

1  
2  
3  
4  
5  
6  
7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **FOR THE COUNTY OF ORANGE**  
10

11 JAIME OSWALDO AREVALO and  
12 HECTOR ALONSO VELASQUEZ,  
13 individually and on behalf of all others  
similarly situated,

14 Plaintiff,

15 vs.

16 NATIONAL SIGNAL LLC., a Delaware  
Company; H&S BEAM LLC, a California  
17 Company; and DOES 1 through 10,  
inclusive,

18 Defendants.  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Case No.: 30-2024-01382811-CU-OE-CXC  
[Assigned for All Purposes to Judge Lane H.  
Melzer, Dept. CX 102]

CLASS ACTION

**JOINT STIPULATION OF CLASS ACTION  
AND PRIVATE ATTORNEYS GENERAL  
ACT SETTLEMENT AND RELEASE**

Compliant Filed: February 27, 2024  
Trial Date: None Set

1 This Joint Stipulation of Class Action and Private Attorneys General Act Settlement and  
2 Release (“Settlement” and/or “Agreement”) is entered into between Plaintiffs JAIME  
3 OSWALDO AREVALO and HECTOR ALONSO VELASQUEZ, individually and on behalf of  
4 all others similarly situated, (collectively “Plaintiff(s)”), and Defendants NATIONAL SIGNAL  
5 LLC., a Delaware Company; H&S BEAM LLC, a California Company (“Defendant(s)”) (collectively, Plaintiff and Defendant are referred to as the “Parties”) in the Action (as defined  
6 below).  
7

### 8 **DEFINITIONS**

9 1. Action. The “Action” means the class action complaints and charges,  
10 including the lawsuit entitled, *Jaime Oswaldo Arevalo, et al. v. National Signal LLC, et al.*  
11 (Orange County Superior Court Case No. 30-2024-01382811-CU-OE-CXC).

12 2. Agreement. “Settlement” and/or “Agreement” shall refer to the instant  
13 Joint Stipulation of Class Action and Private Attorneys General Act Settlement and Release.

14 3. Class Counsel. “Class Counsel” means Grant Joseph Savoy, Esq. and  
15 Shoham J. Solouki, Esq. of SOLOUKI | SAVOY, LLP.

16 4. Class Members, the Class, and Settlement Class Members. “Class  
17 Members” means: All current and former non-exempt employees of DEFENDANTS employed  
18 to work at any of H&S BEAM LLC and/or NATIONAL SIGNAL LLC locations in the State of  
19 California at any time from February 27, 2020, through the date of Preliminary Approval of this  
20 Settlement Agreement (the “CLASS PERIOD”). The “Settlement Class” or “Settlement Class  
21 Members” means all Class Members other than those who opt-out (see Paragraphs 21 and 54.a).

22 5. Class Notice. “Class Notice” means the document mutually agreed upon  
23 by the Parties and approved by the Court to be sent to the Class in English and Spanish following  
24 preliminary approval that includes the scope of release language for Settled Claims, notifies  
25 Class Members of the Settlement, explains the Settlement and Class Members’ options,  
26 including how Class Members may opt out or object to the Settlement, and explains the facts and  
27

methods based on which the Class Member's estimated settlement payments are calculated, substantially in the form attached hereto as "**Exhibit A**".

6. Class Period. "Class Period" means the period of time beginning on June 13, 2015, to the date preliminary approval of the class action settlement, subject to the Settlement Cap Provision in Paragraph 48g.

7. Complaint. "Complaint" means the lawsuit entitled, *Jaime Oswaldo Arevalo, et al. v. National Signal LLC, et al.* (Orange County Superior Court Case No. 30-2024-01382811-CU-OE-CXC), filed with the Orange County Superior Court on or around February 27, 2024, including any amendments such as the First Amended Complaint filed on or about May 14, 2024.

8. The Court. The "Court" refers to the Orange County Superior Court or other court or courts that will approve the Action, whether individually or together.

9. Day. "Day" refers to a calendar day(s) unless otherwise stated. If any designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur on the next business day.

10. Defendants. "Defendants" means NATIONAL SIGNAL LLC and H&S BEAM LLC ("Defendant(s)")

11. Effective Date. "Effective Date" means the first business day following the last of the following occurrences: (i) if no Class Member timely and properly intervenes, files a timely motion to vacate the Final Judgment under, or objects or otherwise challenges the Settlement, then the date the Court enters an Order Granting Final Approval of the Settlement and Final Judgment; or (ii) if a Class Member timely intervenes or files a motion to vacate the Final Judgment, or objects or otherwise challenges the Settlement, and files a timely appeal, then five (5) days after the Court receives the mandate reflecting the final resolution of that appeal (including any requests for rehearing and/or petitions for *certiorari*), resulting in final and complete judicial approval of the Settlement in its entirety without modification, with no further

challenge to the Settlement being possible. Defendant shall deposit all sums necessary to fund the Settlement after the Effective Date based on the schedule explained in Paragraph 58 of this Agreement. In the event an appeal, writ, motion challenging the judgment or other collateral attack is made after the Effective Date, the funds shall not be distributed until all challenges are resolved in a manner that upholds the Settlement in its entirety and shall be returned if the Agreement is not finally and completely approved in all respects.

12. Exclusion Period. The “Exclusion Period” means the time period commencing on the date the Class Notice is mailed to Class Members via First Class U.S. and ending forty-five (45) days later on the deadline to submit an Opt-Out Request or Objection.

13. Final Judgment. “Final Judgment” means the judgment entered and filed by the Court that: (1) finally approves this Agreement and the Settlement and disposes all class issues raised in this Action, bars through collateral estoppel and/or res judicata Settlement Class Members from reasserting Settled Claims against Released Parties; (2) finally approves this Agreement and the Settlement and disposes all PAGA issues and claims raised in this Action, bars through collateral estoppel and/or res judicata PAGA Members from reasserting PAGA Claims against Released Parties; and (3) awards and orders the payment of all required amounts pursuant to the terms of this Agreement (approved Class Counsel’s attorneys’ fees and costs, Settlement Payments to Class Members and PAGA Payments to PAGA Members, etc.). Following the expiration of any appeal period, the Final Judgment will constitute a binding and final resolution of any and all claims by the Named Plaintiffs and all Settlement Class Members as to all Settled Claims and all PAGA Members as to all Settled PAGA Claims as set forth in this Agreement.

14. Final Settlement Approval Hearing. “Final Settlement Approval Hearing” means the hearing at which the Court shall consider the motion for final approval of this Settlement and determine whether to fully and finally approve the fairness and reasonableness of this Settlement and Agreement, and enter an order barring through collateral estoppel and/or res

judicata Settlement Class Members from asserting Settled Claims against Released Parties and all PAGA Members from pursuing Settled PAGA Claims against Released Parties.

15. Funding Payments. “Funding Payments” means the payment(s) remitted to the Third Party Administrator or Settlement Administrator (“TPA” or “SA”) by or on behalf of Defendant following Final Judgment and the Effective Date in full and complete discharge of the entire monetary obligation of Defendant in an amount equal to the GSA, which, as set forth herein, shall satisfy all outstanding and awarded Settlement Payments, PAGA Payments, attorneys’ fees and costs awarded to Class Counsel, the Named Plaintiffs’ enhancement awards as awarded by the Court, outstanding payments to the SA as approved by the Court for settlement administration costs, and the payment to the Labor Workforce Development Agency (or “LWDA”), minus any amounts already paid under the Agreement.

16. Gross Settlement Amount or GSA. “Gross Settlement Amount” or “GSA” means a fixed total payment of Four Hundred and Sixty Thousand Dollars and Zero Cents (\$460,000.00), payable by Defendant under this Agreement, which shall satisfy all outstanding and awarded Settlement Payments, PAGA Payments, attorneys’ fees and costs awarded to Class Counsel, the Named Plaintiffs’ enhancement awards as awarded by the Court, outstanding payments to the SA as approved by the Court for settlement administration costs, and the payment to the LWDA.

17. Last Known Address. “Last Known Address” means the most recently recorded mailing address for a Class Member and/or PAGA Member contained in Defendant’s records.

18. Named Plaintiffs. “Named Plaintiffs” individually and collectively means Jaime Oswaldo Arevalo and Hector Alonso Velasquez.

19. Net Settlement Amount or “NSA”. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount less the amounts deducted pursuant to Paragraphs 48a through 48e of this Agreement, including deductions of the amounts awarded to Class Counsel,

1 the enhancement award to the Named Plaintiffs, the payment to the LWDA to resolve claims  
2 under the PAGA, and the costs awarded for settlement administration owed pursuant to this  
3 Agreement.

4 20. Objection. “Objection” means a written request, which a Class Member  
5 may submit no later than the last day of the Exclusion Period and in the form specified in  
6 Paragraphs 21 and 53.c, or via the optional use Objection Form attached to the Notice, in order to  
7 object to the Settlement, or a personal appearance, or other appearance permitted by the Court, at  
8 the final approval hearing to object.

9 21. Opt-Out Request. “Opt-Out Request” must (1) contain the name, address,  
10 and telephone number of the person requesting exclusion; (2) contain the last four numbers of  
11 the Class Members’ social security number or the employee number or dates of employment or  
12 provide a similar basis to identify the individual; (3) be signed by the Class Member; (4) be  
13 postmarked or fax stamped within the Exclusion Period/Response Deadline 45 days after mailing  
14 date and returned to the Settlement Administrator at the specified address or fax number. (See  
15 Paragraph 54.d) An optional use Opt-Out Form is attached to the Notice. A Class Member who  
16 opts-out and otherwise qualifies as a PAGA Member will remain a PAGA Member despite  
17 opting out of the Class Settlement.

18 22. Order of Final Approval or Order Granting Final Approval of Settlement.  
19 “Order of Final Approval” or “Order Granting Final Approval of Settlement” or “Final  
20 Approval” means the order issued in conjunction with the entry of the Final Judgment to be  
21 submitted by the Named Plaintiffs together with the Motion for Final Approval of the Settlement  
22 for entry and filing by the Court as specified in this Settlement.

23 23. PAGA Period. “PAGA Period” means the period of time beginning on  
24 February 27, 2023, and ending on the date the Court grants Preliminary Approval, subject to the  
25 Settlement Cap Provision in Paragraph 48g.

24. PAGA Member. “PAGA Members” means all current and former employees of Defendants who were employed or have been employed by Defendants in the state of California as non-exempt employees during the PAGA Period.

25. PAGA Payment and PAGA Allocation. Of the Gross Settlement Amount, One Hundred and Fifteen Thousand Dollars and Zero Cents (\$115,000.00) shall be allocated for the PAGA claims. “PAGA Employee Allocation” means the amounts distributed among PAGA Members and is the amount remaining from the \$115,000.00 (after subtracting the \$86,250.00 allocated to the LWDA) divided by the total number of PAGA Pay Periods Worked credited to all PAGA Members. Each PAGA Member’s Individual PAGA Payment is equal to his or her pro rata share of the PAGA Employee Allocation based on the number of PAGA Pay Periods Worked out of the cumulative number of PAGA Pay Periods worked by all PAGA Members..

26. PAGA Pay Periods Worked. “PAGA Pay Periods Worked” means the number of workweeks credited to a PAGA Class Member during the PAGA Period (for the Settled PAGA Claims), as determined by Defendant’s records and estimates..

27. Parties. “Parties” means Named Plaintiffs, individually on behalf of themselves and on behalf of all Class Members, PAGA Members and interests of the Labor Workforce Development Agency (“LWDA”), and Defendants.

28. Preliminary Approval Order. “Preliminary Approval Order” is the order entered and filed by the Court that preliminarily approves the terms and conditions of this Agreement, including approval of the Parties’ Agreement that specifies the content of notice and manner in which notice will be provided to the Class and responded to by the Class.

29. Released Parties. “Released Parties” means Defendants and each of their respective parent companies, including subsidiaries, affiliates, joint ventures, predecessors, successors, and related parties and all of their past and present directors, officers, shareholders, members, managers, joint employers, co-employers, integrated enterprises, representatives, employees, and anyone else acting for any of them

30. Settlement Administrator. “Settlement Administrator” or “SA” means Phoenix Class Action Settlement Administrators (“Phoenix”) or such other neutral administrator as chosen by the Parties and approved by the Court (see Paragraph 523a).

31. Settled Claims. “Settled Claims” means all claims and/or causes of action arising from or related to this case under any federal, state or local law or administrative order that were or which could have been plead based on the facts alleged in the operative Complaint, whether known or unknown, including the failure to pay wages, the failure to pay overtime compensation, the failure to provide meal periods, the failure to provide rest periods, the failure to maintain or provide accurate itemized statements, the failure to maintain records, the failure to timely pay wages, the failure to pay wages due to discharged or quitting employees, the failure to reimburse for necessary business expenses, and any other claims whatsoever that were or could have been alleged in this case, including without limitation all related claims for restitution and other equitable relief under Business and Professions Code § 17200, conversion, liquidated damages, punitive damages, waiting-time penalties, related IWC Wage Orders including, but not limited to, Wage Order No. 1; Fair Labor Standards Act, 29 U.S.C. sections 201, *et seq.* and any other related claims and/or penalties of any nature whatsoever.

32. Settled PAGA Claims. “Settled PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been reasonably alleged in the operative Complaint and the PAGA Notice based on the facts, allegations, assertions and claims in the operative Complaint and PAGA Notice, and, including, (a) Failure to provide or pay premium payments for meal periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (b) Failure to authorize and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC Wage Order No. 1-2001, § 12); (c) any and all claims involving any alleged failure to pay minimum wage, contract wages, overtime, or other amounts of wages, or failure to compensate Named Plaintiffs and PAGA Members for all wages earned and all hours worked (see Cal Labor Code §§ 510, 1194, 1197, 1198; IWC Wage Order

No. 1-2001, §§ 3-4); (d) failure to timely pay wages during employment (see Labor Code § 204); (e) failure to pay wages due to discharged and quitting employees (see Labor Code §§ 201-203); (f) failure to maintain required records (see Labor Code §§ 226, 1174; IWC Wage Order No. 1-2001, § 7); (g) failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); (h) failure to reimburse business expenses (see Labor Code § 2800-2802); and (i) failure to properly calculate, accrue, display and pay mandatory sick pay (see Labor Code § 246, et seq.). “Settled PAGA Claims” includes all types of relief available for the above-referenced claims, including, without limitation, any claims for civil penalties, attorneys’ fees, costs, and declaratory relief. The Final Judgment shall expressly provide that it covers and based on the doctrines of res judicata and/or collateral estoppel bars Plaintiffs, LWDA, the State of California, the PAGA Members, and any other representative, proxy, or agent thereof, from prosecuting “Settled PAGA Claims” that arose during the PAGA Period.

33. Settlement Class Member(s). “Settlement Class Member” means all Class Members other than those who have timely and validly submitted Opt-Out Requests and thereby excluded themselves from releasing Settled Claims from the Settlement.

34. Settlement Payment. “Settlement Payment” means a payment pursuant to a Settlement Class Member’s pro rata allocation of the NSA as specified in Paragraph 48, and any Member’s Individual PAGA Payment specified in Paragraph 51.e.ii.

35. Settlement Proceeds Distribution Deadline. “Settlement Proceeds Distribution Deadline” means a date that is fourteen (14) days after the Funding Payment has been made by Defendant to the SA based on the schedule explained in Paragraph 5858 of this Agreement.

36. Updated Address. “Updated Address” means a mailing address that was updated by a reasonable address verification measure of the SA or by an updated mailing address provided by the United States Postal Service for a Class Member or PAGA Member.

37. Workweeks Worked. A “Workweek Worked” means the number workweeks worked by a Class Member during the Class Period, as determined or estimated by Defendants’ records.

## RECITALS

38. Named Plaintiffs filed a class action lawsuit on February 27, 2024 against Defendants alleging ten causes of action for: (1) Failure to provide required meal periods; (2) Failure to provide required rest periods; (3) Failure to pay overtime wages; (4) Failure to pay minimum wage; (5) Failure to timely pay wages; (6) Failure to pay all wages due to discharged and quitting employees; (7) Failure to maintain required records; (8) Failure to furnish accurate itemized statements; (9) Failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (10) Unfair and unlawful business practices (Orange County Superior Court Case No. 19STCV20874, “Rodriguez Action.”) On or about May 14, 2024, Named Plaintiffs filed First Amended Complaint removing causes of action for Failure to Timely Pay Wages and Failure to Maintain Required Records, and adding a cause of action for penalties pursuant to the California Private Attorneys General Act.

39. Defendants filed their Answer answers to the First Amended Complaint (“FAC”) on or about June 12, 2024, in which they denied all allegations and claims asserted in the FAC. Defendants deny that they engaged in any misconduct in connection with their wage-and-hour practices and that they have any liability or engaged in wrongdoing of any kind associated with the claims alleged in the Action, including any Settled PAGA Claims. Defendants contend that they have complied at all times with both federal and state wage-and-hour laws, and all other laws regulating the employer-employee relationship that relate to the employment of Named Plaintiffs and the Class and PAGA Members.

40. Defendants and Class Counsel, on behalf of Named Plaintiffs and the Class Members and aggrieved employees, attended a full-day in-person mediation session with the Honorable Judge Amy Hogue (Ret.). The Parties hereto agree that the terms and conditions

1 of this Agreement are the result of lengthy, intensive arms-length negotiations between the  
2 Parties supervised by an experienced former complex civil litigation judge. The Parties agree  
3 that the Agreement is entered into in good faith as to each Class Member and PAGA Member  
4 and that the Settlement is fair, reasonable and adequate as to each Class Member and PAGA  
5 Member.

6           41. Class Counsel is of the opinion that this Settlement is fair, reasonable, and  
7 adequate, and in the best interest of the Class and PAGA Members and other relevant interests in  
8 light of all known facts and circumstances, including the benefits conferred by the Settlement,  
9 the risk of significant delay, the uncertainty and risk of the outcome of further litigation, the  
10 burdens of proof necessary to establish liability, defenses asserted to the merits, including but not  
11 limited to the affirmative defenses asserted as to Settlement Class Members, the risks of  
12 proceeding on any class claims and PAGA claims, including class certification, the difficulties in  
13 establishing damages and penalties, and the numerous potential appellate issues. While  
14 Defendants specifically deny any liability or wrongdoing in the Action, Defendants have agreed  
15 to enter into this Settlement to avoid the cost and business disruption associated with defending  
16 the Action. Defendants have claimed and continue to claim that the Settled Claims and Settled  
17 PAGA Claims have no merit and do not give rise to liability. This Agreement is a compromise  
18 of disputed claims. This Agreement, made and entered into by and between the Named Plaintiffs  
19 (on behalf of themselves and on behalf of the Class Members and PAGA Members and interests  
20 of the state of California, including the LWDA) and Defendants, each with the assistance of its  
21 respective counsel or attorneys of record, is intended to fully, finally, and forever settle,  
22 compromise and discharge the Settled Claims and Settled PAGA Claims against the Released  
23 Parties, subject to the terms and conditions set forth herein.

24           42. Because the Action is pled as a class action, this Settlement must receive  
25 preliminary and final approval by the Court. Because the PAGA portion of this case is pled as a  
26

PAGA representative action, this Settlement is subject to further approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis.

**TERMS AND CONDITIONS OF SETTLEMENT**

NOW THEREFORE, in consideration of the recitals listed above and the promises and warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth herein, the Named Plaintiffs, individually on behalf of themselves and on behalf of the Class Members and PAGA Members and LWDA and state of California's interests, on the one hand, and Defendant, on the other hand, agree that the Action shall be, and is finally and fully compromised and settled on the following terms and conditions.

43. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants do not admit, and specifically deny, that they or any of them have: violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees or any other person or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings, payouts or other events associated with it, shall be construed as an admission or concession by Defendants of any such violation(s) or failure(s) to comply with any applicable law by Defendants or any other Released Parties. Except as necessary in a proceeding to approve, interpret or enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of the Released Parties or to establish the existence of any condition constituting a violation of, or noncompliance with, federal, state, local or other applicable law. In addition, as set forth herein,

1 the Parties intend this Settlement to be contingent upon the preliminary and Final Approval of  
2 this Agreement; and in the event Final Approval of this Agreement is not obtained the Parties do  
3 not waive, and instead expressly reserve, their respective rights to prosecute and defend this  
4 Action as if this Agreement never existed in the event the Settlement is not fully and finally  
5 approved as set forth herein. In the event that this Agreement is not approved by the Court, fails  
6 to become effective, or is reversed, withdrawn or modified by the Court or any other court with  
7 jurisdiction over the Action, the Agreement shall become null and void *ab initio* and shall have  
8 no bearing on, and shall not be admissible in connection with, further proceedings in this Action,  
9 except that the Court may award less than the amounts listed in Paragraph 48a through 48e  
10 without impacting the validity and enforceability of this Agreement and the Parties will be  
11 returned to their respective positions prior to entering this Agreement.

12 44. Stipulation for Class Certification. The Parties stipulate to the  
13 certification of this Settlement Class for purposes of this Settlement only. If, however, the  
14 Settlement does not become final for any reason, the Parties' Agreement shall become null and  
15 void *ab initio* and shall have no bearing on, and shall not be admissible in connection with,  
16 whether class certification would be appropriate in any other context in this Action.

17 45. Release of Settled Claims. As of the Effective Date, Named Plaintiffs and  
18 all Settlement Class Members hereby do and shall be deemed to have fully, finally, and forever  
19 released, settled, compromised, relinquished and discharged any and all Settled Claims against  
20 any and all Released Parties. The Settlement includes a release of all Settled Claims during the  
21 Class Period by Settlement Class Members employed at any time during the Class Period.

22 a. The Parties agree for settlement purposes only that, because the  
23 Class Members are so numerous, it is impossible or impracticable to have each Class Member  
24 execute this Agreement. Accordingly, the Class Notice will advise all Class Members of the  
25 binding nature of the Agreement and such notice shall have the same force and effect as if the  
26 Agreement were executed by each Class Member.

b. Named Plaintiffs and Class Counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged, except as set forth herein.

c. The Parties agree that this is a settlement of disputed claims not involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

46. Release of Settled PAGA Claims. As of the Effective Date, Named Plaintiffs, LWDA, the State of California, and any other representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged are barred from prosecuting “PAGA Claims” that arose during the PAGA Period against any and all of the Released Parties. Subject to Court approval, the Agreement includes a settlement of all Settled PAGA Claims during the PAGA Period by PAGA Members employed at any time during the PAGA Period to the fullest extent permitted under the PAGA, including settlement contemplated in Labor Code section 2699(l)(2).

47. Individual Releases of Claims. In addition to the releases made by the Settlement Class Members and PAGA Members set forth in this Agreement, Named Plaintiffs release, as individuals and in addition to the Settled Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. The Parties understand and agree that Plaintiffs are not, by way of this release, releasing any claims which cannot be released as a matter of law. Notwithstanding the foregoing, Named Plaintiffs understands that this release includes unknown claims and that Named Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

This release excludes any release of any claims not permitted to be released by law and any and all claims subject to the separate settlement agreement and release of Plaintiffs' individual claims, including Plaintiffs' claims for relief stemming from his age national origin and age discrimination claims filed with the California Civil Rights Department, which are subject to a separate confidential settlement agreement between Plaintiffs and Defendant.

Hector Alonzo Vasquez Initials: \_\_\_\_\_

15.

1                   a.     Attorneys' Fees. Class Counsel will apply to the Court for an  
2 award of attorneys' fees of no more than one third (1/3) or thirty-three point three, three, four  
3 percent (33.334%) of the GSA or One Hundred Fifty-Three Thousand, Three Hundred and  
4 Thirty-Three Dollars and Thirty-Three Cents (\$153,333.33). The attorneys' fees shall come  
5 from and be deducted from the GSA and paid out as set forth herein. Defendant will not oppose  
6 such application.

7                   b.     Attorneys' Costs. Named Plaintiffs and Class Counsel shall  
8 request approval of payment of up to but not to exceed Thirty Thousand Dollars and Zero Cents  
9 (\$30,000.00) in attorneys' costs, including any litigation costs, which will be deducted from the  
10 GSA and paid out as set forth herein. Defendant will not oppose such application. Attorneys'  
11 fees as specified in the preceding Paragraph and costs as specified in this Paragraph shall cover  
12 all claimed and unclaimed attorneys' fees, attorneys' costs and other amounts payable or  
13 awardable against Defendant for Class Counsel's work, effort or involvement in the Action and  
14 in carrying out the Agreement and includes any and all work, effort or involvement to carry out  
15 the terms of the Agreement and as may be potentially or actually necessary or advisable to  
16 defend the Agreement and/or Settlement through appeal, or collateral attack or in any other  
17 forum or proceeding. These specified Attorneys' Fees and Costs shall be the sole payment for  
18 attorneys' fees and costs and, otherwise, the Parties and Class Members and their counsel shall  
19 bear their own fees and costs in connection with the Action. Should the Court approve lesser  
20 amounts for Attorneys' Fees and Costs, the difference shall be added to the NSA.

21                   c.     Administration Fees and Costs. Class Counsel will also apply to  
22 the Court for approval of SA costs in an amount not to exceed \$7,750.00, which will be deducted  
23 from the GSA. Defendant will not oppose such application. Class Counsel will specify the  
24 amount sought for such costs, up to the foregoing maximum, in Named Plaintiffs' motions for  
25 preliminary and Final Approval of the Settlement.

d. Named Plaintiffs' Enhancement and General Release Payment.

Class Counsel will apply to the Court for approval of an enhancement award in an amount not to exceed Ten Thousand Dollars, and Zero Cents (\$10,000.00) to be paid to each Named Plaintiff, Defendant will not oppose such application. The enhancement award is included in, and shall be deducted from, the GSA. Should the Court approve a lesser amount, the difference shall be added to the NSA.

e. PAGA Allocation and Payments. Pursuant to California Labor

Code Section 2698, *et seq.*, the Parties designate One Hundred and Fifteen Thousand Dollars and Zero Cents (\$115,000.00) of the GSA to resolve any PAGA claims (including penalties sought for Named Plaintiffs' employment and penalties sought under the PAGA for all other PAGA Members' employment and payment to the LWDA).

i. Defendant shall pay seventy five percent (75%) of that

amount, or Eighty-Six Thousand, Two Hundred and Fifty Dollars and Zero Cents (\$86,250.00), to the LWDA, and the remainder to PAGA Members. In the event the LWDA refuses to accept the above amount in full for all civil penalties to PAGA Members in connection with the civil penalty claims alleged in this Action, or in the event the LWDA or anyone on its behalf otherwise challenges the above allocation or the Settlement, the Parties shall work in good faith to revise the allocation so that it is accepted.

ii. The remaining Twenty-Eight Thousand, Seven Hundred

and Fifty Dollars and Zero Cents (\$28,750.00) shall be paid to PAGA Members based on the proportion of the individual PAGA Member's PAGA Pay Periods Worked divided by the cumulative number of PAGA Pay Periods Worked by all PAGA Members (the "Individual PAGA Payment").

f. Net Settlement Amount. The NSA will be the amount remaining

after deducting the amounts specified in Paragraphs 48a through 48e above (including deducting the amount in 48e.ii, which will be separately distributed to PAGA Members).

g. Estimate of Workweeks Worked and Escalator Provision and Discretionary Cap. Class distribution is based on workweeks during the Class Period. It is estimated that Class Members worked an estimated 19,737 workweeks during the Class Period as of the time of filing this Motion. Should the number of workweeks in the Class Period increase by more than 10% or exceed a total of 21,711 workweeks, Defendants will have the option to increase the Gross Settlement Amount by a proportionate additional amount for each additional workweek or, if Defendants declines to exercise this option, the Gross Settlement Amount will cover no more than 21,711 workweeks, and the Release date will be moved back to only cover the Class Period during which no more than 21,711 workweeks were worked by the Class Members

h. Settlement Payments to Settlement Class Members. Only the following individuals will receive Settlement Payments under the Settlement Agreement: (1) the Named Plaintiffs, (2) Settlement Class Members, and (3) PAGA Members. PAGA Payments will be calculated as set forth in paragraph 25, above, and Settlement Payments will be calculated as follows:

i. The NSA will be divided by the total Workweeks Worked by all Settlement Class Members during the Class Period as reflected in Defendant's records and estimates based on existing records. All Settlement Class Members shall be paid an amount equal to the proportion of their individual Workweeks Worked during the Class Period divided by the total cumulative number of Workweeks Worked by All Settlement Class Members. Workweeks Worked shall be determined by the SA based on data to be provided by Defendant, as may be modified by the resolution of any challenges.

ii. The Parties agree that under no circumstances shall Defendant be obligated to pay any amount under this Agreement to any Class Member other than Settlement Class Members and PAGA Members. In addition, the Parties agree that in no event

1 shall Defendant be obligated to pay more than the GSA, except for the separate payment of  
2 employer-side payroll taxes, as provided in Paragraphs 50, 58.

3                   iii.       The Parties acknowledge and agree that the formula used to  
4 calculate Workweeks Worked, individual Settlement Payments, PAGA Pay Periods Worked, and  
5 PAGA Payments does not imply that all of the elements of damages covered by the release are  
6 not being taken into account. The above formulas were devised as practical and logistical tools  
7 to simplify the payment process.

8                   49.   No Credit Towards Benefit Plans. The Settlement Payments made to  
9 Settlement Class Members and PAGA Payments made to PAGA Members under this Agreement  
10 shall not be utilized to calculate any additional benefits under any benefit plans to which any  
11 Settlement Class Members or Class Members or PAGA Members may be eligible, including, but  
12 not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation  
13 plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention  
14 that this Agreement will not affect any rights, contributions, or amounts to which any Settlement  
15 Class Members, Class Members and PAGA Members may be entitled under any benefit plans.

16                   50.   Taxation of Settlement Proceeds. All taxable portions of Settlement  
17 Payments shall be paid in a net amount after applicable employee state and federal tax  
18 withholdings, including employee-side payroll taxes, if any, have been deducted.

19                   a.       The Parties agree that the Settlement Payments will be allocated as  
20 follows: ten percent (10%) for alleged unpaid wages, for which an IRS Form W-2 shall be  
21 issued, and ninety (90%) for alleged penalties and interest. The PAGA Payments to PAGA  
22 Members will be designated entirely as payments for alleged penalties and other non-wage  
23 amounts. The portions of the Settlement Payments allocated to penalties, interest or other non-  
24 wage amounts and the PAGA Payments will be paid without tax withholdings and will be  
25 reported as such to each Settlement Class Member and/or PAGA Member on an IRS Form 1099.

b. The SA shall calculate, withhold from the Settlement Payments, and remit to applicable governmental agencies sufficient amounts, if any, as may be owed by Settlement Class Members for applicable employee taxes. The SA will issue appropriate tax forms, if required, to each such Settlement Class Member consistent with the foregoing breakdown. The SA shall also calculate and obtain from Defendant and remit to applicable governmental agencies sufficient amounts, if any, as may be owed for employer-side payroll taxes based on the wage portion of the Settlement Payments.

c. All Parties represent that they have not received, and shall not rely on, advice or representations from other parties or their agents, including Class Members and PAGA Members, regarding the tax treatment of payments under federal, state, or local law. In this regard, Defendants make no representations regarding the taxability of the Settlement Payments and PAGA Payments.

d. Class Counsel will be issued an IRS Form 1099 for any fees and costs awarded by the Court pursuant to Paragraph 48. Except as provided in Paragraph 48, each Party shall bear his, her or its own attorneys' fees, costs, and expenses incurred in the prosecution, defense, or settlement of the Action. Class Counsel agrees that any allocation of fees between or among each of the Class Counsel or among the Class Counsel and any other attorney that may be representing Named Plaintiffs or the Class, if any, shall be the sole responsibility of Class Counsel. Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that no provision of this Agreement, and no written or oral communication or disclosure or other representation by Defendant and/or Released Parties is or was intended to be, nor shall be construed or be relied upon as, tax advice, and Named Plaintiffs, Class Members and PAGA Members shall not rely on Defendant and/or Released Parties for any tax advice with respect to the Settlement of this Action.

e. The Named Plaintiffs will be issued an IRS Form 1099 for any enhancement award approved by the Court pursuant to Paragraph 48. The enhancement award payable to the Named Plaintiffs shall be in addition to the Settlement Payments and PAGA Payments that Named Plaintiffs will receive.

51. Provisional Approval of Settlement. Named Plaintiffs shall file a motion in the Action and take all other action to request that the Court enter the Preliminary Approval Order based on an agreed-upon Settlement schedule, subject to Court approval:

a. Seeking class certification on the terms set forth in this Agreement solely for purposes of the Class Settlement;

b. Preliminarily approving the proposed Settlement and this Agreement, including the payments to the Settlement Class Members, Class Counsel, the Named Plaintiffs, PAGA Members, the SA, and the LWDA;

c. Preliminarily approving the appointment of the Named Plaintiffs as representatives of the Class for settlement purposes;

d. Preliminarily approving the appointment of counsel for Named Plaintiffs as Class Counsel;

e. Appointing and approving a SA as chosen by the Parties and approved by the Court, to administer the notice, opt-out requests, objections and Settlement Payment and PAGA Payment procedures required by this Agreement;

f. Approving the form of the Class Notice mutually agreed by the Parties;

g. Scheduling the Final Settlement Approval Hearing for consideration of Final Approval of this Agreement;

h. Requiring that any Class Members who object to the Settlement Agreement submit any objection to the SA postmarked by the end of the Exclusion Period or

1 appear in person or by other Court approved means at the Final Approval Hearing, and that the  
2 Parties be given an opportunity to file written responses to any objection(s) with the Court;

3 i. Approving the procedure for Class Members to submit Opt-Out  
4 Requests, and setting a date after which no Class Members shall be allowed to submit Opt-Out  
5 Requests; and

6 j. Approving the procedure for Settlement Class Members to object  
7 to the Settlement.

8 k. Defendants shall not oppose Class Counsel's motions for  
9 preliminary approval and Final Approval of the Settlement so long as the motions and supporting  
10 papers are consistent with the terms of this Agreement. Class Counsel shall provide Defendants  
11 with an opportunity of 5 days to review, and provide comments on the motions for preliminary  
12 and Final Approval of the Settlement before the motion and supporting papers are filed with the  
13 Court. The Parties will meet and confer and agree upon the wording of the settlement packages  
14 to be sent to Class Members, as well as the proposed orders for preliminary and Final Approval  
15 before filing. Failure of the Court to grant the Preliminary Approval Order will be grounds for  
16 the Parties to terminate the Settlement and the terms of the Agreement, except that the Parties  
17 must work in good faith to comply with any changes to the Settlement proposed by the Court to  
18 the extent the changes are acceptable by both Parties, and the Court may award less than the  
19 amounts listed in Paragraph subparts 48a through 48e without impacting the validity and  
20 enforceability of this Agreement.

21 52. Notice Procedure.

22 a. Settlement Administrator. The Parties will use Phoenix or a  
23 another mutually agreeable third-party SA to distribute the Class Notice and the Settlement  
24 Payments and PAGA Payments and handle the tax reporting and field any questions from Class  
25 Members and/or PAGA Members with a hotline. The SA (along with any of its agents) shall  
26 represent and warrant that it will: (a) provide reasonable and appropriate administrative, physical

1 and technical safeguards for any personally identifiable information (“PII”), which it receives  
2 from Defendant; (b) not disclose the PII to Class Counsel, Named Plaintiffs, any party or third  
3 parties, including agents or subcontractors, without Defendant’s consent; (c) not disclose or  
4 otherwise use the PII other than to carry out its duties as set forth herein; (d) promptly provide  
5 Defendant with notice if PII is subject to unauthorized access, use, disclosure, modification, or  
6 destruction; and (e) continue to protect the PII upon termination of its services.

7           b.     Class Member Data. Within fourteen (14) days after filing of the  
8 Preliminary Approval Order, Defendant shall provide to the SA a list of Class Members and  
9 PAGA Members that identifies for each Class Member/PAGA Member, his/her Social Security  
10 number, last-known address, and the workweek numbers and other Class Member data confirm  
11 qualifying Workweeks Worked and PAGA Pay Periods Worked or will forward the start and end  
12 date(s) of employment for the SA to calculate the Workweeks Worked and PAGA Pay Periods  
13 Worked. Defendant agrees to consult with the SA as required to provide the list in a format  
14 reasonably acceptable for the duties of the SA. The SA will keep the list confidential, use it only  
15 for the purposes described herein, take adequate safeguards to protect confidential or private  
16 information and return or certify the destruction of the information or continued safeguarding of  
17 the information upon completion of the Settlement Administration process.

18           53.   Class Notice. The SA will send to each Class Member and PAGA  
19 Members by First-Class U.S. Mail the Class Notice, which includes information on how Class  
20 Members may opt-out of or object to the Settlement and a procedure by which a Class Member  
21 may challenge the number of Workweeks Worked identified on his/her Class Notice. The  
22 Named Plaintiffs will seek approval of language in the Class Notice in the motion for  
23 preliminary approval and will seek permission for the Parties in conjunction with the SA to be  
24 able to correct immaterial errors on these forms or other mailed materials without approval from  
25 the Court, provided the changes do not alter the preliminary approval by the Court.

a. Settlement Administrator Duties. Prior to mailing the Class Notice, the SA will update the addresses for the Class Members and PAGA Members using the National Change of Address database and other available resources deemed suitable by the SA. To the extent this process yields a different address from the one supplied by Defendant (“Updated Address”), that Updated Address shall replace the address supplied by Defendant (“Last Known Address”) and be treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings in particular. The Settlement Administrator shall be permitted to provide notices and communicate to the Class and PAGA Members in a format and statement to be provided to the Court, which Named Plaintiffs will submit in conjunction with the motion for preliminary approval and/or motion for Final Approval.

b. Class Notice Procedure. Within fourteen (14) days after receipt of the above information from Defendant, the SA shall send the Class Notice to each Class Member's and PAGA Member's Last Known Address or Updated Address (if applicable) via First-Class U.S. mail.

c. Exclusion Period. Class Members will have forty-five (45) days from the postmark of the initial mailing of the Class Notice by the SA to submit by U.S. mail their Opt-Out Requests, with proof of date of submission to be the postmark date of the completed Opt-Out Request. Class Members will also have forty-five (45) days to object to the Settlement by submitting a written objection with the SA that sets forth the basis of the objection pursuant to Paragraph 55, which the SA shall submit to the Parties within 10 days after the end of the Exclusion Period, and Class Counsel shall submit to the Court. Opt-Out Requests do not apply to the Settled PAGA Claims and will not exclude PAGA Members from the release of Settled PAGA Claims.

d. SA Follow-up efforts.

i. The SA shall re-mail by First-Class U.S. mail the Class Notice returned by the Post Office with a forwarding address, and shall re-mail by First-Class

1 U.S. mail the Class Notice to any Class Member/PAGA Member who personally provides an  
2 updated address to the SA.

3                   ii.           In the event that the first mailing of the Class Notice to any  
4 Class Member/PAGA Member is returned without a forwarding address, the SA will  
5 immediately perform skip trace(s) if necessary using social security numbers provided by  
6 Defendant and National Change of Address searches, as needed, to verify the accuracy of the  
7 addresses provided and will conduct a second round of mailings of the Class Notice by First-  
8 Class, U.S. mail within an agreed number of days for those forms returned to sender. If no new  
9 information is ascertained by means of a skip trace, or if the Class Notice is returned to SA after  
10 using an address obtained from a standard skip trace, the SA will immediately perform a manual  
11 “in-depth skip trace” to locate a more recent or accurate address. If an Updated Address is  
12 identified by this method, the SA will resend the Class Notice to the Updated Address within  
13 three (3) days of identifying the Updated Address.

14                   iii.           If the SA re-mails the Class Notice, it shall note for its own  
15 records the date and the address of each re-mailing. Those Class Members who receive a re-  
16 mailed Class Notice, whether by skip-trace or forwarded mail, will have forty-five (45) days  
17 from the postmark mailing/re-mailing date to submit an Exclusion Form, or file and serve an  
18 objection to the Settlement or dispute the information provided in their Class Notice. The  
19 Settlement Administrator shall mark on the envelope whether the Class Notice is a re-mailed  
20 notice.

21                   e.           Documenting Communications. The SA shall date stamp  
22 documents it receives, including Opt-Out Requests, Objections and any correspondences and  
23 documents from Class Members/PAGA Member.

24                   f.           Settlement Administrator Declaration. At least seven (7) days  
25 prior to the deadline for filing the motion for final approval, the SA shall prepare, subject to  
26 Class Counsel’s/PAGA Member’s and Defendants’ input and approval, a declaration setting

1 forth the due diligence and proof of mailing of the Class Notices, the results of the SA's  
2 mailings, including tracing and re-mailing efforts, and the Class Members'/PAGA Member's  
3 responses to those mailing and provide additional information deemed necessary to approve the  
4 settlement.

5 g. SA Written Reports. Each week during the Exclusion Period, the  
6 SA shall provide the Parties with a report listing the number of Class Members that submitted  
7 Opt-Out Requests and Objections. Within seven (7) days after the close of the Exclusion Period,  
8 the SA will provide a final report listing the number of Class Members who submitted Opt-Out  
9 Requests or Objections.

10 h. SA Calculations of Settlement Payments. Within seven (7) days  
11 after resolving all challenges made by Settlement Class Members, and following the Final  
12 Approval Order, the SA shall provide to the Parties a report showing its calculation of all  
13 Settlement Payments to be made to Settlement Class Members and PAGA Members. After  
14 receiving the SA's report, Class Counsel and Defendant's counsel shall review the same to  
15 determine if the calculation of payments to Settlement Class Members/PAGA Members is  
16 consistent with this Agreement, and shall notify the SA if either counsel does not believe the  
17 calculation is consistent with the Agreement. After receipt of comments from counsel, the SA  
18 shall finalize its calculation of Settlement Payments and PAGA Payments, at least five (5) days  
19 prior to the distribution of such payments, and shall provide Class Counsel and Defendant's  
20 Counsel with a final report listing the amount of all payments to be made to each Settlement  
21 Class Member from the NSA and listing the amount of all payments to be made to each PAGA  
22 Member from the amount allocated for PAGA Payments. The SA will also provide information  
23 that is requested and approved by both Parties regarding its duties and other aspects of the  
24 Settlement and that is necessary to carry out the terms of the Settlement.

#### 54. Requirements for Recovery of Settlement Payments.

a. Class Members. No claim form is necessary to participate in the Settlement. Unless a Class Member submits a valid and timely Opt-Out Request, a Class Member will be a Settlement Class Member, bound by the Judgment, and will receive a payment from the NSA. All Class Members except for those who timely and validly opt-out of the Settlement shall be bound by the release of Settled Claims in this Agreement. All PAGA Members, including any who opt-out of the Class Settlement, shall be bound by the release of Settled PAGA Claims and shall be barred from seeking any action for civil penalties for Settled PAGA Claims in this Agreement. At Defendant's option, checks in payment of amounts due to Settlement Class Members under the Settlement may contain a brief statement of waiver of Settled Claims and/or Settled PAGA Claims as part of the endorsement language.

b. Late Submissions. The SA shall not accept as valid any Opt-Out Request postmarked after the end of the Exclusion Period, as extended for remailings, absent agreement from the Parties or order of the Court. It shall be presumed that, if an Opt-Out Request is not postmarked on or before the last day of the Exclusion Period, the Class Member did not return the Opt-Out Request in a timely manner.

c. Challenges. Class Members will have the right to challenge the number of Workweeks Worked allocated to them. The following challenge procedure will be established for the Class Member to dispute information on which his/her payment amount is based: Challenges to the number of Workweeks Worked shall be sent directly to the SA at the address indicated on the Class Notice. An optional use Workweek Dispute Form is attached to the Notice A Class Member challenging the number of Workweeks Worked identified may also submit documentary evidence in order to prove the claimed number of Workweeks Worked during the Class Period. Defendants shall have the right to respond to the challenge by any Settlement Class Member. No challenge to the number of Workweeks Worked will be accepted unless sent by U.S. mail within forty-five (45) days from the initial mailing of the Class Notice

1 by the SA, with proof of date of submission to be the postmark date unless ordered by the Court.  
2 Additional time may be provided to a Class Member only upon a showing of good cause and  
3 within an amount of time determined by the SA that will not delay the distribution of Settlement  
4 Payments to other Class Members/PAGA Members and in no event beyond the date of filing of  
5 the motion for final approval. The SA will inform Class Counsel and Defendants' counsel in  
6 writing of any timely filed challenges and will preliminarily determine all such disputes after  
7 consulting with the Parties regarding the number of Workweeks Worked. If each of the Parties  
8 does not agree with the SA's preliminary determination, the dispute will be submitted to the  
9 Court for a decision, and the Court's determination shall be final and binding without a right of  
10 appeal.

11 d. Opt-Out Procedure. Unless a Class Member timely opts out of the  
12 Settlement described in this Agreement, he/she shall be bound by the terms and conditions of this  
13 Agreement, and shall also be bound by the Final Judgment. A Class Member will not be entitled  
14 to opt-out of the Settlement established by this Agreement unless he or she submits to the SA a  
15 request or notice of opting out via U.S. mail postmarked on or before the expiration of the  
16 Exclusion Period. The request must be in writing on an Opt-Out Request and include the Class  
17 Member's name, address, date, signature, to the notice that indicates he or she "opts out" of the  
18 Settlement. An optional use Opt-Out Form is attached to the Notice. Opt-Out Requests do not  
19 apply to the Settled PAGA Claims and will not exclude PAGA Members from the release of  
20 Settled PAGA Claims.

21 i. Upon receipt of any Opt-Out Request within the Exclusion  
22 Period, the SA shall review the request to verify the information contained therein, and confirm  
23 that the request complies with the requirements of this Agreement.

24 ii. Any Class Member who fails to submit via U.S. mail a  
25 timely, complete and valid Opt-Out Request shall be barred from opting out of this Agreement or  
26

1 the Settlement. The SA shall not have the authority to extend the deadline for Class Members to  
2 file a request to opt out of the Settlement absent agreement by both Parties.

3                   iii.           Class Members shall be permitted to rescind in writing  
4 their request to opt-out by submitting a written rescission statement to the SA no later than the  
5 Effective Date and provided that Individual Settlement Payments can be recalculated to reflect  
6 the rescission.

7                   iv.           Each Defendant alone has the option to withdraw from and  
8 void the settlement if the number of opt outs reaches or exceeds ten percent (10%) of all Class  
9 Members or the number of Workweeks Worked by the opt-outs equals or exceeds ten percent  
10 (10%) of the total Workweeks Worked by the Class Members, as determined by Defendant's  
11 records as of July 31, 2024. Defendant shall provide written notice of such withdrawal to Class  
12 Counsel. In the event that any Defendant elects to so withdraw, the withdrawal shall have the  
13 same effect as a termination of this Agreement for failure to satisfy a condition of Settlement for  
14 affected individuals and amounts, and the Agreement shall become null and void and have no  
15 further force or effect in that respect, but shall remain binding and enforceable in all other  
16 respects. In the event that a Defendant exercises this option, it will be solely responsible for any  
17 additional Settlement Administrator's costs related to those affected by this provision.

18                   55.   Objections to Settlement. Any Settlement Class Member may object to  
19 the Settlement. Any such objection may be submitted to the SA in writing on or before the close  
20 of the Exclusion Period or may appear at the Final Approval Hearing object orally. If any  
21 Settlement Class Member wish to object in writing, any such written Objection shall include: (1)  
22 the full name of the Settlement Class Member; (2) address of the Settlement Class Member; (3)  
23 the basis for the objection; and (4) if the Settlement Class Member intends to appear at the Final  
24 Approval Hearing. An optional Objection Form is attached to the Notice. The Parties shall be  
25 permitted to file responses to the Objection in addition to any motion for final approval  
26 documents. Settlement Class Members may also appear at the Final Approval Hearing to object.

1 At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage  
2 Settlement Class Members to submit written objections to the Settlement or appeal from the  
3 Order granting final approval and/or Final Judgment. Class Counsel shall not represent any  
4 Settlement Class Members with respect to any such objections.

5 56. Final Fairness Hearing, Final Approval and Final Judgment.

6 a. Entry of Final Judgment. At the Final Approval Hearing, Named  
7 Plaintiffs will request that the Court enter a Final Judgment.

8 b. Motion. Named Plaintiffs will draft and file a motion for final  
9 approval and for approval of any attorneys' fees and costs and enhancement award in conformity  
10 with any requirements from the Court and will take other action to request the entry of Final  
11 Judgment in accordance with this Agreement. The motion for final approval and corresponding  
12 paperwork will be subject to input and approval from Defendants and the proposed judgment  
13 finally approving the Settlement shall be subject to the input from and approval by Defendants,  
14 provided that Defendants shall have five (5) calendar days from receipt to provide such input. In  
15 conjunction with the motion for final approval, Class Counsel shall file a declaration from the  
16 SA confirming that the Class Notice and related forms were mailed to all Class Members as  
17 required by this Agreement, as well as any additional information Class Counsel, with the input  
18 and approval of Defendants, deems appropriate to provide to the Court.

19 c. Objections. Before and/or at the Final Fairness Hearing, Named  
20 Plaintiffs and Defendants, through their counsel of record, may address any written objections  
21 from Class Members or any concerns from Class Members who attend the hearing as well as any  
22 concerns of the Court.

23 57. Post-Final Approval Requirements and Procedures. Following entry of  
24 the Court's Order Granting Final Approval of Settlement and Final Judgment, the Parties will act  
25 to assure the timely execution and fulfillment of all its provisions, including, but not limited to,  
26 the following:

a. Should an appeal be taken from the Final Approval of the Settlement, all Parties will support the Order of Final Approval and Final Judgment on appeal;

b. The Parties will assist the SA as needed or requested in the process of identifying and locating Settlement Class Members entitled to Settlement Payments from the NSA and PAGA Members entitled to PAGA Payments and assuring delivery of such payments;

c. Class Counsel will assist the SA as needed or requested in completing the distribution of any uncashed checks as directed by the Court; and

d. Class Counsel will certify to the Court completion of all payments required to be made by this Settlement Agreement.

58. Payment of Settlement. Defendants will deposit the Funding Payment, including all employer-side payroll taxes, into an account established by the SA within 15 days of the Effective Date. The full remittance of the Funding Payment to the SA shall constitute full and complete discharge of the entire monetary obligation of Defendants under this Agreement. No Released Party shall have any further monetary obligation or liability to Class Counsel, Named Plaintiffs, Settlement Class Members and/or PAGA Members under this Agreement after receipt by the SA of the Funding Payment.

a. The Parties agree that the Funding Payment will qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the SA is hereby designated as the “Administrator” of the qualified Settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee taxes imposed on the gross income of that settlement fund and any tax-related expenses arising from any income tax returns or other reporting documents that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Funding Payment by the SA.

b. The distribution of Settlement Payments to Settlement Class Members shall occur no later than the Settlement Proceeds Distribution Deadline. The SA shall be deemed to have timely distributed Settlement Payments if it places said payment in the mail (First-Class U.S.). When the SA receives notice from Settlement Class Members that they have not received such Settlement Payments due to changes of address or other circumstances, the SA shall be deemed to have timely distributed those Settlement Payments if (after satisfying itself that the amounts have not been received or negotiated) it re-mails the payments to the updated addresses or provides for delivery by other reasonable methods requested by such Settlement Class Members, provided that any and all requests for re-mailing shall be actually received and acknowledged by the SA before the 180-day deadline referenced in Paragraphs 59, 60, and 64 or will be deemed ineffective, and have no effect and the original mailed amount shall be deemed timely distribution of the Settlement Payment. If any checks are returned to the SA without a forwarding address the SA shall conduct a skip-trace and re-mail the checks. The SA shall mail all Settlement Payments by the Settlement Proceeds Distribution Deadline. To comply with California Rule of Court 3.771, settlement checks shall include the following language on the check: “A Court has approved settlement of the class action and PAGA representative action and entered judgment for claims asserted *Jaime Oswaldo Arevalo, et al v. National Signal LLC, et al.*, Orange County Superior Court Case No. 30-2024-01382811-CU-OE-CXC.” No person shall have any claim against the SA, Defendants or other Released Parties, Class Counsel, Defendants’ counsel, or any other agent designated by Named Plaintiffs or Defendants based upon the distribution of Settlement Payments made substantially in accordance with this Agreement or further orders of the Court.

c. The distribution of attorneys' fees, costs, and the Named Plaintiffs' enhancement/general release awards shall occur no later than the date of the payment under the Settlement Proceeds Distribution Deadline.

d. Upon Defendant's transfer of the Funding Payment and employer-side taxes to the SA, Defendants and the other Released Parties, shall have no further monetary liability or financial responsibility to Class Counsel or to any vendors or third parties employed by the Named Plaintiffs or Class Counsel in connection with the Action.

e. Defendants shall not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Approval Order and Final Judgment, and after the Effective Date of the Agreement, and no amounts will be owed or payable until all appeals if taken or other collateral attacks have lapsed or have been favorably resolved in favor of the Settlement and no further challenge to the Settlement is possible.

59. Settlement Class Members and/or PAGA Members who are sent Settlement Payments and/or PAGA Payments shall have one hundred and eighty (180) days after mailing by the SA to cash their settlement checks.

60. If such Settlement Class Members and/or PAGA Members do not cash their checks within that period, those checks will become void and a stop payment will be placed on the uncashed checks. Checks that are not cashed within one hundred and eighty (180) days of mailing shall, subject to Court approval, be distributed as follows:

a. If such Settlement Class Members and/or PAGA Members do not cash their checks within that period, those checks will become void and a stop payment will be placed on the uncashed checks. Checks that are not cashed within one hundred and eighty (180) days of mailing shall, subject to Court approval, be distributed pursuant to the State Controller Unclaimed Property Fund, or as otherwise directed by California Code of Civil Procedure Section 384 and as ordered by the Court. In such event, those Settlement Class Members and/or PAGA Members will be deemed to have waived irrevocably any right in or claim to a Settlement Payment and/or PAGA Payment subject to their rights, if any, to recover the

1 Settlement Payments and/or PAGA Payments from the Unclaimed Property  
2 Fund if ordered or otherwise will be extinguished. Settlement Class  
3 Members and/or PAGA Members who fail to negotiate their check(s) in a  
4 timely fashion shall, like all Settlement Class Members who did not validly  
5 opt out of the Settlement, remain subject to the terms of the Settlement and  
6 the Final Judgment.

7 61. The SA shall keep Class Counsel and Defendants' counsel apprised of all  
8 distributions from the GSA. Upon completion of administration of the Settlement, the SA shall  
9 provide written certification of such completion to the Court, Class Counsel and Defendants'  
10 Counsel.

11 62. Binding Effect of Agreement on Settlement Class Members and PAGA  
12 Members. Subject to final Court approval, all Settlement Class Members and PAGA Members  
13 shall be bound by this Agreement, and Final Judgment shall be entered in the Action. In  
14 addition, unless the Class Member opts out of the Settlement described in this Agreement, he/she  
15 shall be bound by the Court's Order of Final Approval and Final Judgment, and PAGA Members  
16 shall be bound by the Court's Order of Final Approval and Final Judgment regardless of whether  
17 they opt-out of the Class Settlement. As set forth more fully in Paragraph 69, if the Court does  
18 not enter an Order of Final Approval and Final Judgment granting Final Approval of the  
19 Settlement, which becomes final, the Settlement shall become null and void, and its terms and all  
20 documents setting out its terms shall be inadmissible in further litigation of this Action or any  
21 other case.

22 63. Non-Interference with Opt-Out Procedure. The Parties and their counsel  
23 agree that they shall not seek to solicit or otherwise encourage Class Members to submit Opt-Out  
24 Requests or objections to the Settlement or to appeal from the Final Judgment.

64. Waiver of Appeal. Subject to preliminary and Final Approval of this Settlement, all Class Members, except those Class Members who make timely and valid objections pursuant to the terms of this Agreement, expressly waive the right to appeal.

65. Preliminary Timeline for Completion of Settlement. The preliminary schedule for notice, approval, and payment procedures carrying out this Settlement is set forth in the subsections below. This schedule may be modified depending on whether and when the Court grants necessary approvals and orders notice to the Class and PAGA Members, and sets further hearings. In the event of such modification, the Parties shall cooperate in order to complete the Settlement procedures as expeditiously as reasonably practicable.

a. Preliminary Approval Hearing as permitted by the Court;

b. Defendant to provide information described in Section 54 (name, address, dates of employment, etc.) no later than fourteen (14) days after filing of the Preliminary Approval Order;

c. The SA to mail the Class Notice by U.S. First Class mail to Class Members and PAGA Members by approximately fourteen (14) days after receipt from Defendant of the information described in the preceding subparagraph;

d. The SA to conduct trace/search efforts and send a follow up mailing, no later than three (3) days after receiving a returned Class Notice, to individuals whose Class Notice was returned as undeliverable or whose listed address is found to be inaccurate or outdated;

e. Opt-Out Requests and Objections to the Settlement must be postmarked no later than forty-five (45) days after the date of initial mailing of the Class Notice;

f. The SA will provide to the Parties, and to the Court as directed by the Parties, information regarding Opt-Out Requests and written objections or statements of intention to object to the Settlement received from Class Members within seven (7) days of the close of the Exclusion Period;

g. Class Counsel will file a timely motion for final approval of the Settlement and a separate application for award of attorneys' fees and costs and an enhancement award to the Named Plaintiffs by the date set by the Court, or if no date is set, at least sixteen (16) court days prior to the scheduled Final Approval Hearing date;

h. The Parties will request a Final Approval Hearing before the Court within a reasonable time after the close of the Exclusion Period, or as soon thereafter as the Court will hear the Motion for Final Approval. After entry of the Final Approval Order and Judgment Defendant shall remit the Funding Payment to the SA.

i. Settlement Payments to Settlement Class Members, including the Named Plaintiffs, and payments to Class Counsel for litigation costs and expenses and awarded attorneys' fees, and the enhancement award to Named Plaintiffs, and PAGA Payments to the LWDA and PAGA Members shall be made by the Settlement Proceeds Distribution Deadlines by mailing of checks by First Class U.S. mail or by wire (as to Class Counsel's payments only).

66. Automatic Voiding of Agreement if Settlement Not Finalized. If for any reason the Effective Date does not occur, the Settlement shall be null and void and the orders, judgment, and dismissal to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Action, as if the Parties had never entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of any and all Parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or otherwise in any other proceeding.

67. No Injunctive Relief. The Parties agree that the Settlement does not include injunctive relief against Defendants or the other Released Parties.

68. Confidentiality and Non-Disparagement.

a. Parties and their counsel will keep the Settlement confidential, through the Court's order granting the Parties' Motion for Preliminary Approval, but the Parties will be able to disclose to the Court, when and as necessary before preliminary approval, that they have reached an agreement in principle, subject to completion of a final Agreement and Court approval.

b. Following the Court's order granting the Parties' Motion for Preliminary Approval, the Parties and their counsel agree to make no comments to the media or otherwise publicize the terms of the settlement on any social media or websites. This shall not restrict Class Counsel from responding to inquiries posed by Class Members. Further, Class Counsel may include the case name, number, and settlement information in declarations setting out their qualifications as class counsel.

c. Named Plaintiffs and Class Counsel agree to maintain the confidentiality of any documents produced, formally or informally, during the course of the Action. Named Plaintiffs and Class Counsel agree to return to Defendants' counsel or destroy, at their option, any information designated as confidential during the course of the Action, including but not limited to any information and/or documents provided to Class Counsel for purposes of mediation.

d. Defendants shall direct all inquiries by Class Members and /or PAGA Members to the SA, which shall provide general information about the lawsuit, including responding to questions about the lawsuit, by providing neutral information about the agreement consistent with the Agreement.

69. Notices. All notices, requests, demands and other communications required or permitted to be given pursuant to this Agreement shall be in writing, and shall be delivered by First-Class U.S. mail to the attorneys listed in the caption above and the SA, with additional copies to be sent via electronic mail.

70. Modification in Writing. This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by counsel for the Parties and approved by the Court, and supersedes any memorandum of understandings or prior agreement(s). This Agreement may not be amended, altered, modified or waived, in whole or in part, orally. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated.

71. Ongoing Cooperation. Named Plaintiffs and Defendants, and each of their respective counsel, shall cooperate in good faith to execute all documents and perform all acts necessary and proper to effectuate and implement the terms of this Agreement, including but not limited to drafting and submitting the motions for Preliminary and Final Approval, and defending the Agreement and Final Judgment against objections and appeals. Named Plaintiffs shall, as necessary, properly and completely take all steps, including but not limited to submitting any required documents to the LWDA and take any other actions necessary to resolve the Released PAGA Claims pursuant to this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein.

72. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

73. Binding on Successors. This Agreement shall be binding and shall inure to the benefit of the Parties and their respective successors, assigns, executors, administrators, heirs and legal representatives, including the Released Parties.

74. Entire Agreement. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement between Named Plaintiffs and the Class Members/PAGA Members on the one hand, and Defendants on the other hand, with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties, including Defendants. This Agreement supersedes any and all prior oral or written understandings, agreements and arrangements between the Parties with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties. Except those set forth and included expressly in this Agreement, there are no other agreements, covenants, promises, representations or arrangements between the Parties with respect to the Settlement of the Action and the Settled Claims/Settled PAGA Claims against the Released Parties.

75. Execution in Counterparts. This Agreement may be signed in one or more counterparts by facsimile, electronic signature, or email. All executed copies of this Agreement, and photocopies thereof (including facsimile, electronic signature or email copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

76. Captions. The captions and section numbers in this Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Agreement.

77. Governing Law. This Agreement shall be interpreted, construed, enforced, and administered in accordance with the laws of the State of California, without regard to conflict of law rules.

78. Reservation of Jurisdiction. Notwithstanding the entry and filing of Final Judgment, the Court shall retain jurisdiction under Section 664.6 of the Code of Civil Procedure and California Rule of Court 3.769 for purposes of interpreting and enforcing the terms of this Agreement.

79. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

80. Warranties and Representations. With respect to themselves, each of the Parties to this Agreement and/or their agents or counsel represent, covenant and warrant that (a) they have full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement, and (b) the person executing this Agreement has the full right, power and authority to enter into this Agreement on behalf of the Party for whom he/she has executed this Agreement, and the full right, power and authority to execute any and all necessary instruments in connection herewith, and to fully bind such Party to the terms and obligations of this Agreement, except that the Parties understand that the Named Plaintiffs and Class Counsel only have the power to bind Class Members and PAGA Members to the extent this Agreement is approved by the Court.

81. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of counsel. Further, the Named Plaintiffs and Class Counsel warrant and represent that there are no liens on the Agreement, and that after entry by the Court of the Final Judgment, Defendant, through the SA, may distribute funds to Settlement Class Members, PAGA Members, Class Counsel, and the Named Plaintiffs as provided by this Agreement.

82. Authorization by Named Plaintiffs. Named Plaintiffs authorizes Class Counsel to sign this Agreement and further agrees not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such Opt-Out Request or objection by Named Plaintiffs shall therefore be void and of no force or effect.

**IT IS SO AGREED:**

Dated: April\_\_\_\_, 2025

JAIME OSWALDO AREVALO  
*Named Plaintiff, Class and PAGA Representative*

Dated: April \_\_\_, 2025

HECTOR ALONSO VELASQUEZ  
*Named Plaintiff, Class and PAGA Representative*

Dated: April 8, 2025

*Mark Fernandez*  
 \_\_\_\_\_  
 DEFENDANT NATIONAL SIGNAL LLC  
*Authorized Representative*

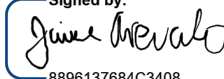
Dated: April 8, 2025

Mark Fernandez  
DEFENDANT H&S BEAM LLC  
Authorized Representative

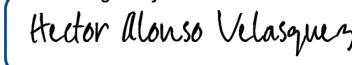
82. Authorization by Named Plaintiffs. Named Plaintiffs authorizes Class Counsel to sign this Agreement and further agrees not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such Opt-Out Request or objection by Named Plaintiffs shall therefore be void and of no force or effect.

**IT IS SO AGREED:**

Dated: April <sup>07</sup>, 2025

Signed by:  
  
8896137684C3408  
JAIME OSWALDO AREVALO  
*Named Plaintiff, Class and PAGA Representative*

Dated: April <sup>08</sup>, 2025

DocuSigned by:  
  
58B0518E04FE493...  
HECTOR ALONSO VELASQUEZ  
*Named Plaintiff, Class and PAGA Representative*

Dated: April \_\_, 2025

DEFENDANT NATIONAL SIGNAL LLC  
*Authorized Representative*

Dated: April \_\_, 2025

DEFENDANT H&S BEAM LLC  
*Authorized Representative*

# EXHIBIT A

**ORANGE COUNTY SUPERIOR COURT**

***Jaime Oswaldo Arevalo, et al. v. National Signal, LLC, et al.***  
**(Orange County Superior Court Case No. 30-2024-01382811-CU-OE-CXC)**

**To: ALL NON-EXEMPT HOURLY-PAID EMPLOYEES CURRENTLY AND/OR FORMERLY EMPLOYED BY DEFENDANTS NATIONAL SIGNAL LLC., AND/OR H&S BEAM LLC, IN CALIFORNIA AT ANY TIME FROM FEBRUARY 27, 2020 THROUGH [Insert date of Prelim Approval]**

***PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS***

**WHY DID I GET THIS NOTICE?**

You have received this Notice because National Signal LLC's and H&S Beams LLC's ("Defendants") records reflect that you are or may be a class member in a pending class action entitled *Jaime Oswaldo Arevalo, et al. v. National Signal LLC, et al.* (Orange County Superior Court Case No. 30-2024-01382811-CU-OE-CXC) (the "Action"), and you may be entitled to money from the settlement of that Action.

This Notice is court approved and informs you of the terms of the agreement of the Parties to settle the claims as set forth and embodied in a Joint Stipulation of Class Action and PAGA Settlement Agreement and Release ("Settlement" and/or "Agreement"). This Notice explains what steps you may take to participate in, object to, or exclude yourself from the Settlement.

**WHAT IS THIS ACTION ABOUT?**

The Action was originally filed on February 27, 2025 by Plaintiffs Jaime Oswaldo Arevalo and Hector Alonso Velasquez ("Named Plaintiffs" or "Plaintiffs") (Plaintiffs and Defendants jointly referred to as the "Parties"). The Action, as amended, pleads class allegation claims against Defendants for: (1) Failure to provide required meal periods; (2) Failure to provide required rest periods; (3) Failure to pay overtime wages; (4) Failure to pay minimum wage; (5) Failure to pay all wages due to discharged and quitting employees; (7) Failure to furnish accurate itemized statements; (8) Unfair and unlawful business practices; and (9) civil penalties under the Labor Code Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.* or "PAGA"). Named Plaintiffs seek to recover various damages and costs and penalties, including unpaid wages, restitution (including under California Business and Professions Code Section 17200 *et seq.*), interest, statutory and civil penalties (including under PAGA), and attorneys' fees and costs. A copy of the complaint, and amendments thereto, are on file with the Court.

Defendants deny each and all of the claims and contentions alleged by Named Plaintiffs. Defendants believe strongly that they each have multiple valid defenses to the claims and that their employees have been properly paid and treated in accordance with the law. Absent the Settlement, Defendants would continue to vigorously defend against the lawsuit. By agreeing to this Settlement, Defendants are not admitting that they have any liability.

After engaging in formal and informal discovery, in-person all-day mediation before Judge Amy Hogue (Ret.), the Parties agreed to the Settlement, which was preliminarily approved by the trial court in the Action (“Court”) on [Date]. Named Plaintiffs and Class Counsel support the Settlement.

Neither the Court nor any other fact finder has decided whether the claims brought by the Named Plaintiffs (or Defendants’ defenses) are meritorious. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. Rather, the Court has determined only that there is sufficient evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and any final determination of those issues will be made at the final hearing. Defendants reserve the right, if for any reason the Settlement fails, to resume the defense against the factual and legal allegations in the Action and whether this Action should proceed as a class or representative PAGA action.

#### **WHAT IS A CLASS AND REPRESENTATIVE PAGA ACTION?**

In a class and representative PAGA action lawsuit, one or more persons sue on behalf of other people who may have similar claims and/or who may claim to have been similarly aggrieved. Named Plaintiffs are the Class and PAGA Representative in the Action, and have asserted claims on behalf of themselves and the class and group of alleged aggrieved employees. A class and representative PAGA action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class and the alleged aggrieved employees.

A class member and/or a PAGA alleged aggrieved employee is bound by the determination or judgment entered in the case, whether the class or group of alleged aggrieved employees wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class and/or representative PAGA action. Notice of the final judgment in this case will be posted on the Settlement Administrator’s website.

#### **WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

The settlement class includes any and All current and former non-exempt employees of Defendants employed to work at any of H&S Beam LLC and/or National Signal LLC locations in the State of California at any time from February 27, 2020, through the date the Court granted preliminary approval of the Settlement (“Class Members”). On the other hand “Settlement Class” or “Settlement Class Members” means all Class Members other than those who opt-out of the Settlement, and will receive their portions of the Class Action and PAGA Action settlement proceeds.

#### **WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?**

Defendants will pay a fixed “Gross Settlement Amount” in the amount of Four Hundred and Sixty Thousand Dollars and Zero Cents (\$460,000.00) in exchange for: the release by Settlement Class

Members of Released Claims (defined below) against it and Released Parties (defined below); final judgment on the Action; and the other terms set forth in the Settlement. Subject to Court approval, the Gross Settlement Amount will be allocated as follows:

- **Individual Settlement Allocation:** \$ [REDACTED] shall be allocated to all Settlement Class Members (defined below) and referred to in this notice as the “Net Settlement Amount” or “NSA.” Settlement Class Members who do not request to be excluded from the Settlement will receive a pro-rata share of the Net Settlement Amount automatically, which will be referred to in this notice as the “Individual Settlement Allocation.” The Individual Settlement Allocation will be calculated by dividing the number of workweeks reflected in the company’s records and estimates for you during the Class Period by the total workweeks worked by all Settlement Class Members during the Class Period as reflected in company records and estimates. Workweeks and pay periods worked shall be determined by the Settlement Administrator based on data to be provided by Defendants, as may be modified based on evidence provided by a Settlement Class Member. The Court will resolve any workweek or pay period disputes not otherwise resolved by the Parties with input from the Settlement Administrator.
  - **Your estimated Individual Settlement Allocation is \$ [REDACTED].**
  - **Your estimated number of workweeks worked is [REDACTED].**
  - **Your estimated PAGA Allocation is \$ [REDACTED].**
  - **Your estimated number of pay periods in the PAGA Period is [REDACTED].**

Settlement Class Members who do not request to be excluded from the Settlement will be forever barred from pursuing the Released Claims against Defendants or any other Released Parties.

You have the right to challenge the number of workweeks allocated to you. If you dispute the number of workweeks please contact the Settlement Administrator with any and all evidence supporting your dispute. You will have until [INSERT DATE] to submit your dispute.

- **Enhancement Payment:** Named Plaintiffs will each request an award not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) in recognition of their work in this Action on behalf of the Class and a general release of all of their claims.
- **Attorney’s Fees and Expenses Payment:** Class Counsel (listed below) will seek a total amount of money not to exceed One Hundred Fifty-Three Thousand, Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$153,333.33) to be paid in accordance with the Settlement for any and all attorney’s fees. The costs and expenses relating to the Action shall not exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00).
- **Settlement Administration:** The cost of settlement administration will not exceed Seven Thousand, Seven Hundred and Fifty Dollars (\$7,750.00), which pays for tasks such as translating and mailing this Notice, mailing checks and tax forms, reporting to the parties and the Court, and tracking submitted requests for exclusions.
- **PAGA Penalty Payment:** Pursuant to California Labor Code Section 2698 *et seq.*, known as the Private Attorney General Act or “PAGA”, the Parties have allocated One Hundred Fifteen Thousand Dollars and Zero Cents (\$115,000.00) of the Gross Settlement Amount as payment

for Named Plaintiffs' claims on their own behalf and as a representatives for the State of California and on behalf of all alleged aggrieved employees for penalties under the PAGA. Seventy-five percent (75%) of that amount, or Eighty-Six Thousand, Two Hundred Fifty Dollars and Zero Cents (\$86,250.00), will be paid to California's Labor & Workforce Development Agency ("LWDA"). The remainder (\$28,750.00) will be divided among and paid to the alleged aggrieved employees; you will not be able to opt-out or exclude yourself from this portion of the settlement.

#### **WHAT AM I RELEASING UNDER THE CLASS ACTION PORTION OF THE SETTLEMENT?**

Unless you timely exclude yourself from the class (as discussed below), you on behalf of yourself and your respective heirs, executors, administrators, legal representatives, successors and assigns irrevocably and unconditionally forever and fully release (and covenant not to sue or otherwise pursue claims, whether known or unknown, against) any and all Released Parties from any and all Settled Claims.

"Released Parties" means Defendants and each of their respective parent companies, including subsidiaries, affiliates, joint ventures, predecessors, successors, and related parties and all of their past and present directors, officers, shareholders, members, managers, joint employers, co-employers, integrated enterprises, representatives, employees, and anyone else acting for any of them.

"Settled Claims" or "Released Claims" means all claims and/or causes of action arising from or related to this case under any federal, state or local law or administrative order that were or which could have been plead based on the facts alleged in the operative Complaint, whether known or unknown, including the failure to pay wages, the failure to pay overtime compensation, the failure to provide meal periods, the failure to provide rest periods, the failure to maintain or provide accurate itemized statements, the failure to maintain records, the failure to timely pay wages, the failure to pay wages due to discharged or quitting employees, the failure to reimburse for necessary business expenses, and any other claims whatsoever that were or could have been alleged in this case, including without limitation all related claims for restitution and other equitable relief under Business and Professions Code § 17200, conversion, liquidated damages, punitive damages, waiting-time penalties, related IWC Wage Orders including, but not limited to, Wage Order No. 1; Fair Labor Standards Act, 29 U.S.C. sections 201, et seq. and any other related claims and/or penalties of any nature whatsoever.

Notice of the final judgment in this case will be posted on the Settlement Administrator's website.

#### **WHAT IS BEING RELEASED UNDER THE PAGA PORTION OF THE SETTLEMENT?**

Through the settlement, Named Plaintiffs, LWDA, the State of California, and any other representative, proxy, or agent thereof, including but not limited to any and all PAGA Members, release all Released Parties (defined above) of all "Released PAGA Claims" or "Settled PAGA

Claims” (defined below) that arose during the “PAGA Period” (February 27, 2023 through [insert date of preliminary approval]).

“PAGA Members” means all current and former employees of Defendants who were employed or have been employed by Defendants in the state of California as non-exempt employees during the PAGA Period.

“Settled PAGA Claims” or “Released PAGA Claims” means all claims for PAGA penalties that were alleged, or reasonably could have been reasonably alleged in the operative Complaint and the PAGA Notice based on the facts, allegations, assertions and claims in the operative Complaint and PAGA Notice, and, including, (a) Failure to provide or pay premium payments for meal periods (see Labor Code §§ 226.7, 510, 512, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (b) Failure to authorize and permit or pay premium payments for rest periods (see Labor Code §§ 226.7, 512; IWC Wage Order No. 1-2001, § 12); (c) any and all claims involving any alleged failure to pay minimum wage, contract wages, overtime, or other amounts of wages, or failure to compensate Named Plaintiffs and PAGA Members for all wages earned and all hours worked (see Cal Labor Code §§ 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (d) failure to timely pay wages during employment (see Labor Code § 204); (e) failure to pay wages due to discharged and quitting employees (see Labor Code §§ 201-203); (f) failure to maintain required records (see Labor Code §§ 226, 1174; IWC Wage Order No. 1-2001, § 7); (g) failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); (h) failure to reimburse business expenses (see Labor Code § 2800-2802); and (i) failure to properly calculate, accrue, display and pay mandatory sick pay (see Labor Code § 246, et seq.). “Settled PAGA Claims” includes all types of relief available for the above-referenced claims, including, without limitation, any claims for civil penalties, attorneys’ fees, costs, and declaratory relief. The Final Judgment shall expressly provide that it covers and based on the doctrines of res judicata and/or collateral estoppel bars Plaintiffs, LWDA, the State of California, the PAGA Members, and any other representative, proxy, or agent thereof, from prosecuting “Settled PAGA Claims” that arose during the PAGA Period.

Notice of the final judgment in this case will be posted on the Settlement Administrator’s website.

|                                                                                                   |
|---------------------------------------------------------------------------------------------------|
| <b>WHAT DO I NEED TO DO TO RECEIVE AN INDIVIDUAL SETTLEMENT ALLOCATION AND/OR A PAGA PAYMENT?</b> |
|---------------------------------------------------------------------------------------------------|

To receive your Individual Settlement Allocation and/or your PAGA payment, you do not need to do anything. You must, however, notify the Settlement Administrator of any change in your name, mailing address and/or telephone number. It is your responsibility to keep the Settlement Administrator informed of any such change, as your Individual Settlement Allocation will be mailed to the address on file.

Once you receive your Individual Settlement Allocation and/or your Individual PAGA payment, you shall have One Hundred and Eighty (180) calendar days after mailing by the Settlement Administrator to cash your Settlement checks. If you do not cash your checks within that period, those checks will become void and a stop payment will be placed on the uncashed checks. Checks that are not cashed within one hundred and eighty (180) days of mailing shall, subject to Court approval, shall be distributed to the State Controller Unclaimed Fund in your name, as ordered by the Court pursuant California Code of Civil Procedure Section 384, or as otherwise ordered by the Court. If you fail to

negotiate your check(s) in a timely fashion, you shall, like all Settlement Class Members who did not validly opt out of the Settlement, remain subject to the terms of the Settlement and the Final Judgment.

Neither Defendants, nor any other of the Released Parties offers tax advice regarding this Settlement. You may consider contacting an accountant and/or tax attorney to determine the appropriate amount of taxes that should be paid on your Individual Settlement Allocation. Payments awarded to you will not form the basis for additional contributions to or benefits under any benefit plans, policies or bonus programs that may exist and/or be offered to you through, by or in conjunction with Defendant or any of the other Released Parties.

#### **WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?**

You have the right to request exclusion from the Class Settlement (but you are not able to exclude yourself from the PAGA settlement). To exclude yourself from the class portion of the settlement, you must submit Opt-Out Request to the Settlement Administrator at the following address: [REDACTED] via U.S. mail. To be valid, the Opt-Out Request must: (1) contain your name, address, and date; (2) be signed by you; (3) indicate that you “opt-out” of the settlement (4) be postmarked or fax stamped within the Exclusion Period [45 days after mailing date] and returned to the Settlement Administrator at the specified address. As indicated above, the Opt-Out Form will not impact your inclusion in the settlement and release of claims under the PAGA.

If you timely request to be excluded from the Settlement, you will not be entitled to receive any payment under the Settlement, but you will still receive your PAGA payment. Class Counsel will not represent your interests if you request to be excluded.

#### **WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?**

Any Settlement Class Member (that is, Class Member who has not asked to be excluded from the Settlement) may object to the Settlement. If you object to the Settlement, you may, but you are not required to, appear at the hearing where the Court will make a final decision whether or not to approve the Settlement (“Final Approval Hearing”). The Final Approval Hearing is scheduled to take place on [REDACTED], 2025, at [REDACTED] a.m. in Department CX-102 of the Orange County Superior Court, located at the address below. The hearing may be continued (moved to another date) without further notice to you.

If you wish to object in writing, you may submit a written objection to the Settlement Administrator at the following address: [REDACTED]. To be valid, the written objection must state: (1) your full name; (2) your address; (3) the basis for the objection; and (4) if the Class Member intends to appear at the Final Approval Hearing. A Class Member who wishes to object must submit his or her objection to the Settlement Administrator no later than [45 days after mailing date]. The Parties shall be permitted to file responses to the objection in addition to any motion for final approval documents. You may also object in person by appearing at the Final Approval Hearing.

The Court has decided that the law firm listed below under “CLASS COUNSEL” is qualified to represent the Settlement Class Members and PAGA Members. However, you have the right to retain

your own attorney, at your own expense, to submit an objection or appear on your behalf at the Final Approval Hearing.

**CLASS COUNSEL**

GRANT JOSEPH SAVOY  
SHOHAM J. SOLOUKI  
**SOLOUKI | SAVOY, LLP**  
316 W. 2nd Street, Suite 1200  
Los Angeles, California 90012  
Telephone: (213) 814-4940  
Facsimile: (213) 814-2550

Submitting an objection will *not* exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still have the right to receive an Individual Settlement Allocation and will be barred from pursuing the Released Claims. Do not submit both an objection and request for exclusion. If you submit both a request for exclusion and an objection, you will be excluded from the Class Settlement and the objection will not be considered, but you will remain part of the PAGA settlement.

**WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?**

The Settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the Settlement and PAGA Members whether or not they receive or timely cash their Individual Settlement Allocations and/or PAGA payment. Final approval of the Settlement will bar any Settlement Class Member who does not request to be excluded from the Settlement from hereafter initiating a lawsuit or proceeding regarding any Released Claims and PAGA Members from pursuing released PAGA claims. The Joint Stipulation of Class Action and PAGA Settlement and Release on file with the Court contains additional details about the scope of the release.

Notice of the final judgment in this case will be posted too the Settlement Administrator's website.

**FURTHER INFORMATION**

The foregoing is only a summary of the Settlement. The Settlement, pleadings and all other records of this litigation may be examined and copied any time during regular office hours in the Clerk's Office of the Orange County Superior Court located at 700 Civic Center Drive West, Santa Ana, CA 92701. In addition, you may obtain these records on the Orange County Superior Court's website at <https://www.occourts.org/online-services/case-access/civil-cases-access>. You will need to enter the case number listed at the top of this Notice. Additionally, you may request and obtain copies of any documents filed in this case in person at the Orange County Superior Court.

If you have any questions about the Settlement, you can contact Class Counsel, whose contact information is listed above in "CLASS COUNSEL" or the Settlement Administrator at:

[List claims administrator information].

You may seek the advice and guidance of your own attorney at your own expense.

Any Class Member who receives a re-mailed notice will have forty-five (45) days from the postmark mailing/re-mailing date to submit an Exclusion Form, or file and serve an objection to the Settlement or dispute the information provided in their Class Notice. Whether the Notice has been re-mailed or not will be indicated on the envelope.

***PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.***

***IF YOU HAVE ANY QUESTIONS ABOUT THE SETTLEMENT OR ANYTHING IN THIS NOTICE YOU CAN CONTACT THE CLAIMS ADMINISTRATOR AT [REDACTED]. YOU MAY ALSO CONTACT CLASS COUNSEL WHOSE INFORMATION IS LISTED ABOVE. ALTERNATIVELY YOU CAN SEEK ADVICE FROM YOUR OWN COUNSEL AT YOUR OWN EXPENSE.***

***NOTICE OF FINAL JUDGMENT IN THIS CASE WILL BE POSTED ON THE SETTLEMENT ADMINISTRATOR'S WEBSITE AT [REDACTED], ALONG WITH ADDITIONAL INFORMATION ABOUT THE SETTLEMENT***