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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF VENTURA

RICARDO REVELES VALENZUELA, an
individual and on behalf of all others
similarly situated,

Plaintiff,

v.

ROBERT M. HADLEY COMPANY, INC., a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

CASE NO.: 2024CUOE021361

[Assigned for all purposes to Honorable
Ben Coats in Dept. 43]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: February 29, 2024

Trial Date: None Set

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between plaintiff Ricardo Reveles Valenzuela (“Plaintiff”) and defendant Robert M. Hadley
3 Company, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as
4 “Parties,” or individually as “Party.”

5 **1. DEFINITIONS**

6 1.1. “Action” means the Plaintiff’s lawsuits alleging wage and hour violations against
7 Defendant, captioned *Ricardo Reveles Valenzuela v. Robert M. Hadley Company, Inc.*, Case No.
8 2024CUOE21361, initiated on February 29, 2024, and pending in Superior Court of the State of
9 California, County of Ventura and *Ricardo Reveles Valenzuela v. Robert M. Hadley Company,*
10 *Inc.*, Case No. 2024CUOE21361, initiated on May 3, 2024, and pending in Superior Court of the
11 State of California, County of Ventura,

12 1.2. “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties
13 have agreed to appoint to administer the Settlement.

14 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
15 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
16 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
17 Preliminary Approval of the Settlement.

18 1.4. “Aggrieved Employee” means a current or former non-exempt employees who worked
19 for Defendant in California during the PAGA Period (or if any such person is incompetent,
20 deceased, or unavailable due to military service, the person’s legal representative or successor in
21 interest evidenced by reasonable verification).

22 1.5. “Class” means all current and former non-exempt employees who worked for Defendant
23 in California during the Class Period (or if any such person is incompetent, deceased, or
24 unavailable due to military service, the person’s legal representative or successor in interest
25 evidenced by reasonable verification).

26 1.6. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group,
27 P.C.

28 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean

the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means Class Member identifying information in Defendant's custody, possession, or control, including the Class Member's (1) name; (2) last known address(es); (3) last known Social Security Number(s) or Tax ID(s); (4) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)); (5) the Class Member's individual Workweeks, and (6) the Aggrieved Employee's individual PAGA Pay Periods, if applicable.

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee) (or if any such person is incompetent, deceased, or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification).

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from February 29, 2020, through November 27, 2025.

1.13. "Class Representative" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. "Class Representative Service Payment" means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Ventura.

1.16. "Defendant" means named defendant Robert M. Hadley Company, Inc.

1.17. "Defense Counsel" means Matthew C. Sgnilek and Andrea Rosenkranz of O'Hagan

1 Meyer.

2 1.18. “Effective Date” means the first business day following the last of the following
3 occurrences: (i) if no Class Member both objects and also files either a timely motion to intervene
4 and/or timely motion to vacate the judgment, then sixty (60) days following the date the Court
5 enters an order granting Final Approval of the Settlement; (ii) if a Class Member both objects
6 and either files a timely motion to intervene or timely motion to vacate the judgment, then sixty-
7 one (61) days following the date the Court enters an order granting final approval, assuming no
8 appeal is filed; or (iii) if a Class Member both objects and also files a timely motion to intervene
9 or files a motion to vacate the Judgment and also files a timely appeal, then the date of final
10 resolution of that appeal (including any requests for rehearing and/or petitions for certiorari),
11 resulting in final and complete judicial approval of the Settlement in its entirety, with no further
12 challenge to the Settlement being possible. The occurrence of the Effective Date is a prerequisite
13 to any obligation of Defendant to pay any funds into the Settlement Account.

14 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

15 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval
16 of the Settlement.

17 1.21. “Final Judgment” means the Judgment entered by the Court based upon the Final
18 Approval.

19 1.22. “Gross Settlement Amount” means Five Hundred Two Thousand Twenty Dollars and
20 Zero Cents (\$502,020.00) which is the total amount Defendant agrees to pay under the
21 Settlement, except as provided in Paragraph 8.1 below and any and all employer payroll taxes
22 owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount
23 will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA
24 Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment,
25 and Administrator’s Expenses.

26 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
27 Net Settlement Amount calculated according to the number of Workweeks worked during the
28 Class Period.

1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

1.31. “PAGA Period” means the period from March 1, 2023 through November 27, 2025.

1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.33. “PAGA Notice” means plaintiff’s February 29, 2024, letter to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (currently estimated to be Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00)) and the 75% to the LWDA (currently estimated to be Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$35,500.00)) in settlement of PAGA claims.

1.35. “Participating Class Member” means a Class Member who does not submit a valid and

1 timely Request for Exclusion from the Settlement.

2 1.36. “Plaintiff” means Ricardo Reveles Valenzuela, the named plaintiff in the Action.

3 1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the
4 Settlement.

5 1.38. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval
6 and Approval of PAGA Settlement.

7 1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2
8 below.

9 1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4
10 below.

11 1.41. “Released Parties” means: Defendant named by Plaintiff in the Actions, and its past,
12 present and/or future, direct and/or indirect, officers, directors, members, managers, employees,
13 agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators,
14 parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint
15 venturers.

16 1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be
17 excluded from the Class Settlement signed by the Class Member.

18 1.43. “Response Deadline” means forty-five (45) days after the Administrator mails Notice to
19 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
20 may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his/her/their Objection to
21 the Settlement. Class Members to whom Notice Packets are resent after having been returned
22 undeliverable to the Administrator shall have an additional fifteen (15) days beyond the Response
23 Deadline has expired.

24 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the
25 Judgment.

26 1.45. “Workweek” means any week during which a Class Member worked for Defendant, for
27 at least one day during the Class Period, based on hire dates, re-hire dates (as applicable), and
28 termination dates (as applicable).

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2. RECITALS

2.1. On February 29, 2024, Plaintiff commenced this Action by filing a complaint against Defendant for: failure to pay overtime and minimum wages; failure to provide meal breaks, rest breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; failure to timely pay wages; violation of Labor Code § 227.3, and unfair competition (“Class Action”). On March 3, 2024, Plaintiff filed a separate complaint against Defendant for civil penalties under the PAGA (“PAGA Action”).

2.2. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.3. Prior to mediation Plaintiff obtained, through informal discovery: (a) randomized time and payroll records for 33% of Class Members through mediation; (b) wage and hour policy documents; and (c) all documents pertaining to Plaintiff available to Defendant.

2.4. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.5. On June 30, 2025, the Parties participated in an all-day mediation presided over by Todd A. Smith, Esq. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action.

2.6. The Court has not granted class certification.

2.7. On August 19, 2025, the Court consolidated the Class Action and PAGA Action with the Class Action as the lead case. The Class Action, Case No. 2024CUOE021361, is the operative complaint in this Action (the “Operative Complaint”).

2.8. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendant promises to pay Five Hundred Two Thousand Twenty Dollars and Zero Cents (\$502,020.00) as the Gross Settlement Amount, unless increased pursuant to Paragraph 8.1 of

1 this Agreement, and to separately pay any and all employer payroll taxes owed on the Wage
2 Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross
3 Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this
4 Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking
5 or requiring Participating Class Members or Aggrieved Employees to submit any claim as a
6 condition of payment. None of the Gross Settlement Amount will revert to Defendant.

7 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
8 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
9 in the Final Approval:

10 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than
11 Ten Thousand Dollars and Zero Cents (\$10,000.00) in addition to any Individual Class
12 Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a
13 Participating Class Member. Defendant will not oppose Plaintiff's request for a Class
14 Representative Service Payment that does not exceed this amount. As part of the motion
15 for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will
16 seek Court approval for any Class Representative Service Payments prior to the Final
17 Approval Hearing. If the Court approves a Class Representative Service Payment less
18 than the amount requested, the Administrator will retain the remainder in the Net
19 Settlement Amount. The Administrator will pay the Class Representative Service
20 Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for
21 employee taxes owed on the Class Representative Service Payment.

22 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the
23 Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this
24 Agreement, is currently estimated to be One Hundred Seventy Thousand Seven
25 Hundred and Seven Dollars and Zero Cents (\$175,707.00) and a Class Counsel
26 Litigation Expenses Payment of not more than Forty Thousand Dollars and Zero Cents
27 (\$40,000.00). Defendant will not oppose requests for these payments provided that they
28 do not exceed these amounts. Plaintiff and/or Class Counsel will endeavor to file a

1 motion for Class Counsel Fees Payment and Class Litigation Expenses Payment prior
2 to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment
3 and/or a Class Counsel Litigation Expenses Payment less than the amounts requested,
4 the Administrator will allocate the remainder to the Net Settlement Amount. Released
5 Parties shall have no liability to Class Counsel or any other plaintiff's counsel arising
6 from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel
7 Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees
8 Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms.
9 Class Counsel assume full responsibility and liability for taxes owed on the Class
10 Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds
11 Defendant harmless, and indemnifies Defendant, from any dispute or controversy
12 regarding any division or sharing of any of these Payments. There will be no additional
13 charge of any kind to either the Settlement Class Members or request for additional
14 consideration from Defendant for such work unless, Defendant materially breaches this
15 Agreement, including any term regarding funding, and further efforts are necessary from
16 Class Counsel to remedy said breach, including, without limitation, moving the Court
17 to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation
18 costs and expenses in amounts that are less than the amounts provided for herein, then
19 the unapproved portion(s) shall be a part of the Net Settlement Amount.

20 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
21 \$7,500.00 except for a showing of good cause and as approved by the Court. To the
22 extent the Administration Expenses are less or the Court approves payment less than
23 \$7,500.00, the Administrator will retain the remainder in the Net Settlement Amount.

24 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
25 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
26 by all Participating Class Members during the Class Period and (b) multiplying the result
27 by each Participating Class Member's Workweeks.

28 3.2.4.1. Tax Allocation of Individual Class Payments. 10% of each Participating

1 Class Member's Individual Class Payment will be allocated to settlement of
2 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
3 withholding and will be reported on an IRS W-2 Form. The 90% of each
4 Participating Class Member's Individual Class Payment will be allocated to
5 settlement of claims for interest and penalties (the "Non-Wage Portion"). The
6 Non-Wage Portions are not subject to wage withholdings and will be reported
7 on IRS 1099 Forms. Participating Class Members assume full responsibility
8 and liability for any employee taxes owed on their Individual Class Payment.

9 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
10 Class Payments. Non-Participating Class Members will not receive any
11 Individual Class Payments. The Administrator will retain amounts equal to
12 their Individual Class Payments in the Net Settlement Amount for distribution
13 to Participating Class Members on a pro rata basis.

14 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Fifty
15 Thousand Dollars and Zero Cents (\$50,000.00) to be paid from the Gross Settlement
16 Amount, with 75% (or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents
17 (\$37,500.00)) allocated to the LWDA PAGA Payment and 25% (or Twelve Thousand
18 Five Hundred Dollars and Zero Cents (\$12,500.00)) allocated to the Individual PAGA
19 Payments.

20 3.2.5.1. The Administrator will calculate each Individual PAGA
21 Payment by (a) dividing the amount of the Aggrieved Employees' 25% share
22 of PAGA Penalties of Twelve Thousand Five Hundred Dollars and Zero Cents
23 (\$12,500.00) by the total number of PAGA Period Pay Periods worked by all
24 Aggrieved Employees during the PAGA Period and (b) multiplying the result
25 by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved
26 Employees assume full responsibility and liability for any taxes owed on their
27 Individual PAGA Payment.

28 3.2.5.2. If the Court approves PAGA Penalties of less than the

amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, as of June 27, 2025, Defendant estimates there are 123 Class Members who collectively worked a total of 16,734 Workweeks, and 109 of Aggrieved Employees who worked a total of 3,766 PAGA Pay Periods.

4.2. Class Data. Not later than twenty-one (21) days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall pay Five Hundred, Two Thousand and Twenty Dollars and Zero Cents (\$502,020.00) as an installment plan to be deposited into an escrow account to be established by the Administrator as follows: Defendant will pay One Hundred Twenty-Five Thousand Five Hundred Five Dollars and Zero Cents (\$125,505.00) no later than December 30, 2025; Defendant will pay One Hundred Twenty-Five Thousand Five Hundred Five Dollars and Zero Cents (\$125,505.00) no later than June 30, 2026; Defendant will pay One Hundred Twenty-Five Thousand Five Hundred Five Dollars and Zero Cents (\$125,505.00) no later than December 30, 2026; and Defendant will pay One Hundred Twenty-

Five Thousand Five Hundred Five Dollars and Zero Cents (\$125,505.00) no later than June 30, 2027 or within twenty (20) days of the Effective Date of the Settlement, whichever is later.

4.4. Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments, and the Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than one hundred and eighty (180) days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained

1 through the Class Member Address Search. The Administrator need not take further
2 steps to deliver checks to Class Members whose re-mailed checks are returned as
3 undelivered. The Administrator shall promptly send a replacement check to any Class
4 Member whose original check was lost or misplaced, requested by the Class Member
5 prior to the void date.

6 4.4.3. For any Class Member whose Individual Class Payment check or Individual
7 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
8 shall transmit the funds represented by such checks to the *cy pres* recipient, Legal Aid
9 at Work for use in Ventura County, California.

10 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
11 not obligate Defendant to confer any additional benefits or make any additional
12 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
13 specified in this Agreement.

14 **5. RELEASE OF CLAIMS**

15 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
16 and on the date when Defendant fully funds the entire Gross Settlement Amount and funds all
17 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff,
18 Class Members, and Class Counsel will release claims against all Released Parties as follows:

19 5.1. Plaintiff's Release. Plaintiff, individually and on behalf of Plaintiff's heirs, executors,
20 administrators, representatives, attorneys, successors and assigns knowingly and voluntarily
21 releases and forever discharges Defendant, including any and all parent corporations, affiliates,
22 subsidiaries, managers, predecessors, insurers, successors and assigns, including but not limited
23 to each of their current and former attorneys officers, directors and agents thereof, both
24 individually and in their business capacities, (collectively, "Plaintiff's Released Parties"), to the
25 fullest extent permitted by law, of and from any and all claims, known and unknown, asserted
26 and unasserted, which Plaintiff has or may have against the Plaintiff's Released Parties as of the
27 date of execution of this Settlement Agreement. Plaintiff is not waiving any rights Plaintiff may
28 have to: (i) Plaintiff's own vested accrued employee benefits under the Defendant's health,

1 welfare or retirement benefits plans, if any, as of the date of execution of this Settlement
2 Agreement; (ii) benefits or rights to seek benefits under applicable workers' compensation
3 (except as to claims under Labor Code §§ 132a and 4553 which are expressly released herein) or
4 unemployment insurance or indemnification statutes; (iii) pursue claims which by law cannot be
5 waived by signing this Settlement Agreement; and (iv) enforce this Settlement Agreement.

6 5.2. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. To affect a full
7 and complete general release as described above, Plaintiff expressly waives and relinquishes all
8 rights and benefits of § 1542 of the Civil Code of the State of California and does so
9 understanding and acknowledging the significance and consequence of specifically waiving §
10 1542. Thus, notwithstanding the provisions of § 1542, and to implement a full and complete
11 release and discharge of all parties, Plaintiff expressly acknowledges this Settlement Agreement
12 is intended to include in its effect, without limitation, all claims Plaintiff does not know or suspect
13 to exist in Plaintiff's favor at the time of signing this Settlement Agreement, and that this
14 Settlement Agreement contemplates the extinguishment of any such claims. Plaintiff warrants
15 Plaintiff has read this Settlement Agreement, including this waiver of California Civil Code §
16 1542, and that Plaintiff has consulted with or had the opportunity to consult with counsel of
17 Plaintiff's choosing about this Settlement Agreement and specifically about the waiver of § 1542,
18 and that Plaintiff understands this Settlement Agreement and the § 1542 waiver, and so Plaintiff
19 freely and knowingly enters into this Settlement Agreement. Plaintiff further acknowledges that
20 Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or
21 believes to be true regarding the matters released or described in this Settlement Agreement, and
22 even so Plaintiff agrees that the releases and agreements contained in this Settlement Agreement
23 shall remain effective in all respects notwithstanding any later discovery of any different or
24 additional facts. Plaintiff expressly assume any and all risk of any mistake in connection with
25 the true facts involved in the matters, disputes or controversies released or described in this
26 Settlement Agreement or with regard to any facts now unknown to Plaintiff relating thereto.

27 5.2.1. Release by Participating Class Members: For the duration of the Class Period,
28 upon full payment of the Gross Settlement Amount to the Settlement Administrator,

1 including employer's taxes necessary to effectuate the same, all Class Members who do
2 not timely opt out of the Settlement will release Defendant and its past, present and/or
3 future, direct and/or indirect, officers, directors, members, managers, employees, agents,
4 representatives, attorneys, insurers, partners, investors, shareholders, administrators,
5 parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns,
6 and joint venturers from all causes of action and claims that were alleged in the Action
7 or reasonably could have been alleged based on the facts and legal theories contained in
8 the operative complaint, including all of the following claims for relief: (i) failure to pay
9 all regular rate wages, minimum wages, straight time wages, overtime, and double time
10 wages due; (ii) failure to provide compliant meal periods and/or pay meal period
11 premiums; (iii) failure to provide compliant rest breaks and/or pay rest break premiums;
12 (iv) failure to timely pay wages during employment; (v) failure to provide complete,
13 accurate wage statements; (vi) failure to pay wages timely at time of termination or
14 resignation; (vii) failure to pay vested vacations; and (viii) unfair business practices that
15 could have been premised on the claims, causes of action or legal theories of relief
16 described above or any of the claims, causes of action or legal theories of relief pleaded
17 in the operative complaint. The Class members who cash their Settlement Checks further
18 acknowledge they are releasing any claims they have against Defendant under the Fair
19 Labor Standards Act ("FLSA").

20 5.3. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not
21 release any other claims, including claims for vested benefits, wrongful termination, violation of
22 the Fair Employment and Housing Act, unemployment insurance, disability, social security,
23 workers' compensation, or claims based on facts occurring outside the Class Period.

24 5.4. Release by Aggrieved Employees: For the duration of the PAGA Period, upon full
25 payment of the Gross Settlement Amount to the Settlement Administrator, including employer's
26 taxes necessary to effectuate the same, all Aggrieved Employees and the State of California will
27 release the Released Parties from all causes of action and claims for civil penalties under the
28 California Labor Code Private Attorneys General Act of 2004 that were alleged in the Operative

1 Complaint in the Action or reasonably could have been alleged based on the facts and legal
2 theories contained in the operative complaint in the Action and the PAGA Notice or reasonably
3 could have been alleged based on the facts and legal theories contained in the PAGA Notice,
4 including claims for civil penalties based on the following: (i) failure to pay all regular rate
5 wages, minimum wages, straight time wages, overtime, and double time wages due; (ii) failure
6 to provide compliant meal periods and/or pay meal period premiums; (iii) failure to provide
7 compliant rest breaks and/or pay rest break premiums; (iv) failure to timely pay wages during
8 employment; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages
9 timely at time of termination or resignation; (vii) failure to pay vested vacations; (viii) failure to
10 maintain records in accordance with Labor Code Section 1174; and/or (ix) claims, causes of
11 action or legal theories of relief seeking civil penalties under the California Labor Code Private
12 Attorneys General Act of 2004 plead in the Operative Complaint and underlying PAGA Notice.

13 **6. MOTION FOR PRELIMINARY APPROVAL**

14 The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion
15 for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary
16 Approvals.

17 6.1. Defendant’s Declaration in Support of Preliminary Approval. Within fourteen (14) days
18 of full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed
19 declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or
20 potential conflicts of interest with the Administrator and Cy Pres Recipient.

21 6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all
22 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and
23 memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the
24 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor
25 Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and
26 Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from
27 the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting
28 to its willingness to serve; competency; operative procedures for protecting the security of Class

1 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
2 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
3 and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense
4 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve
5 and disclosing all facts relevant to any actual or potential conflicts of interest with Class
6 Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to
7 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA
8 documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
9 Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699,
10 subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class
11 Members and the Administrator.

12 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
13 for expeditiously finalizing and filing the Motion for Preliminary Approval after the full
14 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
15 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
16 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
17 Administrator.

18 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
19 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
20 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
21 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
22 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
23 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
24 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
25 Court's concerns.

26 7. SETTLEMENT ADMINISTRATION

27 7.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement
28 Administrators to serve as the Administrator and verified that, as a condition of appointment,

Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

7.4. Notice to Class Members

7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3. Not later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class

1 Notice using any forwarding address provided by the USPS. If the USPS does not
2 provide a forwarding address, the Administrator shall conduct a Class Member Address
3 Search, and re-mail the Class Notice to the most current address obtained. The
4 Administrator has no obligation to make further attempts to locate or send Class Notice
5 to Class Members whose Class Notice is returned by the USPS a second time.

6 7.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks
7 and/or Pay Periods, and Requests for Exclusion will be extended an additional fifteen
8 (15) days beyond the forty-five (45) days otherwise provided in the Class Notice for all
9 Class Members whose notice is re-mailed. The Administrator will inform the Class
10 Member of the extended deadline with the re-mailed Class Notice.

11 7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
12 discovers any persons who believe they should have been included in the Class Data
13 and should have received Class Notice, the Parties will expeditiously meet and confer,
14 in good faith, in an effort to agree on whether to include them as Class Members. If the
15 Parties agree, such persons will be Class Members entitled to the same rights as other
16 Class Members, and the Administrator will send, via email or overnight delivery, a Class
17 Notice requiring them to exercise options under this Agreement not later than fifteen
18 (15) days after receipt of Class Notice, or the deadline dates in the Class Notice, which
19 ever are later. If the Parties disagree, the dispute will be referred to Todd Smith, Esq.

20 7.5. Requests for Exclusion (Opt-Outs).

21 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
22 must send the Administrator, by mail, a signed written Request for Exclusion not later
23 than forty-five (45) days after the Administrator mails the Class Notice (plus an
24 additional fifteen (15) days for Class Members whose Class Notice is re-mailed).
25 Requests for Exclusion may be submitted to the Settlement Administrator via U.S. Mail
26 or fax. Class Members must complete, sign, date, and timely return a Request for
27 Exclusion to the Settlement Administrator to exclude themselves from the Settlement,
28 setting forth their (i) name, (ii) address, (iii) last four digits of their Social Security

number (or Tax ID), and (iv) the following statement or a similar statement: “I wish to exclude myself from the settlement reached in the matter of *Valenzuela v. Robert M. Hadley Company, Inc.* I understand that by excluding myself, I will not receive any money from the Class settlement reached in this matter but may still be eligible for payment under the portion of the settlement allocated under PAGA.”. To be valid, Request for Exclusions must be completed in full, signed, and returned to the Settlement Administrator before the expiration of the Response Deadline.

7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member’s desire to be excluded. The Administrator’s determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member’s identity. The Administrator’s determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members’ Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual

1 PAGA Payment.

2 7.6. Challenges to Calculation of Workweeks or Pay Periods. Each Class Member and
3 Aggrieved Employee shall have forty-five (45) days after the Administrator mails the Class
4 Notice (plus an additional fifteen (15) days for Class Members whose Class Notice is re-mailed)
5 to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the
6 Class Member in the Class Notice. The Class Member may challenge the allocation by
7 communicating with the Administrator via mail. The Administrator must encourage the
8 challenging Class Member to submit supporting documentation. In the absence of any contrary
9 documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay
10 Periods contained in the Class Notice are correct so long as they are consistent with the Class
11 Data. The Administrator's determination of each Class Member's allocation of Workweeks
12 and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge.
13 The Administrator shall promptly provide copies of all challenges to calculation of Workweeks
14 and/or PAGA Pay Periods to Defense Counsel and Class Counsel (in a redacted format) and the
15 Administrator's determination the challenges.

16 7.7. Objections to Settlement

17 7.7.1. Only Participating Class Members may object to the class action components of
18 the Settlement and/or this Agreement, including contesting the fairness of the
19 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
20 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

21 7.7.2. Participating Class Members may send written objections to the Administrator,
22 by mail. In the alternative, Participating Class Members may appear in Court (or hire
23 an attorney to appear in Court) to present verbal objections at the Final Approval
24 Hearing. A Participating Class Member who elects to send a written objection to the
25 Administrator must do so not later than forty-five (45) days after the Administrator's
26 mailing of the Class Notice (plus an additional fifteen (15) days for Class Members
27 whose Class Notice was re-mailed). A written objection to the Settlement must set forth
28 the grounds for the objection and the Class Member's (i) name, (ii) address, (iii) last

four digits of their Social Security number (or Tax ID), and (iv) the dates of the Class Member's employment with Defendant. The written objection must be signed and dated and must state the basis for each objection in clear and concise terms. The written objection shall also state whether the Class Member intends to appear and object at the Final Approval Hearing. Written objections may be submitted to the Settlement Administrator via U.S. Mail or fax. A Class Member who does not serve a written objection in the manner and by the deadline specified may appear at the Final Approval Hearing to state their objection to the Settlement. If a Class Member fails to submit a written objection or to appear at the Final Approval hearing to make an oral objection, the Class Member will be deemed to have waived all objections and will be foreclosed from making any objections – whether by appeal or otherwise – to the Settlement.

7.7.3. If a Class Member submits both a Request for Exclusion and a written objection, the Settlement Administrator shall attempt to contact and determine whether the Class Member would like to withdraw either the Request for Exclusion or the objection. If the Class Member does not withdraw the Request for Exclusion or if the Settlement Administrator cannot contact a Class Member who submits both a Request for Exclusion and an objection, the Request for Exclusion shall be valid and it shall be presumed that the Class Member does not wish to participate in the Settlement.

7.7.4. If the Superior Court rejects the Class Member's objection, or if the Superior Court approves the settlement despite any objections, the Class Member will be deemed to be a Participating Class Member and will be bound by the terms of this Settlement.

7.7.5.

7.7.6. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain and use an internet website to post information of interest to Class Members including

1 the date, time and location for the Final Approval Hearing and copies of the Settlement
2 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
3 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
4 Class Counsel Litigation Expenses Payment and Class Representative Service Payment,
5 the Final Approval and the Judgment. The Administrator will also maintain and monitor
6 an e-mail address and a toll-free telephone number to receive Class Member calls and
7 e-mails.

8 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
9 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
10 Not later than ten (10) days after the expiration of the deadline for submitting Requests
11 for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
12 containing (a) the names and other identifying information of Class Members who have
13 timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and
14 other identifying information of Class Members who have submitted invalid Requests
15 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
16 (whether valid or invalid).

17 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
18 reports to Class Counsel and Defense Counsel that, among other things, tally the number
19 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
20 Exclusion (whether valid or invalid) received, objections received, challenges to
21 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
22 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
23 Weekly Reports must include the Administrator’s assessment of the validity of Requests
24 for Exclusion and attach copies of all Requests for Exclusion and objections received.

25 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
26 address and make final decisions consistent with the terms of this Agreement on all
27 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
28 Administrator’s decision shall be final and not appealable or otherwise susceptible to

challenge.

7.8.5. Administrator's Declaration. Before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6. Final Report by Settlement Administrator. Within ten (10) days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least seven (7) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendant estimates that, as of June 27, 2025, (1) there are 123 Class Members and 16,734 Total Workweeks during the Class Period and (2) there are 109 Aggrieved Employees who worked 3,766 Pay Periods during the PAGA Period.

8.1. Increase in Workweeks. Defendant represents that as of June 27, 2025, the number of workweeks worked by Class Members during the Class Period is approximately 16,734. It is determined that the per workweek value is \$30.00 (\$502,020 / 16,734 Workweeks). If it is determined that the workweeks during the Class Period exceeds 18,408 (16,734 plus 10% of

16,734), then Defendant shall have the option of either (i) increasing the Gross Settlement Amount by an amount determined by the following formula: $([Actual\ Number\ of\ Workweeks - 18,408] \times \$30.00)$; or (ii) changing the end date of the Class Period to a date for which there are no more than 18,408 workweeks. Thus, for example, should there be 19,000 workweeks worked during the Class Period, and should Defendant exercise its first option, then Defendant shall owe \$17,760.00. $((19,000\ Workweeks - 18,408\ Workweeks) \times \$30.00/Workweek.)$. If this escalator clause is triggered, Defendant shall exercise its option no later than thirty (30) days before the filing of the motion for preliminary approval.

9. MOTION FOR FINAL APPROVAL

Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (I), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administrator Expenses Payment, shall not constitute a material modification to the Agreement within the meaning of this paragraph.

1 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
2 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
3 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
4 and (iii) addressing such post-Judgment matters as are permitted by law.

5 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
6 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
7 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
8 respective counsel, and all Participating Class Members who did not object to the Settlement as
9 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
10 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
11 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
12 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
13 Parties' obligations to perform under this Agreement will be suspended until such time as the
14 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
15 the amount of the Net Settlement Amount.

16 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
17 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
18 modification of this Agreement (including, but not limited to, the scope of release to be granted
19 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
20 expeditiously work together in good faith to address the appellate court's concerns and to obtain
21 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
22 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
23 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
24 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
25 as long as the Gross Settlement Amount remains unchanged.

26 **10. AMENDED JUDGMENT**

27 If any amended judgment is required under Code of Civil Procedure section 384, the
28 Parties will work together in good faith to jointly submit and a proposed amended judgment.

11. ADDITIONAL PROVISIONS

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third

1 party regarding this Agreement or the matters giving rise to this Agreement except to respond
2 only that “the matter was resolved,” or words to that effect. This paragraph does not restrict Class
3 Counsel’s communications with Class Members in accordance with Class Counsel’s ethical
4 obligations owed to Class Members.

5 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and
6 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
7 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s
8 ability to communicate with Class Members in accordance with Class Counsel’s ethical
9 obligations owed to Class Members.

10 11.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
11 together with its attached exhibits shall constitute the entire agreement between the Parties
12 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
13 inducements made to or by any Party.

14 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
15 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
16 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
17 its terms, and to execute any other documents reasonably required to effectuate the terms of this
18 Agreement including any amendments to this Agreement.

19 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
20 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
21 Settlement Agreement, submitting supplemental evidence and supplementing points and
22 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
23 or content of any document necessary to implement the Settlement, or on any modification of the
24 Agreement that may become necessary to implement the Settlement, the Parties will seek the
25 assistance of a mediator and/or the Court for resolution.

26 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not
27 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
28 encumber to any person or entity and portion of any liability, claim, demand, action, cause of

1 action, or right released and discharged by the Party in this Settlement.

2 11.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
3 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
4 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
5 Part 10, as amended) or otherwise.

6 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
7 modified, changed, or waived only by an express written instrument signed or agreed to by all
8 Parties or their representatives, and approved by the Court. Plaintiff and Defendant expressly
9 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
10 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
11 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
12 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
13 the use of signatures previously provided by the Parties.

14 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
15 the benefit of, the successors of each of the Parties.

16 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
17 governed by and interpreted according to the internal laws of the state of California, without
18 regard to conflict of law principles.

19 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
20 this Agreement. This Agreement will not be construed against any Party on the basis that the
21 Party was the drafter or participated in the drafting.

22 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
23 during Action and in this Agreement relating to the confidentiality of information shall survive
24 the execution of this Agreement.

25 11.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code
26 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant
27 in connection with the mediation, other settlement negotiations, or in connection with the
28 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not

1 be used in any way that violates any existing contractual agreement, statute, or rule of court.

2 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
3 inserted for convenience of reference only and does not constitute a part of this Agreement.

4 11.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
5 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
6 weekend or federal legal holiday, such date or deadline shall be on the first business day
7 thereafter.

8 11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts
9 by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall
10 be accepted as an original. All executed counterparts and each of them will be deemed to be one
11 and the same instrument if counsel for the Parties will exchange between themselves signed
12 counterparts. Any executed counterpart will be admissible in evidence to prove the existence
13 and contents of this Agreement.

14 11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
15 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
16 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend
17 the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
18 process.

19 11.19. Severability. In the event that one or more of the provisions contained in this Agreement
20 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
21 illegality, or unenforceability shall in no way effect any other provision if Defendant’s Counsel
22 and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing
23 to proceed as if such invalid, illegal, or unenforceable provision had never been included in this
24 Agreement.

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28 **IT IS SO AGREED:**

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Ricardo Reveles Valenzuela

Plaintiff, Ricardo Reveles Valenzuela

Christopher Waian

Christopher Waian
For Defendant, Robert Hadley Company, Inc.

AGREED AS TO FORM ONLY:

Vedang J. Patel
David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

Matthew C. Sgnilek
Matthew C. Sgnilek
Andrea Rosenkranz
Counsel for Defendant