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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

EDWIN MEJIA, individually, and on
behalf of other members of the general
public similarly situated,

Plaintiff,

vs.

COPART, INC., a Delaware corporation;
COPART CATASTROPHE
RESPONSE FLEET LLC, a Delaware
limited liability company;
COPARTDALLAS, LLC, a California
limited liability company;
COPARTHOUSTON, LLC, a California
limited liability company and DOES 1
through 10, inclusive,

Defendants.

Case No.: 2:24-cv-01705-SPG-JC

**AMENDED JOINT STIPULATION OF
CLASS ACTION AND PAGA
SETTLEMENT AND RELEASE**

**AMENDED JOINT STIPULATION OF CLASS ACTION
AND PAGA SETTLEMENT AND RELEASE**

This Amended Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Edwin Mejia (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendants Copart, Inc., Copart Catastrophe Response Fleet LLC, Copart-Dallas, LLC, and Copart-Houston, LLC¹ (“Defendants”) (collectively with Plaintiff, the “Parties”).

DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Four Hundred Twenty Three Thousand Three Hundred Thirty Three Dollars and Thirty-Three Cents (\$423,333.33). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Fifteen Thousand Dollars (\$15,000), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth

¹ Defendants maintain that Copart-Dallas, LLC and Copart-Houston, LLC do not employ any individuals in California.

above.

2. “Class Counsel” means Capstone Law APC.

3. “Class List” means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator and Class Counsel within thirty (30) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s full name; most recent mailing address and telephone number (if available); Social Security Number; the number of Workweeks that each Class Member worked during the Class Period; the number of Pay Periods worked by each PAGA Member during the PAGA Period; each Class Member’s Hourly Wage, and any other relevant information needed to calculate settlement payments.

4. “Class Member(s)” or “Settlement Class” means all persons who worked for Defendants as non-exempt, hourly paid employees in California at any time during the Class Period.

5. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as Exhibit A.

6. “Class Period” means the period from January 29, 2020 to November 28, 2024.

7. “Court” means the United States District Court, Central District of California.

8. “Defendants” means Defendants Copart, Inc., Copart Catastrophe Response Fleet LLC, Copart-Dallas, LLC, and Copart-Houston, LLC.

9. “Effective Date” means the later of: (a) if no timely objections are filed, or are withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an objection to the Settlement, the Effective Date shall be the thirty-first (31st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an objector, then the Effective Date will be the date of final resolution of that appeal (including any requests for rehearing and/or

petitions for certiorari), resulting in final judicial approval of the Settlement.

10. “Enhancement Payment” means the amount to be paid to Plaintiff in recognition of his effort and work in prosecuting the Action on behalf of Class Members. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of an Enhancement Payment of up to Five Thousand Dollars (\$5,000).

11. “Final Approval” means the date on which the Court enters an order granting final approval of the Settlement Agreement and entering judgment.

12. “General Release Payment” means the amount to be paid to Plaintiff for a general release of all claims arising out of his employment with Defendants. Subject to the Court granting final approval of this Settlement Agreement and subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a General Release Payment of up to Ten Thousand Dollars (\$10,000).

13. “Gross Settlement Amount” means the Gross Settlement Amount of One Million Two Hundred Seventy Thousand Dollars (\$1,270,000), to be paid by Defendants in full satisfaction of all Released Class Claims and Released PAGA Claims, which includes all Individual Settlement Payments, Attorneys’ Fees and Costs, the Enhancement Payment, the General Release Payment, the PAGA Settlement Amount, and Settlement Administration Costs. In no event will Defendants be liable for more than the Gross Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of the Gross Settlement Amount to Defendants. Defendants will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall not be paid from the Gross Settlement Amount.

14. “Hourly Wage” means the regular hourly wage that each Class Member was earning as of the date of their separation from employment with Defendants during the Class Period, or, if the Class Member was employed by Defendants as of November 28, 2024, the regular hourly wage in effect for such Class Member as of that date.”

1 15. “Individual Settlement Payment” means each Participating Class
2 Member’s share of the Net Settlement Fund.

3 16. “Lawsuit” means *Mejia v. Copart, Inc.*, No. 2:24-cv-01705-SPG-JC
4 (United States District Court, Central District of California).

5 17. “Net Settlement Fund” means the portion of the Gross Settlement Amount
6 remaining after deducting the Attorneys’ Fees and Costs, the Enhancement Payment, the
7 General Release Payment, the PAGA Settlement Amount, and the Settlement
8 Administration Costs. The Net Settlement Fund will be distributed to Participating Class
9 Members. There will be no reversion of the Net Settlement Fund to Defendants.

10 18. “Notice of Objection” means a Class Member’s valid and timely written
11 objection to the Settlement Agreement. For the Notice of Objection to be valid, it must
12 include: (a) the objector’s full name, signature, address, and telephone number, (b) a
13 written statement of all grounds for the objection accompanied by any legal support for
14 such objection; (c) copies of any papers, briefs, or other documents upon which the
15 objection is based; and (d) a statement whether the objector intends to appear at the final
16 fairness hearing.

17 19. “PAGA Members” means all persons who worked for Defendants as non-
18 exempt, hourly paid employees in California at any time during the PAGA Period.

19 20. “PAGA Member Payment” means each PAGA Member’s share of the
20 PAGA Fund.

21 21. “PAGA Period” means the period from February 27, 2023 through
22 November 28, 2024.

23 22. “PAGA Settlement Amount” means the amount that the Parties have
24 agreed to pay to the Labor and Workforce Development Agency (“LWDA”) and PAGA
25 Members in connection with Plaintiff’s claim under the Labor Code Private Attorneys
26 General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”) (“PAGA Settlement”).
27 The Parties have agreed that One Hundred Thousand Dollars (\$100,000) of the Gross
28 Settlement Amount will be allocated to the PAGA Settlement. Pursuant to PAGA,

Seventy-Five Percent (75%), or Seventy Five Thousand Dollars (\$75,000), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency (“Labor and Workforce Development Agency Payment”), and Twenty-Five Percent (25%), or Twenty Five Thousand Dollars (\$25,000) (“PAGA Fund”), of the PAGA Settlement will be disbursed to all PAGA Members, regardless of whether they request to be excluded from the Settlement Class.

23. “Parties” means Plaintiff and Defendants collectively.

24. “Participating Class Members” means all Class Members who do not submit timely and valid Requests for Exclusion.

25. “Pay Period” means a pay period where a PAGA Member performed work. All PAGA Members will be deemed to have worked during at least one Pay Period.

26. “Plaintiff” means Plaintiff Edwin Mejia.

27. “Preliminary Approval” means the date on which the Court enters an order granting preliminary approval of the Settlement Agreement.

28. “Released Class Claims” has the meaning ascribed to it in Paragraph 59 below.

29. “Released PAGA Claims” has the meaning ascribed to it in Paragraph 60 below.

30. “Released Parties” means Defendants, their past or present officers, directors, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

31. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state that

1 the Class Member does not wish to be included in the Settlement; and (e) be faxed or
2 postmarked on or before the Response Deadline.

3 32. "Response Deadline" means the deadline by which Class Members must
4 postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax
5 disputes concerning the calculation of Individual Settlement Payments, or postmark
6 Notices of Objection to the Settlement Administrator. The Response Deadline will be
7 forty-five (45) calendar days from the initial mailing of the Class Notice by the
8 Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or
9 State holiday, in which case the Response Deadline will be extended to the next day on
10 which the U.S. Postal Service is open.

11 33. "Settlement Administration Costs" means the costs payable from the Gross
12 Settlement Amount to the Settlement Administrator for administering this Settlement,
13 including, but not limited to, printing, distributing, and tracking documents for this
14 Settlement, tax reporting, distributing the Gross Settlement Amount, and providing
15 necessary reports and declarations, as requested by the Parties. The Settlement
16 Administration Costs will be paid from the Gross Settlement Amount, including, if
17 necessary, any such costs in excess of the amount represented by the Settlement
18 Administrator as being the maximum costs necessary to administer the Settlement.
19 Based on an estimated Settlement Class of approximately 1,500 Class Members, the
20 Settlement Administration Costs are currently estimated to be Fifteen Thousand Five
21 Hundred Dollars (\$15,500).

22 34. "Settlement Administrator" means CPT Group, Inc., or any other third-
23 party class action settlement administrator agreed to by the Parties and approved by the
24 Court for the purposes of administering this Settlement. The Parties each represent that
25 they do not have any financial interest in the Settlement Administrator or otherwise have
26 a relationship with the Settlement Administrator that could create a conflict of interest.

27 35. "Workweek" means any week where a Class Member performed work.
28 All Class Members will be deemed to have worked at least one Workweek during the

1 Class Period.

2 **TERMS OF AGREEMENT**

3 The Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree
4 as follows:

5 36. Funding of the Gross Settlement Amount. Defendants will make a one-
6 time deposit of the Gross Settlement Amount of One Million Two Hundred Seventy
7 Thousand Dollars (\$1,270,000) into a Qualified Settlement Account to be established by
8 the Settlement Administrator. Defendants will pay the employer's share of payroll taxes
9 separately. After the Effective Date, the Gross Settlement Amount will be used for: (a)
10 Individual Settlement Payments; (b) the PAGA Settlement Amount; (c) the
11 Enhancement Payment and General Release Payment; (d) Attorneys' Fees and Costs;
12 and (e) Settlement Administration Costs. Defendants will deposit the Gross Settlement
13 Amount and the employer's share of payroll taxes within thirty (30) calendar days of the
14 Effective Date ("Funding Date").

15 37. Tax Treatment of the Gross Settlement Amount. The Parties agree that the
16 Gross Settlement Amount will qualify as a settlement fund pursuant to the requirements
17 of section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and section
18 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the Settlement
19 Administrator is hereby designated as the "Administrator" of the qualified settlement
20 funds for purposes of section 1.46B-2(k) of the income tax regulations. As such, all taxes
21 imposed on the gross income of the Gross Settlement Amount and any tax-related
22 expenses arising from any income tax return or other reporting document that may be
23 required by the Internal Revenue Service or any state or local taxing body will be paid
24 from the Gross Settlement Amount.

25 38. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any
26 application or motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees
27 and Costs of not more than Four Hundred Twenty Three Thousand Three Hundred
28 Thirty Three Dollars (\$423,333), plus the reimbursement of all out-of-pocket costs and

1 expenses associated with Class Counsel's litigation and settlement of the Action
2 (including expert/consultant fees, investigations costs, etc.), not to exceed Fifteen
3 Thousand Dollars (\$15,000), both of which will be paid from the Gross Settlement
4 Amount. Plaintiff and Plaintiff's counsel understand and agree that this Settlement
5 Agreement shall remain in full force and effect even if the full amount of Attorneys'
6 Fees and Costs sought by Plaintiff is not ultimately awarded by the Court. In the event
7 the Court does not approve the entirety of the application for the Attorney Fee Award
8 and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court
9 awards, and neither Defendants nor the Settlement Administrator shall be responsible for
10 paying the difference between the amount requested and the amount awarded. If the
11 amount awarded is less than the amount requested by Plaintiffs' Counsel for the
12 Attorney Fee Award and/or Cost Award, the difference shall become part of the Net
13 Settlement Fund and be available for distribution to the Class Members.

14 39. Enhancement Payment. In recognition of his effort and work in
15 prosecuting the Action on behalf of Class Members, Defendants agree not to oppose or
16 impede any application or motion for a Class Representative Enhancement Payment of
17 up to Five Thousand Dollars (\$5,000). The Class Representative Enhancement Payment
18 will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's
19 Individual Settlement Payment and General Release Payment paid pursuant to the
20 Settlement. Plaintiff will be solely and legally responsible to pay any and all applicable
21 taxes on the Class Representative Enhancement Payment. Plaintiff understands and
22 agrees that this Settlement Agreement shall remain in full force and effect even if the full
23 amount of Class Representative Enhancement Payment sought by Plaintiff is not
24 ultimately awarded by the Court.

25 40. General Release Payment. In exchange for a general release of all claims
26 arising out of his employment with Defendants, Defendants agree not to oppose or
27 impede any application or motion for a General Release Payment of up to Ten Thousand
28 Dollars (\$10,000). The General Release Payment will be paid from the Gross Settlement

1 Amount and will be in addition to Plaintiff's Individual Settlement Payment and Class
2 Representative Enhancement Payment paid pursuant to the Settlement. Plaintiff will be
3 solely and legally responsible to pay any and all applicable taxes on the General Release
4 Payment. Plaintiff understands and agrees that this Settlement Agreement shall remain in
5 full force and effect even if the full amount of General Release Payment sought by
6 Plaintiff is not ultimately awarded by the Court.

7 41. Settlement Administration Costs. The Settlement Administrator will be
8 paid for the reasonable costs of administration of the Settlement and distribution of
9 payments from the Gross Settlement Amount, which is currently estimated to be Fifteen
10 Thousand Five Hundred Dollars (\$15,500). These costs, which will be paid from the
11 Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the
12 Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing
13 Class Notices, calculating and distributing the Gross Settlement Amount, and providing
14 necessary reports and declarations.

15 42. PAGA Settlement Amount. Subject to Court approval, the Parties agree
16 that the amount of One Hundred Thousand Dollars (\$100,000) from the Gross
17 Settlement Amount will be designated for satisfaction of Plaintiff's PAGA claim.
18 Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy Five Thousand Dollars
19 (\$75,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or
20 Twenty Five Thousand Dollars (\$25,000), will be paid to PAGA Members in proportion
21 to the number of Pay Periods worked during the PAGA Period.

22 43. No Right to Exclusion or Objections to the PAGA Settlement. Because
23 this settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting
24 as a proxy and as a Private Attorney General of, and for, the State of California and the
25 LWDA, the Parties agree that no PAGA Member has the right to exclude himself or
26 herself from the release of the Released PAGA Claims, and all PAGA Members will
27 receive their PAGA Member Payments. The Parties also agree that no PAGA Member
28 has the right to object to the PAGA Settlement Amount.

1 44. Net Settlement Fund. The entire Net Settlement Fund will be distributed to
2 Participating Class Members. No portion of the Net Settlement Fund will revert to or be
3 retained by Defendants.

4 45. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA
5 Members. No portion of the PAGA Fund will revert to or be retained by Defendants.

6 46. Individual Settlement Payment Calculations. Individual Settlement
7 Payments will be calculated and apportioned from the Net Settlement Fund based on the
8 number of Workweeks a Class Member worked during the Class Period multiplied by
9 their Hourly Wage. Specific calculations of Individual Settlement Payments will be
10 made as follows:

11 46(a) Payments from the Net Settlement Fund. Defendants will
12 calculate the total number of Workweeks worked by each Class
13 Member during the Class Period and the aggregate total number
14 of Workweeks worked by all Class Members during the Class
15 Period. To determine each Class Member's estimated
16 "Individual Settlement Payment" from the Net Settlement Fund,
17 the Settlement Administrator will use the following formula:
18 The Net Settlement Fund will be divided by the aggregate total
19 number of Workweeks during the Class Period multiplied by
20 each Class Member's Hourly Wage, resulting in the "Workweek
21 Value." Each Class Member's "Individual Settlement Payment"
22 will be calculated by multiplying each individual Class
23 Member's total number of Workweeks by the Workweek Value.
24 The Individual Settlement Payment will be reduced by any
25 required deductions for each Participating Class Member as
26 specifically set forth herein, including employee-side tax
27 withholdings or deductions. The entire Net Settlement Fund will
28 be disbursed to all Class Members who do not submit timely

1 and valid Requests for Exclusion. If there are any valid and
2 timely Requests for Exclusion, the Settlement Administrator
3 shall proportionately increase the Individual Settlement Payment
4 for each Participating Class Member according to the number of
5 Workweeks worked by all Participating Class Members, so that
6 the amount actually distributed to the Settlement Class equals
7 100% of the Net Settlement Fund.

8 47. PAGA Member Payment Calculations. PAGA Member Payments will be
9 calculated and apportioned from the PAGA Fund based on the number of Pay Periods a
10 PAGA Member worked during the PAGA Period. Specific calculations of PAGA
11 Member Payments will be made as follows:

12 47(a) Payments from the PAGA Fund. Defendants will calculate the
13 total number of Pay Periods worked by each PAGA Member
14 during the PAGA Period and the aggregate total number of Pay
15 Periods worked by all PAGA Members during the PAGA
16 Period. To determine each PAGA Member's estimated "PAGA
17 Member Payment," the Settlement Administrator will use the
18 following formula: The PAGA Fund will be divided by the
19 aggregate total number of Pay Periods during the PAGA Period,
20 resulting in the "PAGA Pay Period Value." Each PAGA
21 Member's "PAGA Member Payment" will be calculated by
22 multiplying each individual PAGA Member's total number of
23 Pay Periods by the PAGA Pay Period Value. The entire PAGA
24 Fund will be disbursed to all PAGA Members.

25 48. No Credit Toward Benefit Plans. The Individual Settlement Payments
26 made to Participating Class Members under this Settlement and PAGA Member
27 Payments made to PAGA Members, as well as any other payments made pursuant to
28 this Settlement, will not be utilized to calculate any additional benefits under any benefit

1 plans to which any Class Members may be eligible, including, but not limited to profit-
2 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave
3 plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this
4 Settlement Agreement will not affect any rights, contributions, or amounts to which
5 Plaintiff or any Class Members or PAGA Members may be entitled under any benefit
6 plans.

7 49. Administration Process. The Parties agree to cooperate in the
8 administration of the settlement and to make all reasonable efforts to control and
9 minimize the costs and expenses incurred in administration of the Settlement.

10 50. Delivery of the Class List. Within thirty (30) calendar days of Preliminary
11 Approval, Defendants will provide the Class List to the Settlement Administrator.

12 51. Notice by First-Class U.S. Mail. Within ten (10) calendar days after
13 receiving the Class List from Defendants, the Settlement Administrator will mail a Class
14 Notice to all Class Members via regular First-Class U.S. Mail, using the most current,
15 known mailing addresses identified in the Class List.

16 52. Confirmation of Updated Contact Information in the Class Lists. Prior to
17 mailing, the Settlement Administrator will perform a search based on the National
18 Change of Address Database for information to update and correct for any known or
19 identifiable address changes. Any Class Notices returned to the Settlement
20 Administrator as non-deliverable on or before the Response Deadline will, within five
21 (5) business days of receipt, be sent promptly via regular First-Class U.S. Mail to the
22 forwarding address affixed thereto and the Settlement Administrator will indicate the
23 date of such re-mailing on the Class Notice. If no forwarding address is provided, the
24 Settlement Administrator will promptly attempt to determine the correct address using a
25 skip-trace, or other search using the name, address and/or Social Security Number of the
26 Class Member involved, and will then perform a single re-mailing. Those Class
27 Members who receive a re-mailed Class Notice, whether by skip-trace or by request,
28 will have either (a) an additional fifteen (15) calendar days or (b) until the Response

1 Deadline, whichever is later, to submit a Request for Exclusion or an objection to the
2 Settlement.

3 53. Class Notices. All Class Members will be mailed a Class Notice. Each
4 Class Notice will provide: (a) information regarding the nature of the Action; (b) a
5 summary of the Settlement's principal terms; (c) the Settlement Class and PAGA
6 Member definitions; (d) the total number of Workweeks each respective Class Member
7 worked during the Class Period and the total number of Pay Periods each respective
8 PAGA Member worked during the PAGA Period; (e) each Class Member's Hourly
9 Wage; (f) each Class Member's and PAGA Member's estimated Individual Settlement
10 Payment and PAGA Member Payment and the formula for calculating each payment;
11 (g) the dates which comprise the Class Period and PAGA Period; (h) instructions on
12 how to submit Requests for Exclusion or Notices of Objection; (i) the deadlines by
13 which the Class Member must postmark or fax Request for Exclusions, or postmark
14 Notices of Objection to the Settlement; and (j) the claims to be released.

15 54. Disputed Information on Class Notices. Class Members will have an
16 opportunity to dispute the information provided in their Class Notices. To the extent
17 Class Members dispute their employment dates, Hourly Wage, or the number of
18 Workweeks on record, Class Members may produce evidence to the Settlement
19 Administrator showing that such information is inaccurate. Defendants' records will be
20 presumed correct, but the Settlement Administrator shall contact the Parties regarding
21 the dispute and the Parties will work in good faith to resolve it. All disputes must be
22 submitted by the Response Deadline, and will be decided within ten (10) business days
23 after the Response Deadline.

24 55. Request for Exclusion Procedures. Any Class Member wishing to opt-out
25 from the Settlement Agreement must sign and fax or postmark a written Request for
26 Exclusion to the Settlement Administrator within the Response Deadline. In the case of
27 Requests for Exclusion that are mailed to the Settlement Administrator, the postmark
28 date will be the exclusive means to determine whether a Request for Exclusion has been

1 timely submitted.

2 56. Defendant's Right to Withdraw. If the number of valid Requests for
3 Exclusion exceed ten percent (10%) of the Settlement Class, Defendants may, but are
4 not obligated, elect to withdraw from the Settlement. The Parties agree that, if
5 Defendants withdraw, the Settlement shall be void ab initio, have no force or effect
6 whatsoever, and that neither Party will have any further obligation to perform under this
7 Agreement. Defendants will remain responsible for paying all Settlement Administration
8 Costs incurred to that point. Defendants must notify Class Counsel and the Court of their
9 election to withdraw no later than fourteen (14) calendar days after the expiration of the
10 Response Deadline. Late elections will have no effect.

11 57. Class Member Personally Identifiable Information ("PII"). The Settlement
12 Administrator (along with any of its agents) shall represent and warrant that it will: (1)
13 provide reasonable and appropriate administrative, physical and technical safeguards,
14 including a reasonable security protocol, for any personally identifiable information
15 ("PII"), which it receives from Defendants' Counsel and/or Class Counsel; (2) not
16 disclose the PII to third parties, including agents or subcontractors, without Defendants'
17 consent; (3) not disclose or otherwise use the PII other than to carry out its duties as set
18 forth herein; and (4) promptly provide Defendants with notice if PII is subject to
19 unauthorized access, use, disclosure, modification, or destruction. The Settlement
20 Administrator may provide notice to all Parties if the PII is subject to unauthorized
21 access, use, disclosure, modification or destruction; however, all additional
22 communications from the Settlement Administrator regarding the scope, circumstances,
23 and substance shall be communicated solely to Defendants.

24 58. Escalator. This Settlement is entered based on Defendants' representation
25 that there are 120,000 Workweeks at issue as of the mediation on August 28, 2024. If the
26 number of Workweeks worked during the Class Period is greater than 132,000 (10%),
27 Defendants will have the option to either: (a) increase the Gross Settlement Amount on a
28 pro-rata basis equal to the percentage increase in the number of Workweeks worked by

1 the Class Members above 10% (for example, if the number of Workweeks increases by
2 11%, the Gross Settlement Amount will increase by 1%) or (ii) advance the end date of
3 the Class Period and PAGA Period to correspond to the earlier date at which only the
4 represented number of Workweeks plus 10% are covered by the Class Period.

5 59. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any
6 Class Member who does not affirmatively opt-out of the Settlement Agreement by
7 submitting a timely and valid Request for Exclusion will be bound by all of its terms,
8 including those pertaining to the Released Class Claims, as well as any Judgment that
9 may be entered by the Court if it grants final approval to the Settlement.

10 60. Released Class Claims. Upon the Funding Date, the Participating Class
11 Members will release and discharge Defendants and the Released Parties from the
12 claims asserted in the Operative Complaint predicated on the factual allegations of the
13 Operative Complaint during the Class Period. Upon the Funding Date, the claims
14 released by the Participating Class Members (the “Released Class Claims”) will include:

15 60(a) The claims alleged in the Lawsuit and set forth in the Operative
16 Complaint, including, but not limited to: (1) Failure to pay
17 wages including minimum wages and overtime; (2) Failure to
18 provide meal periods or provide premiums in lieu thereof; (3)
19 Failure to authorize and permit rest periods or provide premiums
20 in lieu thereof; (4) Failure to pay timely wages during and at the
21 end of employment; (5) Failure to provide accurate itemized
22 wage statements and maintain payroll records; (6) Failure to
23 reimburse for necessary business expenses; (7) Failure to
24 Provide Safety Devices and Safeguards; and (8) Violation of
25 Business and Professions Code § 17200, *et seq.*, and those
26 claims predicated on the same or similar facts and/or claims
27 alleged in the Lawsuit as well as any claims that could have
28 been pled which arise from the same or similar facts concerning

the Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197 *et seq.*, 1197.1, 1198, 2802, 2698 *et seq.*, 6401, 6403, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*); or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit and/or Operative Complaint;

60(b) Any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaints filed as part of the Lawsuit; and

60(c) Any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit and based on the alleged Labor Code violations.

61. Released PAGA Claims. Upon the Funding Date, Plaintiff and the PAGA Members hereby do and shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all claims for violations of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*) (the “Released PAGA Claims”), as alleged in the Operative Complaint, which includes those alleged in the PAGA Notice sent to the LWDA by Plaintiff that arose at any time during the PAGA Period, including, but not

1 limited to: (1) Failure to pay wages including minimum wages and overtime; (2) Failure
2 to provide meal periods or provide premiums in lieu thereof; (3) Failure to authorize and
3 permit rest periods or provide premiums in lieu thereof; (4) Failure to pay timely wages
4 during and at the end of employment; (5) Failure to provide accurate itemized wage
5 statements and maintain payroll records; (6) Failure to reimburse for necessary business
6 expenses; and (7) Failure to Provide Safety Devices and Safeguards, and those claims
7 predicated on the same or similar facts any PAGA letter sent to the LWDA by Plaintiff
8 in or prior to the Lawsuit, including Plaintiff's February 27, 2024 LWDA Letter and
9 February 28, 2024 Amended LWDA Letter submitted in Case Number LWDA-CM-
10 1013551-24, as well as any claims that could have been pled which arise from the same
11 or similar facts concerning the Plaintiff or the PAGA Members, and those claims
12 predicated on the same or similar facts in the PAGA notices, as well as any claims that
13 could have been pled which arise from the same or similar facts concerning the Plaintiff
14 or the PAGA Members (specifically for violations of Labor Code sections 201, 202,
15 203, 204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194,
16 1194.2, 1197 *et seq.*, 1197.1, 1198, 2802, 2698 *et seq.*, 2699, 2699.3, 2699.5, 6401,
17 6403, and applicable IWC Wage Orders, and California Code of Regulations, Title 8,
18 section 11000 *et seq.*). The PAGA Members will be issued a check for their share of the
19 PAGA Fund and will not have the opportunity to opt out of, or object to, the PAGA
20 Member Payment and release of the PAGA claims set forth in this Paragraph. The
21 PAGA Members are bound by the release of the PAGA claims regardless of whether
22 they cash or deposit their PAGA Member Payment.

23 62. Objection Procedures. To object to the Settlement Agreement, a Class
24 Member may either postmark a valid Notice of Objection to the Settlement
25 Administrator on or before the Response Deadline, or appear in person at the Final
26 Approval Hearing. Class Members who fail to object either by submitting a valid Notice
27 of Objection or appearing in person at the Final Approval Hearing will be deemed to
28 have waived all objections to the Settlement and will be foreclosed from making any

1 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time
2 will any of the Parties or their counsel seek to solicit or otherwise encourage Class
3 Members to submit written objections to the Settlement Agreement or appeal from the
4 final approval order and judgment. Class Counsel will not represent any Class Members
5 with respect to any such objections to this Settlement. If a Class Member timely submits
6 both a Notice of Objection and a Request for Exclusion, the Request for Exclusion will
7 be given effect and considered valid, the Notice of Objection shall be rejected, and the
8 Class Member shall not participate in or be bound by the Settlement.

9 63. Certification Reports Regarding Individual Settlement Payment
10 Calculations. The Settlement Administrator will provide Defendants' counsel and Class
11 Counsel a weekly report that certifies the number of Class Members who have submitted
12 valid Requests for Exclusion or objections to the Settlement, and whether any Class
13 Member has submitted a challenge to any information contained in their Class Notice,
14 including those received after the Response Deadline. Additionally, the Settlement
15 Administrator will provide to counsel for both Parties any updated reports regarding the
16 administration of the Settlement Agreement as needed or requested.

17 64. Distribution Timing of Individual Settlement Payments. Within ten (10)
18 calendar days of the Funding Date, the Settlement Administrator will issue payments to:
19 (a) Participating Class Members and PAGA Members; (b) the Labor and Workforce
20 Development Agency; (c) Plaintiff; and (d) Class Counsel. The Settlement
21 Administrator will also issue a payment to itself for Court-approved services performed
22 in connection with the Settlement.

23 65. Un-cashed Settlement Checks. Participating Class Members and PAGA
24 Members must cash or deposit their Individual Settlement Payments and PAGA
25 Member Payments within one hundred eighty (180) days from the date of issuance of
26 the check. All funds associated with the Individual Settlement Payment checks and
27 PAGA Member Payment checks returned as undeliverable and funds associated with
28 those checks remaining uncashed, shall be delivered to the State of California's State

Controller Unclaimed Property Fund with an identification of the amount of unclaimed funds attributable to each Settlement Classes Member and PAGA Member.

66. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

67. Treatment of Individual Settlement Payments and PAGA Member Payments. All Individual Settlement Payments will be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. All PAGA Member Payments will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

68. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

69. Tax Liability. Plaintiff and Class Counsel acknowledge and agree that they are and will be responsible for the payment of any and all Federal, State, and Local taxes or penalties associated with their respective allocated portions of the payments described herein, and agree to indemnify, defend, and hold the Released Parties harmless from any and all claims by any Federal, State, or Local taxing authority that Plaintiff or Class Counsel failed to pay or underpaid their or her or his share of taxes associated with the payments set forth in this Settlement. The Parties acknowledge and agree that Class Counsel is not responsible for the payment of any Federal, State, and Local taxes or penalties associated with payments to Plaintiff and Class Members.

70. Circular 230 Disclaimer. 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 (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

71. No Prior Assignments. The Parties and their 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 right herein released and discharged.

1 72. Voiding of Settlement Agreement. In the event that the Court declines to
2 enter the preliminary approval order, the final approval order, or judgment in
3 substantially the form submitted by the Parties, or if the Settlement as agreed does not
4 become final because of appellate court action, either Plaintiff or Defendants may
5 terminate this Settlement. The terminating Party shall give to the other Party (through
6 counsel) written notice of its decision to terminate no later than fourteen (14) calendar
7 days after receiving notice that one of the enumerated events has occurred. Termination
8 shall have the following effects:

9 72(a) The Settlement Agreement shall be terminated and shall have no
10 force or effect, and no Party shall be bound by any of its terms.

11 72(b) In the event the Settlement Agreement is terminated, Defendants
12 shall have no obligation to make any payments to any Party,
13 Class Member, PAGA Member or attorney.

14 72(c) The preliminary approval order, final approval order, and/or
15 judgment shall be vacated.

16 72(d) The Settlement and all negotiations, statements and proceedings
17 relating thereto shall be without prejudice to the rights of any of
18 the Parties, all of whom shall be restored to their respective
19 positions prior to the Settlement.

20 72(e) Except as otherwise discoverable, neither this Settlement
21 Agreement nor any ancillary documents, actions, statements or
22 filings in furtherance of settlement (including all matters
23 associated with the mediation) shall be admissible or offered
24 into evidence in the Lawsuit or any other action for any purpose
25 whatsoever, except that Plaintiff may reveal information that
26 Defendants may have marked as confidential under the
27 mediation privilege including the data, documents, and sampling
28 exchanged for mediation purposes for the purpose of presenting

the Court with information supporting the fairness,
reasonableness or adequacy of the Settlement.

73. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary approval of the proposed Settlement Agreement and accompanying Class Notice, (c) setting a date for a final fairness hearing. The Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed Notice of Class Action Settlement, attached as Exhibit A, to the LWDA. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary. A draft of the Motion for Preliminary Approval will be provided to Defendants' Counsel no later than five (5) business days prior to the filing deadline. Class Counsel and Defendants' Counsel will expeditiously meet and confer in good faith to resolve any disagreements concerning the Motion for Preliminary Approval.

74. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b) the Enhancement Payment and General Release Payment; (c) Individual Settlement Payments; (d) the PAGA Settlement Amount; and (e) all Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. A draft of the Motion for Final Approval will be provided to Defendants' Counsel no later than five (5) business days prior to the filing deadline. Class Counsel and Defendants' Counsel will expeditiously meet and confer in good faith to resolve any disagreements

1 concerning the Motion for Final Approval. Class Counsel will also be responsible for
2 drafting the attorneys' fees and costs application to be heard at the final approval
3 hearing.

4 75. Judgment and Continued Jurisdiction. Upon final approval of the
5 Settlement by the Court or after the final fairness hearing, the Parties will present the
6 Judgment to the Court for its approval. After entry of the Judgment, the Court will have
7 continuing jurisdiction solely for purposes of addressing: (a) the interpretation and
8 enforcement of the terms of the Settlement, (b) Settlement administration matters, and
9 (c) such post-Judgment matters as may be appropriate under court rules or as set forth in
10 this Settlement Agreement. A copy of the Judgment will be posted to the Settlement
11 Administrator's website.

12 76. Release by Plaintiff. Upon the Funding Date, in addition to the claims
13 being released by all Participating Class Members and PAGA Members, Plaintiff will
14 release and forever discharge the Released Parties, to the fullest extent permitted by law,
15 of and from any and all claims, known and unknown, asserted and not asserted, which
16 Plaintiff has or may have against the Released Parties as of the date of execution of this
17 Settlement Agreement. To the extent the foregoing release is a release to which Section
18 1542 of the California Civil Code or similar provisions of other applicable law may
19 apply, Plaintiff expressly waives any and all rights and benefits conferred upon him by
20 the provisions of Section 1542 of the California Civil Code or similar provisions of
21 applicable law which are as follows:

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

28 Plaintiff understands that Section 1542 gives the right not to release existing

1 claims of which he is not now aware, unless Plaintiff voluntarily chooses to waive this
2 right. Having been so apprised, Plaintiff nevertheless voluntarily waive the rights
3 described in Section 1542 and elects to assume all risks for claims that now exist in his
4 favor, known or unknown. The release of the claims of Plaintiff as set forth in this
5 Paragraph is a condition precedent to enforcement of the Settlement Agreement.

6 77. Exhibits Incorporated by Reference. The terms of this Settlement
7 Agreement include the terms set forth in any attached Exhibits, which are incorporated
8 by this reference as though fully set forth herein. Any Exhibits to this Settlement
9 Agreement are an integral part of the Settlement.

10 78. Entire Agreement. This Settlement Agreement and any attached Exhibits
11 constitute the entirety of the Parties' settlement terms. No other prior or
12 contemporaneous written or oral agreements may be deemed binding on the Parties.

13 79. Amendment or Modification. No amendment, change, or modification to
14 this Settlement Agreement will be valid unless in writing and signed, either by the
15 Parties or their counsel, and approved by the Court.

16 80. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
17 warrant and represent they are expressly authorized by the Parties whom they represent
18 to negotiate this Settlement Agreement and to take all appropriate action required or
19 permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate
20 its terms and to execute any other documents required to effectuate the terms of this
21 Settlement Agreement. The Parties and their counsel will cooperate with each other and
22 use their best efforts to effect the implementation of the Settlement. If the Parties are
23 unable to reach agreement on the form or content of any document needed to implement
24 the Settlement, or on any supplemental provisions that may become necessary to
25 effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to
26 resolve such disagreement.

27 81. Binding on Successors and Assigns. This Settlement Agreement will be
28 binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto,

as previously defined.

82. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

83. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

84. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

85. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

86. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court, and either party may appeal any court order that materially alters the Settlement Agreement's terms.

87. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The

1 Parties further agree that certification for purposes of the Settlement is not an admission
2 that class action certification is proper under the standards applied to contested
3 certification motions and that this Settlement Agreement will not be admissible in this or
4 any other proceeding as evidence that either (a) a class action should be certified or (b)
5 Defendants are liable to Plaintiff or any Class Member or PAGA Member, other than
6 according to the Settlement's terms.

7 88. Non-Admission of Liability. The Parties enter into this Settlement to
8 resolve the dispute that has arisen between them and to avoid the burden, expense and
9 risk of continued litigation. In entering into this Settlement, Defendants do not admit,
10 and specifically deny, that they violated any federal, state, or local law; violated any
11 regulations or guidelines promulgated pursuant to any statute or any other applicable
12 laws, regulations or legal requirements; breached any contract; violated or breached any
13 duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
14 conduct with respect to their employees. Neither this Settlement Agreement, nor any of
15 its terms or provisions, nor any of the negotiations connected with it, will be construed as
16 an admission or concession by Defendants of any such violations or failures to comply
17 with any applicable law. Except as necessary in a proceeding to enforce the terms of this
18 Settlement, this Settlement Agreement and its terms and provisions will not be offered or
19 received as evidence in any action or proceeding to establish any liability or admission
20 on the part of Defendants or to establish the existence of any condition constituting a
21 violation of, or a non-compliance with, federal, state, local or other applicable law.

22 89. No Public Comment: Plaintiff and Class Counsel will not make any public
23 disclosure of the Settlement until after the filing of the Motion for Preliminary Approval
24 of the Settlement. Plaintiff and his counsel represent that they have not made any such
25 disclosure. Plaintiff, Defendants, Defendants' Counsel and Class Counsel shall not
26 encourage Class Members to opt-out. Class Counsel will take all steps necessary to
27 ensure that Plaintiff is aware of, and will encourage him to adhere to, the restriction
28 against any public disclosure of the Settlement until after the Settlement is preliminarily

1 approved by the Court. Thereafter, Class Counsel and Plaintiff agree not to publicize the
2 terms of this Settlement with the media, including but not limited to, any newspaper,
3 journal, magazine, website and/or online reporter of settlements or on any website. For
4 the limited purpose of allowing Class Counsel to prove adequacy of counsel in other
5 actions, or for purposes of seeking court approval of comparable wage and hour
6 settlements, Class Counsel may disclose all information available in the public venue
7 about the Lawsuit and Settlement.

8 90. Class Member and PAGA Member Signatories. It is agreed that because
9 the Class Members and PAGA Members are so numerous, it is impossible or
10 impractical to have each individual execute this Settlement. The Class Notice, Exhibit
11 “A” hereto, will advise the Class Members and PAGA Members of the binding nature of
12 the release, and the release shall have the same force and effect as if this Settlement were
13 executed by each individual.

14 91. Waiver. No waiver of any condition or covenant contained in this
15 Settlement Agreement or failure to exercise a right or remedy by any of the Parties
16 hereto will be considered to imply or constitute a further waiver by such party of the
17 same or any other condition, covenant, right or remedy.

18 92. Enforcement Actions. In the event of a breach of this Settlement, the
19 nonbreaching Party shall provide notice to the breaching party and request that the
20 breaching party cure any alleged breach. If the breach is not cured within thirty (30) days
21 of said notice, the nonbreaching party may pursue legal action or other proceeding
22 against any other breaching party or parties to enforce the provisions of this Settlement
23 or to declare rights or obligations under this Settlement. In the event of such enforcement
24 actions, the successful party or parties shall be entitled to recover from the unsuccessful
25 party or parties reasonable attorneys’ fees and costs, including expert witness fees
26 incurred in connection with any enforcement actions. All such disputes shall be resolved
27 by the Court.

28 93. Mutual Preparation. The Parties have had a full opportunity to negotiate

1 the terms and conditions of this Settlement Agreement. Accordingly, this Settlement
2 Agreement will not be construed more strictly against one party than another merely by
3 virtue of the fact that it may have been prepared by counsel for one of the Parties, it
4 being recognized that, because of the arms'-length negotiations between the Parties, all
5 Parties have contributed to the preparation of this Settlement Agreement.

6 94. Representation By Counsel. The Parties acknowledge that they have been
7 represented by counsel throughout all negotiations that preceded the execution of this
8 Settlement Agreement, and that this Settlement Agreement has been executed with the
9 consent and advice of counsel. Further, Plaintiff and Class Counsel warrant and
10 represent that there are no liens on the Settlement Agreement.

11 95. Notices. Unless otherwise specifically provided herein, all notices,
12 demands or other communications given hereunder shall be in writing and shall be
13 deemed to have been duly given as of the third business day after mailing both
14 electronically and by United States registered or certified mail, return receipt requested,
15 and addressed as follows:

16 To Plaintiff, the Class Members, the PAGA Members, and Class Counsel:

17 Melissa Grant
18 Melissa.Grant@CapstoneLawyers.com
19 Robert Drexler
20 Robert.Drexler@CapstoneLawyers.com
21 Jonathan Lee)
22 Jonathan.Lee@CapstoneLawyers.com
23 Capstone Law APC
24 1875 Century Park East, Suite 1000
25 Los Angeles, California 90067
26 Telephone: (310) 556-4811
27 Facsimile: (310) 943-0396

28 To Defendants and Defendants' Counsel:

Bradley E. Schwan
bschwan@littler.com
Jannine E. Kranz

jkranz@littler.com
 James E. Payer
 jpayer@littler.com
 LITTLER MENDELSON, P.C.
 2049 Century Park East, 6th Floor
 Los Angeles, CA 90067
 Tel.: 310.553.0308; Fax: 310.553.5583

96. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

97. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement.

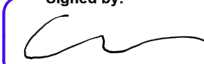
98. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

99. Severability. In the event that one or more of the provisions contained in this Settlement Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defendants' counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

READ CAREFULLY BEFORE SIGNING

PLAINTIFF

Dated: 10/2/2025

Signed by:

 78731DC3F606458...
 Edwin Mejia

**DEFENDANTS COPART, INC.,
COPART CATASTROPHE RESPONSE
FLEET LLC, COPART-DALLAS, LLC,
AND COPART-HOUSTON, LLC**

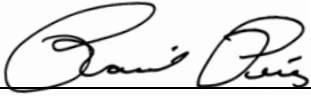
Dated: _____

Please Print Name of Authorized Signatory

APPROVED AS TO FORM

CAPSTONE LAW APC

Dated: 10/01/2025

By:  _____

Raul Perez
Attorneys for Plaintiff Edwin Mejia

LITTLER MENDELSON, P.C.

Dated: _____

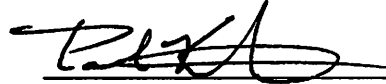
By: _____

Jannine Kranz
Bradley Schwan
Attorneys for Defendants Copart, Inc., Copart
Catastrophe Response Fleet LLC, Copart-
Dallas, LLC, and Copart-Houston, LLC

4938-9968-9480.2 / 029813-1140

DEFENDANTS COPART, INC.,
COPART CATASTROPHE RESPONSE
FLEET LLC, COPART-DALLAS, LLC,
AND COPART-HOUSTON, LLC

Dated: 10/15/25



Please Print Name of Authorized Signatory
Paul Kirkpatrick, CLO

APPROVED AS TO FORM

CAPSTONE LAW APC

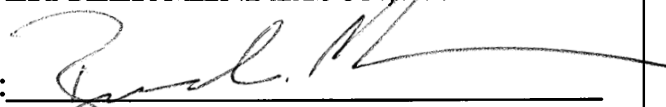
Dated: _____

By: _____

Raul Perez
Attorneys for Plaintiff Edwin Mejia

LITTLER MENDELSON, P.C.

Dated: 10/15/2025

By: 

Jannine Kranz
Bradley Schwan
Attorneys for Defendants Copart, Inc., Copart
Catastrophe Response Fleet LLC, Copart-
Dallas, LLC, and Copart-Houston, LLC

4938-9968-9480.2 / 029813-1140

Exhibit A

Mejia v. Copart, Inc., No. 2:24-cv-01705-SPG-JC
UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
NOTICE OF CLASS ACTION SETTLEMENT

You are not being sued. This notice affects your rights. Please read it carefully

Si desea una traducción al Español de este Aviso, por favor llame al administrador al ***--*******

To: All persons who worked for Defendants Defendants Copart, Inc., Copart Catastrophe Response Fleet LLC, Copart-Dallas, LLC, and Copart-Houston, LLC (“Defendants”) as non-exempt, hourly paid employees in California at any time during the period from January 29, 2020 to through November 28, 2024 (“Class Members”).

All persons who worked for Defendants as non-exempt, hourly paid employees in California at any time during the period from February 27, 2023 through November 28, 2024 (“PAGA Members”).

On _____, the Honorable Sherilyn Peace Garnett of the United States District Court, Central District of California granted preliminary approval of this class action and PAGA settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the settlement.**

Unless you choose to opt out of the settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement fund. The Final Fairness Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at __:00 __m. on _____, 2025 in Courtroom 5C of the United States District Court, Central District of California located at 350 West 1st Street, Los Angeles, California 90012.

Please also note that the Final Fairness Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don’t Have to Do Anything to Participate in the Settlement	If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendants based on the same facts alleged in the Action during the Class Period.
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don’t want to participate in the proposed class settlement, you can opt-out of the class settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class settlement.
The Opt-out Deadline is [DATE]	You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [DATE]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed class settlement, but not the PAGA settlement.
You Can Participate in the [DATE] Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on [DATE] in Courtroom 5C of the United States District Court, Central District of California located at 350 West 1st Street, Los Angeles, California 90012. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.

Summary of the Litigation

Plaintiff Edwin Mejia, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment; (4) reimburse employees for necessary business expenses; and (5) provide employees with accurate, itemized wage statements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On August 28, 2024, the parties participated in a mediation with Daniel Turner, Esq., an experienced and well-respected class action mediator. With Mr. Turner’s guidance, the parties were able to negotiate a complete settlement of Plaintiff’s claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiff’s claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

Summary of The Proposed Settlement Terms

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$1,270,000. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) an Enhancement Payment of \$5,000 to Edwin Mejia for his services on behalf of the class, and a General Release Payment of \$10,000 for a release of all claims arising out of his employment with Defendants; (3) \$423,333 in attorneys’ fees and up to \$15,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”), inclusive of a \$75,000 payment to the California Labor and Workforce

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

Development Agency (“LWDA”) in connection with the PAGA, and a \$25,000 payment (“PAGA Fund”) to all PAGA Members; and (5) reasonable Settlement Administrator’s fees and expenses currently estimated at \$15,500. After deducting the above payments, a total of approximately \$701,167 will be allocated to Class Members who do not opt out of the Settlement Class (“Net Settlement Fund”). Additionally, all PAGA Members will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

Payments from Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member from January 29, 2020 through November 28, 2024 (“Class Period”) and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member’s estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period multiplied by each Class Member’s Hourly Wage,¹ resulting in the “Workweek Value.” Each Class Member’s share of the Net Settlement Fund will be calculated by multiplying each individual Class Member’s total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Members as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member’s share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants’ records, you worked during the Class Period in a non-exempt position for a total of ____ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$ ____.

Payments from PAGA Fund. Defendants will calculate the total number of Pay Periods worked by each PAGA Member from February 27, 2023 through November 28, 2024 (“PAGA Period”) and the aggregate total number of Pay Periods worked by all PAGA Members during the PAGA Period. To determine each PAGA Member’s estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Pay Periods during the PAGA Period, resulting in the “PAGA Pay Period Value.” Each PAGA Member’s share of the PAGA Fund will be calculated by multiplying each individual PAGA Member’s total number of Pay Periods by the PAGA Pay Period Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he/she/they submits a valid Request for Exclusion.

According to Defendants’ records, you worked during the PAGA Period in a non-exempt position for a total of ____ Pay Periods. Accordingly, your estimated payment from the PAGA Fund is approximately \$ ____.

Your Estimated Payment: Based on the above, your estimated payment from the settlement is approximately \$ _____. If you believe the Hourly Wage or Workweek/Pay Period information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator
c/o _____

¹ “Hourly Wage” means the regular hourly wage that each Class Member was earning as of the date of their separation from employment with Defendants during the Class Period, or, if the Class Member was employed by Defendants as of November 28, 2024, the regular hourly wage in effect for such Class Member as of that date.”

Fax No. _____

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

Taxes on Settlement Payments. IRS Forms W-2 and 1099 will be distributed to participating Class Members and the appropriate taxing authorities reflecting the payments they receive under the settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

Your Options Under the Settlement

Option 1 – Automatically Receive a Payment from the Settlement

If want to receive your payment from the settlement, then no further action is required on your part. You will automatically receive your settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. In addition, on the date on which Defendants fully fund the Gross Settlement Amount, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

Released Class Claims: All claims alleged in the Lawsuit and set forth in the Operative Complaint, including, but not limited to: (1) Failure to pay wages including minimum wages and overtime; (2) Failure to provide meal periods or provide premiums in lieu thereof; (3) Failure to authorize and permit rest periods or provide premiums in lieu thereof; (4) Failure to pay timely wages during and at the end of employment; (5) Failure to provide accurate itemized wage statements and maintain payroll records; (6) Failure to reimburse for necessary business expenses; (7) Failure to Provide Safety Devices and Safeguards; and (8) Violation of Business and Professions Code § 17200, *et seq.*, and those claims predicated on the same or similar facts and/or claims alleged in the Lawsuit as well as any claims that could have been pled which arise from the same or similar facts concerning the Plaintiff or the putative class, and claims for interest, penalties (including but not limited to waiting time penalties), as well as any claims under the California Labor Code and California Industrial Welfare Commission Wage Orders (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197 *et seq.*, 1197.1, 1198, 2802, 2698 *et seq.*, 6401, 6403, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*); or which could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit and/or Operative Complaint; any claims for injunctive relief, declaratory relief, restitution, alleged or which could have been alleged under the facts, allegations and/or claims pleaded in the complaints filed as part of the Lawsuit; and any and all other claims under California common law, the federal law, and the California Business and Professions Code alleged in or that could have been alleged under the same or similar facts, allegations and/or claims pleaded in the Lawsuit and based on the alleged Labor Code violations.

Released PAGA Claims: All claims for violations of the California Private Attorneys General Act of 2004 (Labor Code § 2698 *et seq.*), as alleged in the Operative Complaint, which includes those alleged in the PAGA Notice sent to the LWDA by Plaintiff that arose at any time during the PAGA Period, including, but not limited to: (1) Failure to pay wages including minimum wages and overtime; (2) Failure to provide meal periods or provide premiums in lieu thereof; (3) Failure to authorize and permit rest periods or provide premiums in lieu

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thereof; (4) Failure to pay timely wages during and at the end of employment; (5) Failure to provide accurate itemized wage statements and maintain payroll records; (6) Failure to reimburse for necessary business expenses; and (7) Failure to Provide Safety Devices and Safeguards, and those claims predicated on the same or similar facts any PAGA letter sent to the LWDA by Plaintiff in or prior to the Lawsuit, including Plaintiff's February 27, 2024 LWDA Letter and February 28, 2024 Amended LWDA Letter submitted in Case Number LWDA-CM-1013551-24, as well as any claims that could have been pled which arise from the same or similar facts concerning the Plaintiff or the PAGA Members, and those claims predicated on the same or similar facts in the PAGA notices, as well as any claims that could have been pled which arise from the same or similar facts concerning the Plaintiff or the PAGA Members (specifically for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197 *et seq.*, 1197.1, 1198, 2802, 2698 *et seq.*, 2699, 2699.3, 2699.5, 6401, 6403, and applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*).

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o _____

The Request for Exclusion must be postmarked or faxed not later than _____, 2025. If you submit a Request for Exclusion which is not postmarked or faxed by _____, 2025, your Request for Exclusion will be rejected, and you will be included in the settlement class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

Option 3 – Object to the Settlement

If you decide to object to the settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the settlement, or you may instead appear at the Final Fairness Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, and telephone number, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the administrator at [administrator's address].

All written objections must be received by the administrator by not later than _____ 2025. By submitting an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described above. Please note that you cannot both object to the settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Fairness Hearing set for _____ at _____ a.m./p.m. in the Superior Court of the State of California, for the County of United States District Court, Central District

Questions? Contact the Settlement Administrator toll free at 1-*-***-******

of California and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing.

If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

Additional Information

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

Raul Perez
Capstone Law APC
1875 Century Park E., Suite 1000
Los Angeles, CA 90067
Phone: Number

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS' ATTORNEYS WITH INQUIRIES.