS Form 1099.

3. “Class Counsel” means David R. Markham and Lisa R. Brevard of The Markham Law Firm; Isam C. Khoury, Michael D. Singer, and Maggie K. Realin of Cohelan Khoury & Singer; Haig B. Kazandjian and Diana Zadykian of Haig B. Kazandjian Lawyers, APC; Chad Saunders, Brandon Brouillette, and Zachary M. Crosner of Crosner Legal, PC; Samuel A. Wong and K. Ashif Haque of Aegis Law Firm, PC; Arby Aiwazian, Joanna Ghosh, and Yasmin Hosseini of Lawyers For Justice, P.C.; and Tyler J. Woods, James Yoo, and Ruby Carrera of Wilshire Law Firm.

4. “Class Notice” means the Notice of Class and PAGA Settlement, substantially in the

1 form attached as **Exhibit 1**, which shall be subject to Court approval and which the Settlement
2 Administrator shall mail to each Class Member explaining the terms of this Settlement Agreement and
3 the Settlement, along with instructions on how the Class Members may exclude themselves from the
4 Settlement.

5 5. “Class Members” (also referred to as the “Settlement Class” or each individual as a
6 “Class Member”) shall include all current and former non-exempt employees employed by Defendant
7 from July 23, 2019 through May 24, 2025 (“Class Settlement Period”), excluding any period covered
8 by the PAGA settlement of *Knox et al. v. Express Messenger Systems, Inc. dba OnTrac*, (San
9 Bernardino County Superior Court Case No. CIV-DS-1932323). The Settlement Class will include
10 all non-exempt employees, whether or not they signed arbitration agreements with the Defendant, and
11 regardless of their job title(s) while employed with Defendant.

12 6. “Defendant” means defendant OnTrac Logistics, Inc. (fka Express Messenger Systems,
13 Inc.) dba OnTrac.

14 7. “Defense Counsel” means Sophia B. Collins, Anthony G. Ly, Olivia R. Florio Roberts,
15 and Sarah R. Boxer of Littler Mendelson, P.C.

16 8. “Employee Information” means information regarding the Class Members that
17 Defendant shall in good faith compile from its records and shall be authorized by the Court to transmit
18 in a secured manner to the Settlement Administrator. Employee Information shall be transmitted in
19 electronic form and shall include each Class Member’s names, last known addresses and telephone
20 numbers, and social security numbers, along with data indicating the number of Qualifying
21 Workweeks worked by each Class Member during the relevant class period.

22 9. “Effective Date” means the date upon which all of the following have occurred: (i) the
23 Court has granted final approval of the Settlement and entered judgment thereof; and (ii) the Court’s
24 judgment approving the Settlement becomes Final. “Final” means, if there are any objections to the
25 Settlement, that the Settlement has been finally approved by the Superior Court without material
26 modification and either (i) the day after the applicable deadline for seeking appellate review of the
27 Court’s final approval order has passed without a timely appeal or request for review having been
28 filed; or (ii) if a timely appeal from the final judgment is filed, the day after the appellate court affirms

the final judgment and issues a remittitur. If there are no objections to the Settlement, or if any and all objections to the Settlement have been formally withdrawn by the time of the final approval order, “Final” means the date that the Superior Court has entered its order granting final approval of the Settlement without material modification.

10. “Gross Settlement Amount” means the maximum amount Defendant shall have to pay in connection with this Settlement, which shall be inclusive of Plaintiffs’ attorneys’ fees and costs; the service payments to Plaintiffs as the class representatives; the Settlement Administrator’s fees and expenses for administration of the Settlement; and the LWDA Payment (as defined herein) and to the PAGA-Eligible Employees (as that term is defined herein), all as approved by the Court. This excludes the employer’s contribution of payroll taxes due on the settlement payments apportioned as wages, which Defendant will pay to the relevant tax authorities outside of the Gross Settlement Amount. Subject to Court approval and the terms of this Settlement Agreement, the Gross Settlement Amount Defendant shall be required to pay is Four Million and Five Hundred Thousand Dollars (\$4,500,000.00), unless the escalator clause in Paragraph 52, *infra*, is triggered.

11. “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each “Participating Class Member.”

12. “Judgment” means the final order and judgment to be entered by the Court granting approval of the Settlement and this Settlement Agreement as binding upon the Parties and the Class Members.

13. “Lawsuits” mean the class and/or representative actions entitled (1) *Bernal, et al. v. Express Messenger Systems, Inc., dba OnTrac, et al.*, San Bernardino Superior Court, Case No. CIVSB2319614; (2) *Martin v. OnTrac Logistics, Inc.*, Los Angeles Superior Court, Case No. 23STCV07710; (3) *McNorton v. OnTrac Logistics, Inc.*, San Francisco Superior Court, Case No. CGC23607925; (4) *Estrada v. OnTrac Logistics, Inc.*, San Bernardino Superior Court, Case No. CIVSB2400407; (5) *Earnest v. OnTrac Logistics, Inc.*, San Joaquin Superior Court, Case No. STK-CV-UOE-2024-0000460; and (6) *Hernandez, et al. v. OnTrac Logistics, Inc.*, Los Angeles Superior Court, Case No. 24STCV20860. The Parties will stipulate to the filing of a Second Amended Complaint which will include all Plaintiffs and causes of action at issue in the Lawsuits. The Second

Amended Complaint will be filed in the *Bernal* action in San Bernardino County Superior Court, case number CIVSB2319614 (the “Court”), for purposes of this Settlement and Court approval. The stipulation will be filed concurrently with Plaintiffs’ motion for preliminary approval. The parties in *Martin v. OnTrac Logistics, Inc.*, Los Angeles Superior Court, Case No. 23STCV07710; *McNorton v. OnTrac Logistics, Inc.*, San Francisco Superior Court, Case No. CGC23607925; *Estrada v. OnTrac Logistics, Inc.*, San Bernardino Superior Court, Case No. CIVSB2400407; *Earnest v. OnTrac Logistics, Inc.*, San Joaquin Superior Court, Case No. STK-CV-UOE-2024-0000460; and *Hernandez, et al. v. OnTrac Logistics, Inc.*, Los Angeles Superior Court, Case No. 24STCV20860 (“related actions”) will seek stay of their respective actions pending settlement approval. Upon final approval of the Settlement, Plaintiffs in the related actions shall promptly seek dismissal of the related actions based on the Settlement, with prejudice.

14. “LWDA” means the California Labor and Workforce Development Agency.

15. “LWDA Payment” means the portion of the Net Settlement Amount payable to the LWDA.

16. “Net Settlement Amount” means the Gross Settlement Amount, less the amount of Class Counsel’s attorneys’ fees and costs awarded, the service payments to Plaintiffs as the class representatives, the Settlement Administration Costs, the LWDA Payment, and the PAGA Distribution.

17. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698, et seq.

18. “PAGA-Eligible Employees” means all current and former non-exempt employees who are members of the Settlement Class as defined above in paragraph 5 and who have been employed by Defendant in non-exempt positions between February 1, 2022, and May 24, 2025 (“PAGA Period”). The “PAGA Period” does not include any claims released in the settlement of *Knox et al. v. Express Messenger Systems, Inc. dba OnTrac*, (San Bernardino County Superior Court Case No. CIV-DS-1932323).

19. “PAGA Payment” shall be Four Hundred Fifty Thousand Dollars (\$450,000.00) as civil penalties, to be paid from the Gross Settlement Amount. The PAGA Payment shall be allocated

1 as follows: 75% of the PAGA Payment (\$337,500.00) will be paid to the LWDA, and 25% of the
2 PAGA Payment (\$112,500.00) will be paid to the PAGA-Eligible Employees pursuant to the formula
3 based on the number of Qualifying Workweeks worked during the PAGA Period, as outlined in
4 Paragraph 45, *infra*.

5 20. "Participating Class Members" are all Class Members who do not submit a timely and
6 valid Request for Exclusion.

7 21. "Qualifying Workweeks" means the total number of weeks worked during which a
8 Class Member performed work as a non-exempt employee of Defendant in California during the
9 Settlement Period and/or PAGA Periods, based on Defendant's records, and which shall be used to
10 calculate Individual Settlement Payments and PAGA Distribution.

11 22. "Released Parties" means Defendant and each of its subsidiaries, officers, directors,
12 members, partners, owners, shareholders, employees, former employees, agents, servants, attorneys,
13 assigns, affiliates, independent contractors, volunteers, predecessors, successors, parent companies
14 and organizations, insurers, and any and all other persons, firms and corporations in which Defendant
15 may have an interest, including, without limitation, LaserShip, Inc., ASP LS Intermediate Holdings,
16 Inc., ASP LS Parent Holdings, Inc., and ASP LS Holdings LP.

17 23. "Response Deadline" means the deadline by which Class Members must postmark to
18 the Settlement Administrator the Requests for Exclusion, Notices of Objection, and/or Qualifying
19 Workweeks disputes. The Response Deadline will be 45 calendar days from the initial mailing of the
20 Notice by the Settlement Administrator, unless the 45th calendar day falls on a Sunday or a legal
21 holiday, in which case the Response Deadline will be extended to the next day on which the U.S.
22 Postal Service is open. Those Class Members who receive a re-mailed Notice, whether by skip-trace
23 or otherwise, will have an additional 14 calendar days from the date of the re-mailing of the Notice to
24 submit Requests for Exclusion, Notices of Objection, and/or workweeks disputes.

25 24. "Service Awards" means the amounts the Court authorizes to be paid to Plaintiffs
26 Phillip Bernal, Truhill Noel, Khyell Martin, Damien McNorton, Gilbert Estrada, and Waddie Earnest,
27 in an amount not to exceed Ten Thousand Dollars (\$10,000.00) per person, and to Plaintiffs Carmen
28 Hernandez and Wendy Quintero in an amount not to exceed Seven Thousand Five Hundred Dollars

1 (\$7,500.00) per person, in addition to whatever payments Plaintiffs may otherwise be entitled to
2 receive if and to the extent they qualify as Class Members, and/or PAGA-Eligible Employees as those
3 terms are defined herein, to be paid from the Gross Settlement Amount. Plaintiffs will be required to
4 execute a general release of all known and unknown claims they may have against Defendant and its
5 current and former affiliates and subsidiaries.

6 25. "Settlement Administration Costs" means the reasonable costs and fees of
7 administering the Settlement to be paid from the Gross Settlement Amount, including, but not limited
8 to: (i) printing, mailing, and re-mailing (if necessary) Settlement Packets to the Class Members; (ii)
9 preparing and submitting to Class Members and government entities all appropriate tax filings and
10 forms; (iii) computing the amount of and distributing Individual Settlement Payments, the Service
11 Awards, Attorneys' Fees and Costs, and the LWDA Payment; (iv) establishing a Qualified Settlement
12 Fund ("QSF"), as defined by the Internal Revenue Code; and (vi) preparing and submitting filings
13 required by law in connection with the payments required by the Settlement. The Settlement
14 Administration Costs are currently estimated at \$89,650.

15 26. "Settlement Administrator" Means ILYM Group, Inc.

16 27. "Settlement Packet" means the packet of documents which shall be mailed to all Class
17 Members by the Settlement Administrator, including the Notice and each Class Member's Individual
18 Settlement Payment.

19 **RECITALS**

20 28. Procedural History. On April 7, 2023, Khyell Martin filed a PAGA-only action against
21 Defendant in Los Angeles Superior Court, Case No. 23STCV07710. On July 25, 2023, Damien
22 McNorton filed a PAGA-only action against Defendant in San Francisco Superior Court, Case No.
23 CGC23607925. On August 15, 2023, Phillip Bernal and Truhill Noel filed a putative class action
24 against Defendant in San Bernardino County Superior Court, Case No. CIVSB2319614. On January
25 12, 2024, Waddie Earnest filed a PAGA action against Defendant in San Joaquin Superior Court, Case
26 No. STK-CV-UOE-2024-0000460. On January 17, 2024, Gilbert Estrada filed a putative class and
27 PAGA action against Defendant in San Bernardino Superior Court, Case No. CIVSB2400407. Finally,
28 On August 16, 2024, Carmen Hernandez and Wendy Quintero filed a putative class action against

1 Defendant in Los Angeles Superior Court, Case No. 24STCV20860. Plaintiffs allege various
2 violations of the California Labor Code and Wage Orders, including failure to pay overtime wages,
3 failure to pay minimum wages, failure to provide compliant meal periods; failure to authorize and
4 permit rest periods, unlawful wage deductions, failure to indemnify for necessary business expenses,
5 failure to timely pay wages due at termination or resignation, penalties under PAGA, among other
6 things.

7 29. On March 25, 2025, the Parties mediated this case before Kevin Barnes, Esq., a
8 mediator vastly experienced in wage and hour class actions. Following the mediation session, Mr.
9 Barnes issued a mediator's proposal, which the Parties accepted, reaching the settlement in principle.
10 After additional weeks of arms'-length negotiations, the Parties finalized the terms of the settlement
11 in a Memorandum of Understanding, which was fully executed on September 5, 2025.

12 30. The Parties have stipulated that Plaintiffs may file an Amended Complaint (to be
13 prepared by Class Counsel and approved by Defense Counsel) to consolidate the claims alleged in all
14 actions, so that the claims will be alleged on behalf of the Settlement Class. Defendant need not
15 respond to the Amended Complaint.

16 31. Benefits of Settlement to Plaintiffs and Class Members. Plaintiffs and Class Counsel
17 recognize the expense and length of continued proceedings that would be necessary to litigate
18 Plaintiffs' claims in the Lawsuits through trial and through any possible appeals. Plaintiffs also have
19 taken into account the uncertainty and risks of the outcome of further litigation, and the difficulties
20 and delays inherent in such litigation. Plaintiffs and Class Counsel are also aware of the burdens of
21 proof necessary to establish liability for the claims asserted in the Lawsuits, both generally and in
22 response to Defendant's defenses thereto. Based on the foregoing, Plaintiffs and Class Counsel have
23 determined that the Settlement set forth in this Settlement Agreement is fair, adequate, and reasonable
24 and provides genuine and meaningful relief consistent with the underlying purposes of PAGA.

25 32. Defendant's Reasons for Settlement. Defendant has concluded that any further defense
26 of the Lawsuits would be protracted and expensive for all Parties. Substantial amounts of Defendant's
27 time, energy, and resources have been, and unless this Settlement is completed, shall continue to be,
28 devoted to the defense of the claims asserted by Plaintiffs. Defendant has also taken into account the

1 risks of further litigation in reaching its decision to enter into this Settlement. Even though Defendant
2 contends it is not liable for any of the claims alleged by Plaintiffs in the Lawsuits, Defendant has
3 agreed, nonetheless, to settle in the manner and upon the terms set forth in this Settlement Agreement
4 and to put to rest the claims alleged in these Lawsuits. Defendant has asserted and continues to assert
5 that the claims alleged by Plaintiffs have no merit and do not give rise to liability. This Settlement
6 Agreement is a compromise of disputed claims. Nothing contained in this Settlement Agreement, no
7 documents referred to herein, and no action taken to carry out this Settlement Agreement, shall be
8 construed or used as an admission by or against Defendant as to the merits or lack thereof of the claims
9 asserted in the Lawsuits. Defendant contends that it is in compliance with and has complied with all
10 applicable state, federal and local laws.

11 **TERMS OF SETTLEMENT**

12 **NOW THEREFORE**, in consideration of the mutual covenants, promises, and agreements set forth
13 herein, the Parties agree, subject to the Court's approval, as follows:

14 33. Binding Settlement. This Settlement shall bind the Parties and all Class Members,
15 subject to the terms and conditions hereof and the Court's approval.

16 34. Tax Liability. The Parties make no representations as to the tax treatment or legal effect
17 of the payments specified herein, and the Class Members are not relying on any statement or
18 representation by the Parties, Class Counsel or Defense Counsel in this regard. The Class Members
19 and Class Counsel understand and agree that they shall be responsible for the payment of all taxes and
20 penalties assessed on the payments specified herein, and shall hold the Parties, Class Counsel, and
21 Defense Counsel free and harmless from and against any claims resulting from treatment of such
22 payments as non-taxable, including the treatment of such payments as not subject to withholding or
23 deduction for payroll and employment taxes.

24 35. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE THAT
25 (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN
26 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS
27 COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED TO
28 BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE

1 CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED
2 STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED);
3 (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR
4 ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
5 ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
6 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
8 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
9 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
10 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
11 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
12 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX
13 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING)
14 UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR
15 TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
16 CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

17 36. Preliminary Approval of Settlement. The Parties will jointly move the Court for
18 preliminary approval of the Settlement. Class Counsel will prepare the motion and submit it for
19 approval to Defendant's counsel before filing. Upon filing the motion for preliminary approval, Class
20 Counsel will also timely file the necessary notification(s) of the settlement to the LWDA.

21 37. Process for Final Approval. The Parties will appoint a settlement administrator to
22 administer this Settlement, as mutually agreed upon, subject to the approval of the Court. Within
23 twenty-one (21) calendar days after the Court grants preliminary approval of the Settlement, to the
24 extent practicable, Defendant will provide the Settlement Administrator with the names, last known
25 addresses and telephone numbers, and social security numbers of the Class Members, along with data
26 indicating the number of Qualifying Workweeks worked by each class member during the relevant
27 class period, as reflected in Defendant's records. The Settlement Administrator will retain the class
28 data and will not share it with Class Counsel, except as otherwise permitted herein.

38. Within 14 calendar days after receiving the information set forth in Paragraph 37, above, from Defendant, the Settlement Administrator will send notice of the Settlement (“Class Notice”) to each member of the Settlement Class, along with instructions on how the Class Members may exclude themselves from the Settlement (as proposed by the Parties and approved by the Court). In the event of any returned or non-deliverable notices, the Settlement Administrator will make reasonable efforts to locate Class Members and re-send the Class Notices. The Settlement Administrator shall track any re-sent Class Notices including the relevant response dates.

39. Class Members may exclude themselves from (“opt out” of) the Settlement by signing an election not to participate (“Request for Exclusion”) and submitting it to the Settlement Administrator by the Response Deadline. The timeliness of an election not to participate will be determined by valid postmark. A valid Request for Exclusion must: (a) state the case name; (b) provide the Class Member’s name (and former names, if any), current address and current telephone number; and (c) clearly state that the Class Member wishes to be excluded from the Class Settlement. Any Class Member’s failure to timely opt out of the Settlement means that the Class Member shall be deemed subject to the terms of the Settlement, even if the Class Member later fails to cash the settlement payment check subject to Paragraph 46(d), *infra*. If there is a dispute regarding the timeliness or validity of a Request for Exclusion, the Settlement Administrator shall make the determination, after consultation with Class Counsel and Defense Counsel. If five percent (5%) or more of the members of the Settlement Class timely request to opt out of the Settlement, Defendant will have the right to rescind the Settlement, in which case the Settlement and all actions taken in its furtherance will be null and void. Defendant must exercise this right within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the number of valid requests to opt out, which the Settlement Administrator will do within fourteen (14) calendar days after the deadline for submission of the elections not to participate. No party will encourage any class member to opt out of the Settlement.

40. Any Class Member who opts out of the Class Settlement may not object to the Class Settlement, shall not receive any share of the Net Settlement Amount, and shall not be bound by the applicable Class Members’ Released Claims provisions in this Agreement. If a Class Member submits

1 both a Request for Exclusion and a Notice of Objection (as defined below), the Settlement
2 Administrator will attempt to contact the Class Member to inquire regarding his or her intention to opt
3 out of or object to the Class Settlement. If the Settlement Administrator is unable to confirm the Class
4 Member's intention, the Class Member's Request for Exclusion will be valid and be deemed to
5 invalidate the Notice of Objection. However, the PAGA-Eligible Employees will be bound by the
6 Settlement and release of the PAGA claims pursuant to *Arias v. Super. Ct.*, 46 Cal. 4th 969 (2009) and
7 shall have no right to exclude themselves from the Settlement of the PAGA claims herein if the
8 Settlement is granted final approval by the Court.

9 41. Only Class Members who do not opt out of the Class Settlement shall be entitled to
10 object to the terms of the Class Settlement. Objections to the Settlement must be made either (i) in
11 writing using the procedures set forth in the Notice, or (ii) in person at the Final Approval Hearing. A
12 timely and valid written objection to the Settlement (*i.e.*, "Notice of Objection") must be sent to the
13 Settlement Administrator and postmarked by the Response Deadline. A Notice of Objection shall be
14 deemed to be submitted as of the postmarked date. To be a valid objection, the Notice of Objection
15 must include the following: (i) the case name; (ii) the objector's full name, signature, address, and
16 telephone number; (iii) a written statement of all grounds for the objection accompanied by any legal
17 support for such objection; (iv) copies of any papers, briefs, or other documents upon which the
18 objection is based; and (v) a statement whether the objector intends to appear at the Final Approval
19 Hearing. If the objector is represented by counsel, statement shall include the name, address, and
20 telephone number of their counsel. As an alternative to a Notice of Objection, Participating Class
21 Members may appear in Court (or hire an attorney to appear in Court at their own expense) to present
22 objections at the Final Approval Hearing. Participating Class Members who submit an objection
23 remain bound by this Agreement. Class Members who fail to make objections in the manner specified
24 in the Notice shall be deemed to have waived any objections and shall be foreclosed from making any
25 objection, whether by appeal or otherwise, to this Agreement.

26 42. Participating Class Members will have an opportunity to dispute the number of
27 Qualifying Workweeks indicated on their Notice. To do so, Participating Class Members must produce
28 evidence to the Settlement Administrator showing that such information is inaccurate on or before the

1 Response Deadline. In the absence of circumstances indicating fraud, manipulation, or destruction,
2 Defendant's records will be presumed correct, but the Settlement Administrator will evaluate the
3 evidence submitted by the individual and will make the final decision as to the merits of the dispute.
4 All disputes will be decided within ten (10) business days after the Response Deadline. The Settlement
5 Administrator shall have the right to contact Defense Counsel and/or Class Counsel if it determines
6 more information is needed to resolve any issue of disputed Qualifying Workweeks.

7 43. After the expiration of the Response Deadline, Plaintiffs will move the Court for final
8 approval of the Settlement. Plaintiffs will separately move for an award of the Plaintiffs' class
9 representative service payments and Class Counsel's attorneys' fees and costs, which Defendant will
10 not oppose. Class Counsel will prepare the draft motion for final approval for review and comment
11 by Defendant's counsel.

12 44. If the Court does not grant final approval of the Settlement, or if the Court's final
13 approval of the Settlement is reversed or materially modified on appellate review, then this Settlement
14 will become null and void.

15 45. Funding and Allocation of the Gross Settlement Amount. Defendant shall pay a Gross
16 Settlement Amount not to exceed \$4,500,000.00 (four million and five hundred thousand dollars).
17 Defendant shall provide to the Settlement Administrator in any feasible manner, including, but not
18 limited to, by way of a wire transfer, the Gross Settlement Amount within thirty (30) calendar days
19 after the Settlement becomes Final. Within fourteen (14) calendar days after Defendant provides the
20 Gross Settlement Amount to the Settlement Administrator, the Settlement Administrator will
21 distribute the payments to Plaintiffs for their awarded class representative service payments, to Class
22 Counsel for their awarded attorneys' fees and costs, to the LWDA, to the PAGA-Eligible Employees,
23 and to the Settlement Administrator itself. The remainder of the Gross Settlement Amount (the "Net
24 Settlement Amount") will be divided and distributed to Participating Class Members. The distribution
25 will be made by dividing the portion of the Net Settlement Amount allocated to the Participating Class
26 Members by the total number of Qualifying Workweeks for all Participating Class Members resulting
27 in value for each workweek worked by the Participating Class Member during the Class Period
28 ("Workweek Value for the Class"). The Settlement Administrator shall then multiply the number of

1 Qualifying Workweeks for each Participating Class Member by the Workweek Value for the Class,
2 resulting in Individual Settlement Payments. Separately, 25% of the PAGA Payment (\$112,500.00)
3 will be distributed to PAGA-Eligible Employees. The distribution will be made by dividing
4 \$112,500.00 by the total number of Qualifying Workweeks for PAGA-Eligible Employees resulting
5 in value for each workweek worked by the PAGA-Eligible Employee during the PAGA Period (“Pay
6 Period Value for PAGA”). The Settlement Administrator shall then multiply the number of Qualifying
7 Workweeks for each PAGA-Eligible Employee by the Pay Period Value for PAGA, resulting in
8 Individual PAGA Payments.

9 46. Mailing of Settlement Packets. Within thirty (30) calendar days after the Settlement
10 becomes Final, Defendant shall provide the Settlement Administrator with the Employee Information
11 for purposes of mailing the Settlement Packets to Class Members. Upon receipt of the Employee
12 Information, the Settlement Administrator shall perform a search based on the National Change of
13 Address Database maintained by the United States Postal Service to update and correct any known or
14 identifiable address changes, and/or use any computer-based skip-trace search available. Within
15 fourteen (14) calendar days of receiving the Gross Settlement Amount from Defendant as provided
16 herein, the Settlement Administrator shall mail the Settlement Packets to all Class Members via regular
17 First Class U.S. Mail. Any mailing returned to the Settlement Administrator as undeliverable shall be
18 re-mailed within five calendar days via First Class U.S. Mail to the forwarding address affixed thereto.
19 If no forwarding address is provided, the Settlement Administrator shall attempt to determine the
20 correct address using a computer-based skip-trace search, and it shall then perform a single re-mailing
21 via First Class U.S. Mail within five calendar days. If the computer-based skip-trace search does not
22 provide a correct address, the Settlement Administrator shall attempt to determine the correct address
23 using the Class Member’s Social Security number and any available information provided by
24 Defendant. The Settlement Administrator shall exercise its best judgment to determine the current
25 mailing address for each Class Member. The address identified by the Settlement Administrator as
26 the current mailing address shall be presumed to be the most current mailing address for each Class
27 Member. The Parties agree that this procedure for notice provides the best notice practicable to Class
28 Members and fully complies with due process.

1 a. Individual Settlement Payments and/or Individual PAGA Payments shall be
2 made by check and shall be made payable to each Class Member and/or PAGA-Eligible Employee as
3 set forth in this Settlement Agreement.

4 b. Individual Settlement Payments shall be allocated 65% as penalties and interest,
5 to be reported on IRS Form 1099 (if applicable), and 35% as unpaid wages, to be reported on IRS
6 Form W-2 and subject to payroll deductions. In accordance with applicable tax laws, the Net
7 Settlement Amount is subject to reduction for the employee's share of required tax withholdings and
8 payroll deductions on the wage portion of the Individual Settlement Payments. The employer's share
9 of payroll taxes on the wages portion of the Net Settlement Amount shall be paid by Defendant
10 separately and in addition to the Gross Settlement Amount. The Settlement Administrator shall issue
11 any necessary IRS Form 1099 and Form W-2 statements to Participating Class Members for their
12 respective share of the Net Settlement Amount. Participating Class Members shall be solely and
13 legally responsible for paying all other applicable taxes on their respective share of the Net Settlement
14 Amount and shall indemnify and hold harmless Defendant from any claim or liability for taxes,
15 penalties, or interest arising as a result of the payments.

16 c. Individual PAGA Payments shall be allocated 100% as non-wage penalties not
17 subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to
18 each PAGA-Eligible Employee along with the Individual PAGA Payment.

19 d. This will be a non-reversionary "all-in" settlement. No unclaimed amounts will
20 revert to Defendant. To the extent any eligible Class Members submit elections not to participate, the
21 amounts that would otherwise be paid to them under the Settlement will be redistributed to the other
22 Class Members. There will not be a claims process; the members of the Settlement Class will not be
23 required to submit a claim in order to receive a settlement payment. Should any of the payments
24 remain uncashed 180 days after the mailing date, the uncashed amount will be paid to the State of
25 California Office of the Controller Unclaimed Property Fund to be held in the name of the applicable
26 Participating Class Member, subject to the Court's approval, in accordance with CCP §384, as
27 amended.

28 e. Before making any distributions to the Class Members and/or the PAGA-

1 Eligible Employees (other than the service payments to Plaintiffs), the Settlement Administrator will
2 send counsel for the Parties, for their approval, a final set of the calculations it has prepared for
3 distribution to the members of the Settlement Class.

4 47. Service Awards. Subject to Court approval, Plaintiffs Phillip Bernal, Truhill Noel,
5 Khyell Martin, Damien McNorton, Gilbert Estrada, and Waddie Earnest shall each be paid a Service
6 Award in an amount not to exceed Ten Thousand Dollars (\$10,000.00) per person. Plaintiffs Carmen
7 Hernandez and Wendy Quintero shall each be paid an amount not to exceed Seven Thousand Five
8 Hundred Dollars (\$7,500.00) per person, in addition to whatever payments Plaintiffs may otherwise
9 be entitled to receive if and to the extent they qualify as Class Members, and/or PAGA-Eligible
10 Employees as those terms are defined herein, to be paid from the Gross Settlement Amount.

11 48. Upon the Effective Date, Plaintiffs will generally release and forever discharge the
12 Released Parties, to the fullest extent permitted by law, of and from any and all claims, known and
13 unknown, asserted and not asserted, which Plaintiffs have or may have against the Released Parties as
14 of the date of execution of this Agreement. For the purpose of implementing a full and complete release
15 and discharge of the Released Parties, Plaintiffs expressly waive all rights provided by California Civil
16 Code § 1542, or any other similar provision under federal or state law that purports to limit the scope
17 of a general release. Plaintiffs expressly have read Section 1542 of the Civil Code of the State of
18 California, which provides as follows:

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

23 Plaintiffs understand that Section 1542 gives the right not to release existing claims of which they are
24 not now aware, unless Plaintiffs voluntarily choose to waive this right. Having been so apprised,
25 Plaintiffs nevertheless voluntarily waive the rights described in Section 1542, and elect to release and
26 assume all risks for claims that now exist in their favor, known or unknown. Plaintiffs further
27 acknowledge, agree, and understand that: (i) they have read and understand the terms of this Settlement
28 Agreement; (ii) they have been advised in writing to consult with an attorney before executing this

Settlement Agreement; (iii) they have obtained and considered such legal counsel as they deem necessary; and (iv) they have been given twenty-one (21) days to consider whether or not to enter into this Settlement Agreement (although they may elect not to use the full 21-day period at their option).

49. Class Counsel's Award. Subject to Court Approval, Class Counsel shall be entitled to receive reasonable attorneys' fees in an amount not to exceed Thirty-Five (35%) percent of the Gross Settlement Amount (*i.e.*, not to exceed one million and five hundred and seventy-five thousand dollars (\$1,575,000.00)), plus reasonable costs in an amount not to exceed Fifty-Five Thousand Dollars (\$55,000.00). These fees and costs will be included in the Gross Settlement Amount and will be reported by means of an IRS Form 1099. Class Counsel shall provide the Settlement Administrator with a properly completed and signed IRS Form W-9 in order for the Settlement Administrator to process the Class Counsel Award approved by the Court. Defendant shall not oppose or object to Plaintiffs' request for an award of attorneys' fees subject to this Paragraph.

50. PAGA Payment Subject to the Court's approval, Defendant will pay Four Hundred Fifty Thousand Dollars (\$450,000.00) in settlement of Plaintiffs' PAGA claims brought on behalf of the State of California (the "PAGA Payment"). Of this amount, Three Hundred Thirty-Seven Thousand and Five Hundred Dollars (\$337,500.00) will be paid to the LWDA as the State of California's 75% settlement share of the civil penalties claimed by Plaintiffs pursuant to PAGA (the "LWDA Payment"). The remaining 25%, to equal One Hundred Twelve Thousand and Five Hundred Dollars (\$112,500.00), will be paid to the PAGA-Eligible Employees, as defined herein (the "PAGA Distribution"). The LWDA Payment and PAGA Distribution will be paid out of the Net Settlement Amount. The term "PAGA-Eligible Employees" means all current and former non-exempt employees who are members of the Settlement Class as defined above in paragraph 5 and who have been employed by Defendant in non-exempt positions between February 1, 2022 and the Class Period End Date ("PAGA Period"). The "PAGA Period" does not include any claims released in the settlement of *Knox et al. v. Express Messenger Systems, Inc. dba OnTrac*, (San Bernardino County Superior Court Case No. CIV-DS-1932323). Each individual PAGA-Eligible Employee's share of the PAGA Distribution will be directly proportionate to the total number of workweeks each such respective PAGA-Eligible Employee worked for Defendant during the PAGA Period, or Defendant's reasonable

1 approximation thereof.

2 51. Tax Treatment of Settlement Payments. The Parties recognize that a portion of the
3 settlement amounts to be paid to the Class Members under this Settlement Agreement are to be treated
4 as wages for the relief sought in the Lawsuits. The Parties agree that thirty-five percent (35%) of the
5 settlement amounts paid to the members of the Settlement Class listed above in paragraph 42 will be
6 treated as payments in settlement of wage claims, subject to W-2 reporting. Applicable tax deductions
7 and payroll withholdings will be taken from this portion of the payments. The remaining sixty-five
8 percent (65%) of the settlement payments to those Settlement Class Members will be treated as
9 payments in settlement of claims for penalties and interest sought in the Lawsuits. One hundred percent
10 (100%) of the settlement payments to PAGA-Eligible Employees will be treated as payments in
11 settlement of claims for penalties sought in the Lawsuits. The portions of the payments made as claims
12 for penalties and interest will be reported to the taxing authorities by means of an IRS Form 1099.
13 Except for the employer share of payroll taxes on wages, Plaintiffs and the Class Members will be
14 responsible for paying any taxes that may be owed on amounts they receive under the Settlement,
15 including the amounts being reported on the IRS Form 1099. The Settlement Administrator will be
16 responsible for issuing to Class Members, PAGA-Eligible Employees, and Class Counsel any W-2,
17 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement.
18 The Settlement Administrator will be responsible for making all settlement payments due under the
19 Settlement and submitting all required W-2 and 1099 reports with respect to the settlement payments.

20 52. Workweek Counts and Escalator Provision. The Parties negotiated the Settlement
21 based on data provided by Defendant showing 587,636 workweeks worked by the putative Class
22 Members from July 23, 2019 to March 25, 2025. If the actual number of workweeks exceeds this
23 number by more than 15% - that is, if there were 675,781 or more workweeks between the time period
24 from July 23, 2019 to March 25, 2025 – then, Defendant shall have the option in its sole discretion to
25 either: (a) increase the Gross Settlement Amount proportionately for each additional workweek
26 worked by Class Members at or over 675,781; (b) agree that the Class Period End Date shall cut off
27 as of the date the number of workweeks worked by Class Members is up to 675,780; or (c) void the
28 entirety of the settlement agreement. Defendant shall exercise this option prior to the preliminary

1 approval hearing. Conversely, if the actual number of workweeks is less than 587,636 by 15%, that is,
2 there were 499,491 or fewer workweeks between the time period from July 23, 2019 to March 25,
3 2025, then Defendant shall have the option in its sole discretion to extend the Class Period End Date
4 to the date the number of workweeks reaches 587,636.

5 53. No Credit Toward Benefit Plans. Neither the terms of this Settlement nor any of the
6 amounts paid to Plaintiffs or any Class Members under the Settlement shall have any effect on the
7 eligibility or calculation of any employee fringe benefits under Defendant's profit-sharing plans,
8 pension plans, 401(k) plans, bonus plans, or any other Company-sponsored plans or benefits.

9 Settlement Administration Costs.

10 i. The Settlement Administration fees and expenses, which are estimated
11 not to exceed Ninety Thousand Dollars (\$90,000.00), shall be paid from the Gross Settlement Amount.
12 The Parties agree to cooperate in the Settlement Administration process and to make all reasonable
13 efforts to control and minimize Settlement Administration Costs.

14 ii. The Parties each represent they do not have any financial interest in the
15 Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
16 could create a conflict of interest.

17 iii. The Settlement Administrator shall keep the Parties timely apprised of
18 the performance of all Settlement Administrator responsibilities required by the Settlement. The
19 Settlement Administrator shall be authorized to establish a Qualified Settlement Fund ("QSF")
20 pursuant to IRS rules and regulations in which the Maximum Settlement Amount shall be placed and
21 from which payments required by the Settlement shall be made.

22 a. Disputes Regarding Administration of Settlement. Any dispute not resolved by
23 the Settlement Administrator concerning the administration of the Settlement shall be resolved by the
24 Court. Prior to any such involvement of the Court, counsel for the Parties shall confer in good faith
25 and make use of the services of mediator Kevin Barnes, Esq., if necessary, to resolve the dispute
26 without the necessity of involving the Court.

27 b. Accounting. The Settlement Administrator will provide an accounting under
28 oath to the Parties of the amounts paid out.

1 c. Monitoring and Reviewing Settlement Administration. The Parties have the
2 right to monitor and review the administration of the Settlement to verify that the monies allocated
3 under the Settlement are distributed in the correct amount, as provided for in this Settlement
4 Agreement.

5 54. Release of Claims. Upon final approval of the Settlement and funding of the Settlement
6 by Defendant, Plaintiffs and each member of the Settlement Class, as defined herein, other than those
7 who submit a timely request to opt out of the Settlement, will release and discharge the Released
8 Parties, as follows:

9 a. The members of the Settlement Class will release the Released Parties from any
10 and all claims, rights, demands, liabilities, and causes of action of every nature and description, arising
11 from July 23, 2019 through the Class Period End Date, including statutory, contractual, or common
12 law claims for wages, damages, penalties, liquidated damages, interest, attorneys' fees, litigation costs,
13 restitution, or equitable relief – whether asserted under the California Labor Code, Business and
14 Professions Code §§ 17200 *et seq.*, the applicable wage orders at California Code of Regulations, Title
15 8, § 11000 *et seq.*, or otherwise – that arise out of or are reasonably related to the factual allegations
16 that were alleged or could have been alleged in Plaintiffs' operative Complaints (including any
17 amended complaints filed pursuant to this agreement) and PAGA notices relating to Plaintiffs' claims,
18 including but not limited to: (a) failure to pay minimum, regular, overtime, and/or double time wages
19 pursuant to Labor Code §§ 218, 218.5, 218.6, 510, 1194, 1194.2, 1197, 1197.1, 1198 and the applicable
20 wage orders, including but not limited to claims alleging failure to pay for all hours worked, "off the
21 clock" work, and failure to pay overtime at the correct regular rate of pay; (b) failure to provide lawful
22 meal periods or premiums in lieu thereof under Labor Code §§ 226.7, 512, and the applicable wage
23 orders; (c) failure to authorize and permit rest periods or premiums in lieu thereof under Labor Code
24 § 226.7, and the applicable wage orders; (d) failure to pay reporting time pay in violation of Labor
25 Code § 558 and the applicable wage orders; (e) failure to reimburse business expenses in violation of
26 Labor Code §§ 2800, 2802; (f) failure to timely pay wages owed during employment and upon
27 separation from employment under Labor Code §§ 201, 202, 203 and 204; (g) failure to comply with
28 itemized wage statement provisions in violation of Labor Code § 226, including allegations that

Defendant omitted required information, failed to accurately include all applicable hourly rates and corresponding number of hours worked, did not maintain accurate records pertaining to total hours worked, did not include the amount of paid sick leave available (Cal. Lab. Code §§ 245-248.5); (h) failure to produce requested employment records in violation of Labor Code §1198.5(a), 226(f) and 432, and also derivative violations for the above-stated Labor Code claims; (i) violation of the Unfair Competition Law (Bus. & Prof. Code § 17200 *et seq*; (j) failure to pay split shift wages and/or premiums (Cal. Lab. Code §§510, 1194; Cal. Code Regs. Tit. 8, §11050, and applicable wage orders); (k) unlawful deductions in violation of Labor Code § 221; (l) failure to pay vested vacation/paid time off in violation of Labor Code § 227.3; (m) unlawful criminal and background history inquiries in violation of Labor Code §§ 432.7; and 1024.5; Cal. Civ. Code §1786, *et seq.* and 15 U.S.C. §1681; (n) failure to pay wages semi-monthly (Cal. Lab. Code §226); (o) unlawful PAGA waiver (Cal. Lab. Code § 432.5); (p) any and all claims for attorneys' fees and costs; (q) any and all claims for PAGA penalties ("Class Members' Released Claims").

b. Each and all of the PAGA-Eligible Employees, regardless of whether they choose to exclude themselves from the Class Settlement, shall release the Released Parties from any and all claims, rights, demands, liabilities, and causes of action arising from February 1, 2022 through the Class Period End Date, arising out of the California Private Attorneys General Act of 2004, Labor Code §§2698 *et seq.*, that are based on or are reasonably related to the factual allegations that were alleged or could have been alleged in Plaintiffs' operative Complaints (including any amended complaints filed pursuant to this agreement) and PAGA notices relating to Plaintiffs' claims, including but not limited to: (a) failure to pay minimum, regular, overtime, and/or double time wages owed pursuant to Labor Code sections 218, 218.5, 218.6, 510, 1182.2, 1194, 1194.2, 1197, 1197.1, 1198 and the applicable wage orders, including but not limited to claims alleging failure to pay for all hours worked, "off the clock" work and failure to pay overtime at the correct regular rate of pay; (b) failure to provide lawful meal periods or premiums in lieu thereof under Labor Code sections 226.7, 512, and the applicable wage orders; (c) failure to authorize and permit rest periods or premiums in lieu thereof under Labor Code sections 226.7, and the applicable wage orders; (d) failure to pay reporting time pay in violation of Labor Code section 558 and the applicable wage orders; (e) failure to reimburse

business expenses in violation of Labor Code sections 2800, 2802; (f) failure to pay split shift wages and/or premiums (Cal. Lab. Code §§510, 1194; Cal. Code Regs. Tit. 8, §11050, and in violation of the applicable wage orders; (g) failure to provide suitable seating in violation of the applicable wage orders; (h) failure to provide suitable resting facilities in violation of the applicable wage orders; (i) unlawful deductions in violation of Labor Code section 221, (j) violation of California Day of Rest Law under Labor Code sections 551 and 552; (k) failure to provide supplemental paid sick leave in violation of Labor Code section 248.2 and 248.6; (l) failure to pay vested vacation/paid time off in violation of Labor Code 227.3; (m) unlawful criminal and background history inquiries in violation of Labor Code sections 432.5, 432.7; and 1024.5; Cal. Civ. Code section 1786, *et seq.* and 15 U.S.C. section 1681; (n) failure to provide a safe and healthful workplace in violation of Labor Code sections 6400-6404, 6406-6407, as well as Cal-OSHA COVID-19 Emergency Temporary Standards; (o) failure to timely pay wages owed during and upon separation from employment under Labor Code sections 201, 202, 203 and 204; (p) knowing and intentional failure to comply with itemized wage statement provisions in violation of Labor Code section 226, and failure to keep accurate payroll records in violation of Labor Code sections 1174(d), 1198, 1199, including allegations that Defendant omitted required information, failed to accurately include all applicable hourly rates and corresponding number of hours worked, did not maintain accurate records pertaining to total hours worked, and did not include the amount of paid sick leave available ((Cal. Lab. Code §§ 245-248.5), did not provide supplemental sick leave (Cal. Lab. Code § 248.2), did not provide notice of paid sick leave rights (Cal. Lab. Code § 2810.5), and failure to maintain standard conditions; (r) failure to produce requested employment records in violation of Labor Code §1198.5(a), 226(f) and 432, and also derivative violations for the above-stated Labor Code claims; (s) violation of the Unfair Competition Law (Bus. & Prof. Code § 17200 *et seq.*; (t) unlawful PAGA waiver (Cal. Lab. Code § 432.5); (u) failure to pay wages semi-monthly (Cal. Lab. Code §226); (v) any and all claims for attorneys' fees and costs; and (w) any and all claims for PAGA penalties ("PAGA-Eligible Employees' Released Claims").

55. Fair, Adequate, and Reasonable Settlement. The Parties agree that the Settlement is fair, adequate, and reasonable.

56. Waiver of Appeals. The Parties waive all appeals from the Court's final approval of

1 this Settlement, except, however, that either party may appeal any court order regarding this Settlement
2 that materially alters the Settlement's terms. Further, Class Counsel may appeal any reduction in the
3 attorneys' fee award. Any reduction in the amount of attorneys' fees or costs, or the service payment
4 to the class representatives, will not constitute a material modification of the Settlement and will not
5 be grounds to void the Settlement.

6 57. No Admission by Defendant. Defendant denies all claims alleged in the Lawsuits and
7 denies all wrongdoing whatsoever by Defendant. Neither this Settlement Agreement, nor any of its
8 terms and conditions, nor any of the negotiations connected with it, is a concession or admission, and
9 none of the foregoing shall be used against Defendant as an admission or indication with respect to
10 any claim of any fault, concession, or omission by Defendant. The Parties agree that this Settlement
11 Agreement shall not be admissible in this or any other proceeding as evidence that Defendant is liable
12 to Plaintiffs or any Class Member for any legal or equitable relief whatsoever, other than to enforce
13 the terms of this Settlement Agreement.

14 58. Publicity and Confidentiality.

15 a. No Media. The Parties and their counsel agree that they will not issue any press
16 releases or initiate any contact with the media about this case and/or the fact, amount, or terms of the
17 Settlement. If counsel for either party receives an inquiry about the Settlement from the media, counsel
18 may respond only after the motion for preliminary approval has been filed and only by stating "no
19 comment" or words to that effect. Class Counsel shall be permitted to discuss the terms of the
20 Settlement with any Class Members who inquire about the terms. Nothing in this section shall prevent
21 Class Counsel from referencing this settlement to a court as evidence of their experience in connection
22 with motions for class certification, approval of settlements, fee motions, and the like. Further, nothing
23 in this section shall prevent the Settlement Administrators from posting the Class Notice approved by
24 the Court on their website for Class Members' reference.

25 b. Communication by Counsel. Class Counsel agrees that it will not initiate
26 contact with the Class Members prior to the Final Settlement; provided, however, that nothing will
27 prevent Class Counsel from responding to inquiries from Class Members. In response to any such
28 inquiries, Class Counsel shall indicate only that the Settlement is in the approval stages and no

1 settlement funds can be distributed until the Court's final approval of the Settlement. Defendant agrees
2 that it shall not discourage Class Members from participating in the Settlement and shall refer any
3 questions from Class Members or individuals claiming to be Class Members to the Settlement
4 Administrator.

5 c. Confidentiality. Except as otherwise set forth above, prior to filing the
6 motion(s) for approval, Class Counsel shall not discuss the terms of the Settlement or the negotiations
7 leading to the Settlement with any person other than Plaintiffs or Defense Counsel.

8 59. Exhibits and Headings. The terms of this Settlement Agreement include the terms set
9 forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
10 The Exhibits to this Settlement Agreement are an integral part of the Settlement. The descriptive
11 headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of
12 reference only.

13 60. Interim Stays of Lawsuits. The Parties agree to stay and to request that the Court stay
14 all proceedings in the Lawsuits, except such proceedings necessary to implement and complete the
15 Settlement and enter the Judgment.

16 61. The Parties agree to stipulate to class action certification for purposes of the settlement
17 only. If, for any reason, the settlement is not approved, the stipulation to certification will be void, and
18 Defendant shall have the full opportunity to file any motion to challenge class certification or any
19 motion to challenge the manageability of PAGA claims. The Parties further agree that certification for
20 purposes of the settlement is not an admission that class action or representative action certification is
21 proper under the standards applied to contested certification motions and that this Agreement will not
22 be admissible in this or any other proceeding as evidence that either (i) a class or representative action
23 should be certified or (ii) Defendant is liable to Plaintiffs or any Class Member, other than according
24 to the terms of the Agreement.

25 62. Amendment or Modification. This Settlement Agreement may be amended or
26 modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

27 63. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
28 the entire agreement between the Parties, and no oral or written representations, warranties, or

1 inducements have been made to Plaintiffs or Defendant concerning this Settlement Agreement or its
2 Exhibits other than the representations, warranties, and covenants contained and memorialized in this
3 Settlement Agreement and its Exhibits. No other prior or contemporaneous written or oral agreements
4 may be deemed binding on the Parties.

5 64. Although some Class Members might not receive the Notice as provided under this
6 Agreement, due to inability to locate their current address following the procedures set forth in this
7 Agreement, such individuals shall nonetheless be bound by all of the terms of this Agreement and the
8 order approving the Settlement.

9 65. Authorization to Enter into Settlement Agreement. Class Counsel and Defense
10 Counsel warrant and represent they are expressly authorized by the Parties whom they represent to
11 negotiate this Settlement Agreement and to take all appropriate actions required or permitted to be
12 taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any
13 other documents required to effectuate the terms of this Settlement Agreement. The Parties, Class
14 Counsel, and Defense Counsel shall cooperate with each other and use their best efforts to effect the
15 implementation of the Settlement. In the event that the Parties are unable to reach agreement on the
16 form or content of any document needed to implement the Settlement, or on any supplemental
17 provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek
18 the assistance of the Court and/or mediator Kevin Barnes, Esq. to resolve such disagreement. The
19 person signing this Settlement Agreement on behalf of Defendant represents and warrants that he or
20 she is authorized to sign this Settlement Agreement on behalf of Defendant. Plaintiffs represent and
21 warrant that they are authorized to sign this Settlement Agreement and that they have not assigned any
22 claim, or part of a claim, covered by this Settlement to a third-party. Plaintiffs acknowledge that they
23 have read this Settlement Agreement, that they fully understand their rights, privileges, and duties
24 under the Settlement Agreement, and that they enter this Settlement Agreement freely and voluntarily.
25 Plaintiffs further acknowledge that they have been advised to and have had the opportunity to consult
26 with their attorneys to explain the terms of this Settlement Agreement and the consequences of signing
27 this Settlement Agreement. Additionally, the Parties have cooperated in the drafting and preparation
28

of this Settlement Agreement. Hence, in any construction made of this Settlement Agreement, the same shall not be construed against any of the Parties.

66. Binding on Successors and Assigns. This Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties.

67. California Law Governs. All terms of this Settlement Agreement and the Exhibits hereto shall be governed by and interpreted according to the laws of the State of California, without giving effect to any law that would cause the laws of any jurisdiction other than the State of California to be applied.

68. Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

69. Jurisdiction of the Court. Following entry of the Judgment, the Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties, Class Counsel, and Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

70. Invalidity of Any Provision. Before declaring any term or provision of this Settlement Agreement invalid, the Parties request that the Court first attempt to construe the terms or provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement as valid and enforceable.

PLAINTIFFS:

DATED: _____

Phillip Bernal

DATED: _____

Truhill Noel

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DATED: _____

Khyell Martin

DATED: _____

Damien McNorton

DATED: _____

Waddie Earnest

DATED: 11/26/2025 | 5:01 PM PST

DocuSigned by:
Gilbert Estrada
24DC2F2B76AB473
Gilbert Estrada

DATED: _____

Carmen Hernandez

DATED: _____

Wendy Quintero

DEFENDANT:

DATED: _____

ONTRAC LOGISTICS, INC. DBA
ONTRAC

By: *Mike Duffy*
Name: Mike Duffy
Title: ceo

APPROVED AS TO FORM AND CONTENT:

DATED: _____

COHELAN KHOURY & SINGER

By: _____
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