

1 **THE WHEELER LAW FIRM, APC**

2 Scott Ernest Wheeler (SBN 187998)
3 Justin A. Wheeler (SBN 342226)
4 250 West First Street, Suite 216
5 Claremont, California 91711-4790
6 Telephone: (909) 621-4988
7 Facsimile: (909) 621-4622
8 Email: sew@scottwheelerlawoffice.com
9 jaw@scottwheelerlawoffice.com

10 *Attorney for Plaintiff and the Putative Class*

11 **KLEIN, DENATALE, GOLDNER,**
12 **COOPER, ROSENLIB & KIMBALL, LLP**

13 Vanessa Franco Chavez (SBN 266724)
14 Anna M. Burnbaum (SBN 349542)
15 10000 Stockdale Highway, Suite 200
16 Bakersfield, California 93311
17 Telephone: (661) 395-1000
18 Facsimile: (661) 326-0418
19 Email: vchavez@kleinlaw.com
20 aburnbaum@kleinlaw.com

21 *Attorneys for Defendant*

22 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

23 **COUNTY OF MONTEREY**

24 DAVID GIOVANNI CASTRO, individually,
25 and on behalf of all others similarly situated,

26 Plaintiff,

27 v.

28 KINGS OIL TOOLS, INC., a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: 24CV001679
[Complex, Unlimited Jurisdiction]

*Assigned for all purposes to the
Honorable Hon. Thomas W. Wills, Dept. 15,
Complex Litigation Judge*

**CLASS ACTION AND PAGA
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT AND
RELEASE**

This Class Action Settlement and Release (“Settlement Agreement” or “Agreement”) is entered into by and between Plaintiff David Giovanni Castro (“Plaintiff”), on behalf of himself and the Class, on the one hand, and Defendant Kings Oil Tools, Inc., a California corporation (“Defendant”), on the other hand. Plaintiff and Defendant are collectively referred to herein as “Parties” and individually referred to herein as “Party.”

In consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree that, pursuant to the terms and conditions set forth herein, which are subject to approval of the Court, this Action and the Released Claims shall be settled and compromised as between Plaintiff and the Class on the one hand and Defendant on the other hand.

DEFINITIONS

1. “Action” means *David Giovanni Castro v. Kings Oil Tools, Inc.*, Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679.

2. “Class” means: except for those who are subject to severance agreements, all non-exempt, hourly employees of Defendant who worked for Defendant in the State of California at any time during the Class Period.

3. “Class Counsel” means The Wheeler Law Firm, APC.

4. “Class Counsel Award” means attorneys’ fees for Class Counsel’s litigation and resolution of this Action and Class Counsel’s expenses and costs incurred in connection with this Action.

5. “Class Information” means the compilation of the following information for each Class Member: last known full name; social security number; last known address; number of Compensable Work Weeks for each Class Member during the Class Period and PAGA Period; and other such mutually agreed upon information by the Parties as may be necessary to independently review the Compensable Work Weeks attributed to each Class Member and PAGA Aggrieved Employee.

6. “Class Member” means each person who is a member of the Class defined above and who is eligible to participate in this Settlement.

7. "Class Notice" means the notice, substantially in the form attached hereto as **Exhibit 1**, which the Settlement Administrator will mail to each Class Member, and which explains, *inter alia*, the terms of this Settlement, each Class Member's estimated Individual Class Payment and/or Individual PAGA Payment, the settlement process, and the right of Class Members to object to the Settlement, opt-out of the Settlement, or dispute the number of Compensable Work Weeks attributed to them. Notice to the Class Members will be in English and Spanish.

8. "Class Period" means the time period from February 4, 2021, through February 28, 2025, unless extended as provided in Paragraph 54.

9. "Class Representative Service Award" means the amount that the Court authorizes to be paid to Plaintiff, in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment, in recognition of, *inter alia*, his efforts and risks in assisting with the prosecution of the Action and in return for executing a general release with Defendant.

10. "Compensable Work Week" or "Compensable Work Weeks" mean a reasonable estimate of week(s) worked by each Class Member individually and collectively by all Class Members during the Class Period based on Defendant's records and used as a value to calculate Individual Settlement Payments. A Work Week consists of seven (7) days, during which a Class Member worked at least one (1) workday. A Class Member who worked less than seven (7) days, but at least one (1) day during the work week, will be credited as having worked a full work week.

11. "Court" means the Superior Court for the County of Monterey, State of California.

12. "Defendant" means Kings Oil Tools, Inc.

13. "Defense Counsel" means Vanessa Franco Chavez and Anna M. Burnbaum, of Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP.

14. "Effective Date" means the date by when both of the following have occurred: (a) the Court grants final approval of the Settlement and enters a judgment; and (b) the judgment is final. The judgment is final as of the latest of the following occurrences: (i) the expiration of the period for filing any appeal, writ, or other appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) the dismissal of any appeal, writ, or other appellate proceeding opposing the Settlement with no right to pursue further remedies

1 or relief; or (iii) the expiration of the period for filing a petition for rehearing and the expiration of
2 the period for filing a petition in the California Supreme Court or the Supreme Court of the United
3 States following a final appellate opinion or order upholding the Court's final order with no right to
4 pursue further remedies or relief. In the event there is a motion to set aside the judgment filed within
5 15 days or a motion to intervene filed within 60 days after notice to Class Members pursuant to
6 California Rules of Court, rule 3.771(b), "the expiration of the period for filing any appeal, writ, or
7 other appellate proceeding opposing the Settlement" (as that phrase is used in (b)(i), above) will be
8 based on the later of the court's ruling or order on any such motion or entry of final order and
9 judgment certifying the class and approving this Settlement. In this regard, it is the intention of the
10 Parties that the Settlement shall not become effective until the Court's order approving the Settlement
11 is completely final and there is no further recourse by an appellant or objector who seeks to contest
12 the Settlement.

13 15. "Employer's Share of Payroll Taxes" means the dollar amount of Defendant's
14 employer payroll tax obligation on the employee wage portion of the Individual Class Payments,
15 including but not limited to, customary withholdings for federal, state and local taxes, and any similar
16 tax or charge. Defendant shall be responsible for paying the Employer's Share of Payroll Taxes
17 separately from, and in addition to, the Gross Settlement Amount, in the event that any portion of the
18 Gross Settlement Amount is designated as wages.

19 16. "Final Approval Hearing" means the hearing that the Court will hold after the Court
20 has granted preliminary approval of the Settlement and notice has been provided to the Class
21 regarding, *inter alia*, whether final approval of the Settlement is appropriate and the amounts properly
22 payable for: (a) Individual Class Payments and Individual PAGA Payments; (b) the Class Counsel
23 Award; (c) the Class Representative Service Award; (d) payment to the LWDA; and (e) the
24 Settlement Administration Costs.

25 17. "Gross Settlement Amount" means the maximum amount which Defendant is
26 obligated to pay under this Settlement Agreement, which is One Hundred and Fifty Thousand Dollars
27 (\$150,000.00). This is a non-reversionary Settlement in which Defendant is required to pay the entire
28 Gross Settlement Amount. No portion of the Gross Settlement Amount will revert to Defendant under

any circumstances. The Employer's Share of Payroll Taxes shall be paid separately from the Gross Settlement Amount by Defendant.

18. "Individual Class Payment" means the amount payable from the Net Settlement Amount to each Settlement Class Member.

19. "Individual PAGA Payment" means the amount payable to each PAGA Aggrieved Employee from the PAGA Penalties (i.e., the 25% of the PAGA Penalties allocated to the PAGA Aggrieved Employees).

20. "LWDA" means the California Labor and Workforce Development Agency.

21. "Net Settlement Amount" means the Gross Settlement Amount, less the Class Counsel Award, Class Representative Service Award, 75% of PAGA Penalties to be paid to the LWDA, 25% of PAGA Penalties to be paid to PAGA Aggrieved Employees, and Settlement Administration Costs. If the Court approves less than the amounts requested for the Class Counsel Award, Class Representative Service Awards, payment to the LWDA and PAGA Aggrieved Employees for PAGA Penalties, or Settlement Administration Costs, such amounts will return to the Net Settlement Amount.

22. "Objection" means a written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that the Class Member is objecting to any of the terms of the Settlement. A Class Member may also object to the Settlement orally at the Final Approval Hearing without the need to submit a written Objection.

23. "PAGA" means the Private Attorneys' General Act (Labor Code §§ 2698. *et seq.*).

24. "PAGA Aggrieved Employees" means all non-exempt, hourly employees employed by Defendant in California, during the PAGA Period. PAGA Aggrieved Employees includes those individuals who have opted out of the Class by submitting a valid and timely Request for Exclusion, as well as those who are subject to severance agreements with Defendant.

25. "PAGA Work Week" or "PAGA Work Weeks" means the number of work weeks worked by each PAGA Aggrieved Employee individually during the PAGA Period and used as a value to calculate Individual PAGA Payments. The number of PAGA Work Weeks for each PAGA Aggrieved Employee will be calculated by the Settlement Administrator, based on the Class

Information provided by Defendant. The number of PAGA Work Week(s) for each PAGA Aggrieved Employee will be determined by counting each Work Week or seven (7) days within the PAGA Period during which a PAGA Aggrieved Employee performed work. A PAGA Aggrieved Employee who works at least one (1) day in a PAGA Work Week will be credited as having worked a full PAGA Pay Period.

26. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Aggrieved Employees and 75% to the LWDA in settlement of PAGA claims.

27. "PAGA Period" means all non-exempt, hourly employees of Defendant who worked for Defendant in the State of California at any time between February 16, 2023, through February 28, 2025, unless extended as provided in Paragraph 54.

28. "Parties" means Plaintiff and Defendant, collectively, and "Party" means either Plaintiff or Defendant, individually.

29. "Payment Ratio" means the respective Compensable Work Week(s) for each Settlement Class Member divided by the total Compensable Work Week(s) for all Settlement Class Members.

30. "PAGA Payment Ratio" means the respective PAGA Work Weeks for each PAGA Aggrieved Employee divided by the total PAGA Work Weeks for all PAGA Aggrieved Employees.

31. "Plaintiff" means David Giovanni Castro.

32. "Preliminary Approval Date" means the date upon which the Court grants preliminary approval of the Settlement.

33. "Request for Exclusion" means a letter or other written communication submitted by a Class Member to the Settlement Administrator that contains a clear statement by the Class Member that he or she is electing to be excluded (or "opt out") from the Settlement.

34. "Released Claims by Plaintiff" or "Plaintiff's Release" means: Plaintiff and his former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns generally, releases and discharges Released Parties from all claims, demands, rights, liabilities and

1 causes of action of every nature and description whatsoever, known or unknown, asserted or that
2 might have been asserted, whether in tort, contract, or for violation of any state or federal statute,
3 rule, law or regulation arising out of, relating to, or in connection with any act or omission of the
4 Released Parties through the date of full execution of this Settlement Agreement. Plaintiff's Release
5 does not extend to any claims or actions to enforce this Settlement Agreement, or to any claims for
6 vested benefits, unemployment benefits, disability benefits, social security benefits, or workers'
7 compensation benefits. Plaintiff acknowledges that Plaintiff may discover facts or law different from,
8 or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees,
9 nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding
10 such different or additional facts or Plaintiff's discovery of them. Released Claims by Plaintiff
11 include, but are not limited to, all claims arising under the California Labor Code sections 201, 202,
12 203, 204, 210, 216, 218.6, 221, 222, 225.5, 224, 225, 225.5, 226, 226.7, 227.3, 248.1, 432, 450, 510,
13 511, 512, 558, 1174, 1174.5, 1775, 1194, 1197, 1197.1, 1197.2, 1198, 1199, 6409.6, 6432, 2698,
14 2699, 2699.5, 2800, 2802, and 2810.5; the Wage Orders of the California Industrial Welfare
15 Commission ("IWC") Wage Orders 16-2001, the California Private Attorneys General Act of 2004
16 ("PAGA"); California Business and Professions Code section 17200; the California Civil Code, to
17 include, but not limited to, section 3336 and 3294; the California common law of contract; the Fair
18 Labor Standards Act, 29 U.S.C. § 201 et seq.; federal common law; and the Employee Retirement
19 Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's Released Claims also include all claims
20 for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and
21 costs arising under federal, state, or local laws for discrimination, harassment, and wrongful
22 termination such as by way of example only, (as amended) 42 U.S.C. section 1981, Title VII of the
23 Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in
24 Employment Act, and the California Fair Employment and Housing Act; and the law of contract and
25 tort. This release excludes the release of claims not permitted by law. With respect to Plaintiff's
26 Release, Plaintiff stipulates and agrees that, upon the Effective Date, he shall be deemed to have
27 expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and
28

benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law as to the generally released claims, which provides:

“A general release does not extend to claims which the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.”

Plaintiff’s Release applies to Plaintiff only. It does not apply to the Released Claims by Settlement Class Members or Released PAGA Claims, which are set forth in Paragraphs 34 and 35 below.

Notwithstanding the provisions of section 1542, and for the purpose of implementing a full and complete release and discharge of all Plaintiff’s Released Claims, Plaintiff expressly acknowledges that this Settlement is intended to include in its effect, without limitation, all Released Claims which Plaintiff does not know or suspects to exist in his favor at the time of execution hereof, and that the Settlement contemplates the extinguishment of all such Released Claims.

35. “Released Claims by Settlement Class Members” means: All Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties, for the duration of the Class Period, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, action or causes of action arising out of the allegations and claims that were alleged, or reasonably could have been alleged, based on the facts stated in the operative Complaint in the Action and ascertained in the course of the Action, including but not limited to, any and all federal, California state law, and/or local wage-and-hour claims, rights, demands, liabilities, and/or causes of action involving any alleged (a) failure to provide meal periods and/or pay meal period premiums (including, but not limited to, first and second meal periods and alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during meal periods, untimely, short, interrupted, or otherwise non-compliant meal periods, or failure to pay premiums at the correct rate of pay); (b) failure to provide rest breaks and/or pay rest break premiums (including, but not limited to, alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during rest periods, untimely, short, interrupted, or otherwise non-compliant rest periods, or

failure to pay premiums at the correct rate of pay); (c) failure to provide recovery periods and/or pay premium payments; (d) failure to pay overtime wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay premiums at the correct rate of pay); (e) failure to pay minimum wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay the correct rate of pay); (f) failure to pay timely wages; (g) failure to pay all wages due to discharged and quitting employees; (h) failure to furnish accurate itemized wage statements; (i) failure to maintain required records; (j) failure to provide reimbursement for employment-related expenses (including, but not limited to, alleged failures to reimburse employees for personal cell phones, purchase and maintenance of tools and supplies, uniforms, and travel expenses); (k) failure to maintain records of and provide for sick leave and supplemental COVID-19 sick leave; and (l) violation of California Business & Professions Code section 17200, *et seq.*

36. “Released PAGA Claims” means as of the Effective Date, all claims for civil penalties only under PAGA that Plaintiff, on behalf of himself, and the State of California, release Released Parties, for the duration of the PAGA Period, that were alleged, or reasonably could have been alleged, based on the facts stated in the operative Complaint in the Action, and Plaintiff’s LWDA letter dated February 16, 2024, and ascertained in the course of the Action including, but not limited to, any and all claims involving any alleged (a) failure to provide meal periods and/or pay meal period premiums (including, but not limited to, first and second meal periods and alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during meal periods, untimely, short, interrupted, or otherwise non-compliant meal periods); (b) failure to provide rest breaks and/or pay rest break premiums (including, but not limited to, alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during rest periods, untimely, short, interrupted, or otherwise non-compliant rest periods); (c) failure to provide recovery periods and/or pay recovery period premiums; (d) failure to pay overtime and other premium wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay premiums at the correct rate of pay); (e) failure to pay overtime wages; (f) failure to pay minimum wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay the correct rate of pay); (g) failure to maintain required records; (h) failure to furnish accurate itemized wage statements; (i) failure to pay

timely wages; (j) failure to pay all wages owed and due upon termination; (k) failure to maintain records of and provide for supplemental COVID-19 sick leave; (l) failure to provide notice of COVID-19 exposures; (n) failure to provide suitable seating; (o) failure to provide reimbursement for employment-related expenses (including, but not limited to, alleged failures to reimburse employees for personal cell phones, purchase and maintenance of tools and supplies, uniforms, and travel expenses); (p) failure to furnish or provide all documents signed or obtained pursuant to Labor Code §432. The Released PAGA Claims includes without limitation any and all claims for PAGA penalties pursuant to the applicable Wage Order, including Wage Order 16-2001, and Labor Code §§ 201-204, 210, 226, 226.7, 246, 248.1, 248.2, 248.6, 510, 512, 558, 1174, 1194, 1197, 1198, 1199, 2800, 2802, 6409.6, and 6432. PAGA Aggrieved Employees will release the Released PAGA Claims even if they, as a Class Member, request exclusion from the Settlement.

37. “Released Parties” collectively means: (i) Defendant; (ii) each of Defendant’s former, future, and present parents, joint ventures, and affiliated corporations and partnerships; their directors, officers, shareholders, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries; and (iii) any other individuals, entities, successors, assigns, or legal representatives who could be liable for any of the Released Claims.

38. “Response Deadline” means forty-five (45) days after the postmark date of the Notice of Class Settlement that the Settlement Administrator shall mail to Class Members, and the last date on which Class Members may: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) submit a dispute regarding the number of Compensable Work Weeks or PAGA Compensable Work Weeks. Class Members to whom Notice packets are re-sent after having been returned to the Administrator shall have an additional fourteen (14) calendar days before the Response Deadline has expired (“Extended Response Deadline”).

39. “Settlement” means the disposition of the Action pursuant to this Agreement.

40. “Settlement Administration Costs” means the amount to be paid to the Settlement Administrator from the Gross Settlement Amount for administration of this Settlement.

41. "Settlement Administrator" means Xpand Legal Consulting LLC. The Settlement Administrator shall be responsible for, *inter alia*: (a) printing and mailing the Class Notice to the Class; (b) calculating the Individual Class Payments and Individual PAGA Payments based on the Class Information; (c) calculating the Employer's Share of Payroll Taxes which Defendant shall pay in addition to the Gross Settlement Amount; (d) receiving and reporting the Requests for Exclusion and Objections submitted by Class Members to the Parties; (e) providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; (f) processing and mailing payments to Plaintiffs, Class Counsel, the LWDA, and Settlement Class Members; (g) creating and maintaining a static settlement website where relevant documents and information pertaining to the Settlement will be posted, including *inter alia*, the judgment and amended judgment if applicable; and (h) any other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities. The Parties agree that they have no financial interest or other relationship with Xpand Legal Consulting LLC that could create a conflict of interest. Should a conflict of interest or other issue lead to the disqualification of the selected Settlement Administrator, the Parties will meet and confer as to a suitable replacement.

42. "Settlement Class" or "Settlement Class Members" means all Class Members who have not opted out of the Class by submitting a valid and timely Request for Exclusion.

RECITALS

43. Procedural History. On April 23, 2024, Plaintiff filed a complaint against Defendant in Monterey County Superior Court, Case No.: 24CV001679 alleging Defendant (1) failed to provide required meal periods; (2) failed to provide required rest periods; (3) failed to pay overtime wages; (4) failed to timely pay all wages; (5) failed to pay all wages due to discharged and quitting employees; (6) failed to furnish accurate wage statements; (7) failed to maintain required records; (8) failed to indemnify employees for necessary business expenditures; (9) failed to pay and include COVID-19 supplemental sick pay on wage statements; (10) unfair and unlawful business practices; and for (11) penalties under the Labor Code Private Attorneys General Act. Defendant has filed an answer to the complaint and denies all allegations in the Action, denies any failure to comply with

1 the laws identified in the Action, and denies any and all liability for the causes of action alleged in
2 the Action. Defendant further denies that these claims are appropriate for class or representative
3 treatment, except for the limited purpose of settling this Action.

4 44. Bolanos PAGA Notice. The Parties, Class Counsel and Defense Counsel are aware of
5 one other PAGA notice that was submitted to the LWDA, dated June 24, 2024, entitled *Joe Bolanos*
6 *v. Kings Oil Tools, Inc.* (LWDA-CM-1036066-24) raising the following allegations that will be
7 extinguished by this Settlement: (1) failure to pay for all time worked at correct rates of pay, including
8 minimum wages, straight time wages, and overtime compensation (including due to off-the-clock
9 work, paying the incorrect rate of pay, and failing to include all remuneration in the regular rate of
10 pay), citing the Wage Order and Labor Code §§ 204, 510, 558, 1197, 1197.1, 1198, and 1199; (2)
11 failure to provide meal periods and pay meal period premiums, citing the Wage Order and Labor
12 Code §§ 226.7, 512, 558, 1198, and 1199; (3) failure to authorize and permit rest periods and pay rest
13 period premiums, citing the Wage Order and Labor Code §§ 226.7, 558, 1198, and 1199; (4) failure
14 to timely pay wages during employment, citing Labor Code §§ 204, 210, and 1199; (5) failure to pay
15 all wages due to discharged and quitting employees, citing Labor Code §§ 201, 202, 203, 210, and
16 1199; (6) failure to provide accurate itemized wage statements, citing Labor Code §§ 226 and 226.3;
17 (7) failure to maintain accurate records, citing the Wage Order and Labor Code §§ 1198.5, 1174, and
18 1174.5; (8) failure to reimburse necessary expenditures (including for transportation and mileage),
19 citing the Wage Order and Labor Code §§ 2800 and 2802; (9) failure to pay vacation and sick time,
20 citing Labor Code §§ 227.3 and 227. As of the date of this Settlement, no court action has been
21 commenced in connection with the Bolanos PAGA notice.

22 45. Investigation and Discovery. The Parties have conducted significant investigation of
23 the facts and law during the prosecution of this Action and before this Settlement was reached. Such
24 discovery and investigation includes, *inter alia*, the exchange of information and documents
25 pertaining to Plaintiff and the Class, and numerous meetings and informal conferences wherein the
26 Parties exchanged information, class data, and theories of the case. Plaintiff has also investigated the
27 law as applied to the facts of Plaintiff's claims and Defendant's potential defenses thereto.

46. Mediation. The Parties participated in a private mediation session with the M. Scott Radovich, Esq., on January 27, 2025. The Parties were able to reach a proposed class action settlement that would fully resolve this matter subject to court approval.

47. Benefits of Settlement to Class Members. Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to litigate Plaintiff's claims through trial and any possible appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of the burdens of proof necessary to establish liability for the claims asserted in the Action, both generally and in response to Defendant's defenses thereto, and the difficulties in establishing damages for the Class. Plaintiff and Class Counsel have also taken into account Defendant's agreement to enter into a settlement that confers substantial relief upon the members of the Class. Based on the foregoing, Plaintiff and Class Counsel have determined that the Settlement set forth in this Settlement Agreement is a fair, adequate, and a reasonable settlement, and is in the best interests of the Class.

48. The Parties agree that this Agreement is for settlement purposes only and if, for any reason, the Agreement is not approved, the Agreement will be of no force and effect. In such an event, nothing in this Agreement shall be used or construed by or against any party as a determination, admission or concession of any issue of law or fact in the Action; and the Parties do not waive, and instead expressly reserve their respective rights relative to the prosecution and defense of the Action as if this Agreement never existed. The Parties agree that this Settlement, in whole or any term thereof, shall not constitute, in this or any other proceeding, an admission of any kind by Defendant or a waiver of Defendant's right to enforce arbitration agreements with any Class Members.

STIPULATION AND AGREEMENT

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

1 50. It is agreed by and among Plaintiff and Defendant that this Settlement shall bind
2 Plaintiff, Settlement Class Members, PAGA Aggrieved Employees, and Defendant, subject to the
3 terms and conditions hereof.

4 51. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
5 the “acknowledging party” and each Party to this Agreement other than the acknowledging party, an
6 “other party”) acknowledges and agrees that (1) no provision of this Agreement, and no written
7 communication or disclosure between or among the Parties or their attorneys and other advisers, is
8 or was intended to be, nor shall any such communication or disclosure constitute or be construed or
9 be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230
10 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her,
11 or its own, independent legal and tax counsel for advice (including tax advice) in connection with
12 this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other
13 party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any
14 communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty
15 that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party
16 has imposed any limitation that protects the confidentiality of any such attorney’s or adviser’s tax
17 strategies (regardless of whether such limitation is legally binding) upon disclosure by the
18 acknowledging party of the tax treatment or tax structure of any transaction, including any transaction
19 contemplated by this Agreement.

20 52. Class Certification. The Parties stipulate to class certification for purposes of
21 settlement only. If the Court does not grant either preliminary or final approval of this Settlement,
22 the Parties stipulate that this stipulation regarding class certification will be revoked and the Parties
23 will return to a point in litigation immediately prior to the execution of this Settlement Agreement.

24 53. Approval of Settlement. Plaintiff will move the Court to grant preliminary and final
25 approval of this class action Settlement within 30 days after full execution of this Agreement. The
26 Parties agree to work diligently and cooperatively to have this matter presented to the Court for
27 preliminary and final approval. If the Parties disagree on any aspect of the proposed Motion for
28 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense

Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

54. Class and PAGA Period Extended Dates. If Plaintiff does not file the motion for preliminary approval by February 28, 2025, the Class Period and PAGA Period end dates will each be extended by the same number of days as Plaintiff's delay in filing the motion for preliminary approval.

55. LWDA Notice. Plaintiff acknowledges and agrees that he will provide notice to the LWDA of this Settlement in accordance with California Labor Code § 2699(1)(2).

56. Release of Claims by Plaintiff. Plaintiff releases the "Released Claims by Plaintiff" as of the Effective Date.

57. Release of Class Claims by Settlement Class Members. Settlement Class Members release the "Released Claims by Settlement Class Members" as of the Effective Date.

58. Release of PAGA Claims by PAGA Aggrieved Employees. PAGA Aggrieved Employees release the "Released PAGA Claims" as of the Effective Date.

59. Settlement Administration. Within ten (10) calendar days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Information. To protect Class Member's privacy the Settlement Administrator must maintain the Class Information in confidence, use the Class Information only for purposes of this Settlement and for no other purpose, and restrict access to the Class Information to Settlement Administrator employees who need access to the Class Information to effect and perform under this Agreement. To that end, the Settlement Administrator will use identifying numbers in place of Class Member names when sharing Class Information calculations with Class Counsel. Without any extension of the deadline by which Defendant must send the Class Information to the Settlement Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any

issues related to missing or omitted Class Information. No later than three (3) calendar days after receipt of the Class Information, the Settlement Administrator shall notify Class Counsel that the list has been received.

60. Notice to the Class. Upon receipt of the Class Information, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes. Within ten (10) calendar days after receiving the Class Information, the Settlement Administrator shall mail copies of the Class Notice to all Class Members via regular First-Class U.S. Mail and post a copy of the Class Notice on its website, along with the Court's order granting preliminary approval of this Settlement. The Settlement Administrator shall exercise its best judgment to determine the current mailing address for each Class Member. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member.

a. The Class Notice and Procedure Comports with Due Process. The Parties agree that the notice procedures outlined in this Agreement provide the best and most practical method of giving notice to the Class and fully comply with due process and all applicable laws and rules.

b. Returned Notices and Extended Response Deadline. Any Class Notice returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto within five (5) business days. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address and/or Social Security number of the Class Member involved, and shall then perform a re-mailing, if another mailing address is identified by the Settlement Administrator. If the returned notice is for a currently employed Class Member, the Settlement Administrator shall contact Defendant, which will then make all reasonable efforts to obtain the Class Member's current mailing address within five (5) business days and provide it to the Settlement Administrator. Class Members who receive a re-mailed Notice of Class Settlement shall have fourteen (14) days after the postmark date of the re-mailed Notice of Class

Settlement to: (a) submit a Request for Exclusion; (b) submit an Objection to the Settlement; or (c) dispute the number of Compensable Work Weeks attributed to them.

c. Disputes Regarding Compensable Work Weeks. Class Members will have the opportunity, should they disagree with Defendant's records regarding the number of Compensable Work Weeks attributed to them in the Class Notice, to provide documentation and/or an explanation to show contrary information by the Response Deadline. The dispute form must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number or full employee ID number; (b) contain the case name and case number; (c) contain a clear statement by the Class Member that he or she is disputing the number of Compensable Work Week(s) and the basis for the dispute; (d) be signed by the Class Member; and (e) be postmarked or e-mailed by the Response Deadline. The date of the postmark on the return mailing envelope on the dispute form, or the date the e-mail is sent, shall be the exclusive means used to determine whether it has been timely submitted. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. Under no circumstances shall the Settlement Administrator disclose any Class Member identifying information to Class Counsel. To the extent necessary to consult with the Parties, the Settlement Administrator shall provide copies of all challenges to calculation of Workweeks to Defense Counsel and may only provide similar copies of challenges to Class Counsel after redacting Class Member identifying information, including but not limited to name, address, social security number, email address, and phone number. The Settlement Administrator shall then determine the eligibility for, and the amounts of, any Individual Class Payments and/or Individual PAGA Payments under the terms of this Agreement. In the absence of circumstances indicating fraud, manipulation or destruction, Defendant's records shall be presumed to be accurate.

d. Requests for Exclusion. Class Members who wish to exclude themselves from the Settlement must mail or e-mail to the Settlement Administrator a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (a) contain the full name, address, and telephone number of the Class Member, and the last four digits of the Class Member's social security number; (b) contain the case name and case number; (c) contain a clear statement by the Class

1 Member that he or she is electing to be excluded (or “opt out”) from the Settlement; (d) be signed by
2 the Class Member; and (e) be postmarked or e-mailed by the Response Deadline. The date of the
3 postmark on the return mailing envelope on the Request for Exclusion, or the date the e-mail is sent,
4 shall be the exclusive means used to determine whether it has been timely submitted. Any Class
5 Member who requests to be excluded from the Settlement Class shall not be entitled to any Individual
6 Class Payment, shall not release any of the Released Claims by Settlement Class Members, and shall
7 not have any right to object, appeal or comment thereon. Class Members who fail to submit a valid
8 and timely Request for Exclusion on or before the Response Deadline shall be bound by all terms of
9 the Settlement and any Final Approval Order and Judgment entered in this Action. Any Class
10 Member who submits a valid and timely Request for Exclusion cannot opt-out of the PAGA portion
11 of this Settlement and will still be a PAGA Aggrieved Employee and receive their share of the PAGA
12 portion of this Settlement if they worked during the PAGA Period.

13 e. Objections. Class Members who wish to object to the Settlement may do so
14 orally at the Final Approval Hearing without the need to submit a written objection, or may object
15 by emailing or mailing by U.S. Mail to the Settlement Administrator a written objection by the
16 Response Deadline. The written objection should contain the following: (a) contain the full name,
17 address, and telephone number of the Class Member, and the last four digits of the Class Member’s
18 social security number; (b) contain the case name and case number; (c) the dates of employment of
19 the Class Member; (d) be signed by the Class Member; (e) provide a concise statement of the reasons
20 for objecting; and (f) be postmarked or e-mailed by the Response Deadline. The date of the postmark
21 on the return mailing envelope on the written Objection, or the date the e-mail is sent, shall be the
22 exclusive means used to determine whether the written Objection has been timely submitted. Class
23 Members who fail to make Objections in the manner specified above shall be deemed to have waived
24 any objections and shall be foreclosed from making any objections (whether by appeal or otherwise)
25 to the Settlement. Class Counsel shall not represent any Class Members with respect to any
26 Objections. The Settlement Administrator will provide the Parties with any written Objection within
27 seven (7) calendar days of its receipt of any Objection. Plaintiff will file any and all written
28 Objections with the Court in advance of the Final Approval Hearing.

61. Funding Gross Settlement Amount. Within fourteen (14) days of the Effective Date, Defendant shall fund the full Gross Settlement Amount by submitting the funds to the Settlement Administrator. Defendant shall also separately pay Employer's Share of Payroll Taxes to the Settlement Administrator as calculated and directed by the Settlement Administrator at the time of funding the Gross Settlement Amount. The Settlement Administrator shall notify the Parties in writing upon receipt of the full Gross Settlement Amount and Employer's Share of Payroll Taxes. The Settlement Administrator shall calculate and notify Defendant of the Employer's Share of Payroll Taxes at least 5 calendar days before the deadline for funding the Gross Settlement Amount.

62. Allocation of Settlement. Individual Class Payments will be paid from the Net Settlement Amount and shall be paid pursuant to the settlement formula set forth herein. Individual Class Payments shall be mailed by regular First Class U.S. Mail to Settlement Class Members' last known mailing address.

a. The Settlement Administrator shall calculate the Individual Class Payment for each Settlement Class Member based on the Class Information provided by Defendant. The Net Settlement Amount will be divided by the total Compensable Work Weeks during the Class Period for all Settlement Class Members and the result will then be multiplied by each Settlement Class Members' Compensable Work Weeks during the Class Period to determine his or her Individual Class Payment.

1. Individual Class Payments due to each Settlement Class Member shall be designated as follows:

(a). Ten percent (10%) of the Individual Class Payment shall represent payment for alleged unpaid wages. This payment shall be subject to the withholding of all applicable local, state, and federal taxes. Applicable payroll taxes and/or contributions will be deducted from the amount paid to Settlement Class Members. The Settlement Administrator will issue a W-2 Form to each Settlement Class Member in relation to this payment.

(b). Eighty percent (80%) of the Individual Class Payment shall represent payment of all penalties. These payments will not be subject to withholding of local, state,

and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

(c). Ten percent (10%) of the Individual Class Payment shall represent payment of all interest. These payments will not be subject to withholding of local, state, and federal taxes. The Settlement Administrator will issue an IRS Form 1099 to each Settlement Class Member in relation to these payments.

b. The Settlement Administrator shall calculate the Individual PAGA Payment for each PAGA Aggrieved Employee based on the Class Information provided by Defendant. The PAGA Aggrieved Employees' 25% share of the PAGA Penalties will be divided by the total Compensable PAGA Work Weeks during the PAGA Period for all PAGA Aggrieved Employees and the result will then be multiplied by each PAGA Aggrieved Employees' Compensable Work Weeks during the PAGA Period to determine his or her Individual PAGA Payment. Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will issue an IRS Form 1099 to each PAGA Aggrieved Employee in relation to these payments. For Settlement Class Members who are also PAGA Aggrieved Employees, the Individual Class Payment and Individual PAGA Payments may be paid in a single check.

c. Un-Negotiated Individual Payment Checks. Individual Class Payment checks and Individual PAGA Payment checks shall remain negotiable for one hundred and eighty (180) calendar days from the postmark date of issuance. If the Individual Class Payment check and/or Individual PAGA Payment check is not cashed, deposited, or otherwise negotiated within the 180-day deadline, the check will be voided, and the funds associated with any such voided checks shall be paid in the name of the Class Member and/or PAGA Aggrieved Employee to the State of California Controller's Unclaimed Property Fund. Neither Defendant, Defendant's counsel, Plaintiff's counsel nor Plaintiff will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, unauthorized negotiation of settlement checks or failure to timely cash a settlement check within the 180-day period. The Settlement Administrator shall send a reminder postcard to any Class Member and/or PAGA Aggrieved Employee whose settlement distribution check has not been negotiated within sixty (60) days after the date of mailing.

1 d. Certification By Settlement Administrator. The Parties have the right to
2 monitor and review administration of the Settlement. Any disputes not resolved by the Settlement
3 Administrator concerning the administration of the Settlement will be resolved by the Court, under
4 the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties
5 will confer in good faith to resolve the disputes without the necessity of involving the Court. Upon
6 completion of administration of the Settlement, the Settlement Administrator shall provide written
7 certification of such completion to counsel for the Parties, and which shall be filed with the Court as
8 necessary.

9 e. Settlement Awards Do Not Trigger Additional Benefits. All monies received
10 by Settlement Class Members and/or PAGA Aggrieved Employees shall be deemed to be income
11 solely in the year in which such awards actually are received. It is expressly understood and agreed
12 that the receipt of such Individual Class Payments and/or Individual PAGA Payments will not entitle
13 any Settlement Class Member and/or PAGA Aggrieved Employee to additional compensation or
14 benefits under any company compensation or benefit plan or agreement in place during the period
15 covered by the Settlement, nor will it entitle any Settlement Class Member and/or PAGA Aggrieved
16 Employee to any increased pension and/or retirement, or other deferred compensation benefits. It is
17 the intent of this Settlement that any Individual Class Payments and/or Individual PAGA Payments
18 provided for in this Agreement are the sole payments to be made by Defendant to the Settlement
19 Class Members and PAGA Aggrieved Employees in connection with this Settlement, and that the
20 Settlement Class Members and PAGA Aggrieved Employees are not entitled to any new or additional
21 compensation or benefits as a result of having received the Individual Class Payments and/or
22 Individual PAGA Payments (notwithstanding any contrary language or agreement in any benefit or
23 compensation plan document that might have been in effect during the period covered by this
24 Settlement).

25 f. Class Representative Service Award. Defendant agrees not to oppose or
26 object to a Class Representative Service Award to Plaintiff of up to Five Thousand Dollars
27 (\$5,000.00), subject to Court approval. The Settlement Administrator shall issue an IRS Form 1099
28 – MISC to Plaintiff in connection with the Class Representative Service Award payment. Plaintiff

1 shall be solely and legally responsible to pay any and all applicable taxes on his Class Representative
2 Service Award and shall hold harmless Defendant and Class Counsel from any claim or liability for
3 taxes, penalties, or interest arising as a result of the Class Representative Service Award payment.
4 The Class Representative Service Award shall be in addition to Plaintiff's Individual Class Payment
5 and Individual PAGA Payment. This Settlement is not contingent upon the Court awarding Plaintiff
6 a Class Representative Service Award in any amount, and any amount requested by Plaintiff for the
7 Class Representative Service Award that is not granted by the Court shall return to the Net Settlement
8 Amount and be distributed to Settlement Class Members as provided in this Agreement.

9 g. Class Counsel Award. Defendant agrees not to oppose or object to any
10 application or motion by Class Counsel for attorneys' fees not to exceed one-third from the Gross
11 Settlement Amount, or Forty-Nine Thousand and Nine Hundred and Fifty Dollars and Zero cents
12 (\$49,950). Defendant further agrees not to oppose any application or motion by Class Counsel for
13 the reimbursement of any costs or expenses associated with Class Counsel's prosecution of this
14 matter from the Gross Settlement Amount, up to, but not to exceed Twelve Thousand Dollars
15 (\$12,000.00). Class Counsel will file a motion for Class Counsel attorneys' fee and costs no later
16 than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the
17 Court. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payment
18 made pursuant to this paragraph. The Settlement Administrator shall issue an IRS Form 1099 – MISC
19 to Class Counsel for the payments made pursuant to this paragraph. This Settlement is not contingent
20 upon the Court awarding Class Counsel any particular amount in attorneys' fees and costs. Any
21 amount requested by Class Counsel for the Class Counsel Award and costs that is not granted by the
22 Court shall return to the Net Settlement Amount and be distributed to Settlement Class Members as
23 provided in this Agreement.

24 h. Settlement Administration Costs. The Settlement Administrator shall be paid
25 for the costs of administration of the Settlement from the Gross Settlement Amount. The costs of
26 notice and administration for the disbursement of the Gross Settlement Amount shall not exceed
27 \$6,000 unless otherwise approved by the Court. Prior to the filing of a motion for final approval of
28

1 this Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
2 costs of administration.

3 i. Payment to the LWDA. Fifteen Thousand Dollars and Zero Cents (\$15,000)
4 from the Gross Settlement Amount will be allocated to penalties under the Private Attorneys General
5 Act of 2004. Seventy-five percent (75%) of that amount, or \$11,250, will be paid to the LWDA and
6 twenty-five (25%) of that amount, or \$3,750, will be paid to the PAGA Aggrieved Employees. This
7 PAGA Payment is made pursuant to California Labor Code § 2699(i).

8 63. Distribution of Settlement Payments. Individual Class Payments to Settlement Class
9 Members, Individual PAGA Payments to PAGA Aggrieved Employees, the Class Representative
10 Service Award, the Class Counsel Award, Settlement Administration Costs, and payment to the
11 LWDA, shall all be distributed by the Settlement Administrator within ten (10) calendar days of
12 receipt of the Gross Settlement Amount from Defendant. No person shall have any claim against
13 Defendant, Defendant's Counsel, Plaintiff, Settlement Class Members, Class Counsel, or the
14 Settlement Administrator based on distributions and payments made in accordance with this
15 Agreement.

16 64. Final Report by Settlement Administrator. Within 10 (ten) days after the Settlement
17 Administrator disburses all funds in the Gross Settlement Amount, the Settlement Administrator
18 will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by
19 employee identification number only of all payments made under this Agreement. At least fifteen
20 (15) days before any deadlines set by the Court, the Settlement Administrator will prepare, and
21 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court
22 attesting to its disbursement of all payments required under this Agreement. Prior to the distribution
23 of unpaid cash residue and unclaimed or abandoned settlement funds, the Settlement Administrator
24 agrees to prepare a declaration of the total amount actually paid to the class members, upon which
25 the Parties will ask the Court to amend the judgment to direct payment of the sum of unpaid residue
26 or unclaimed or abandoned class member funds Pursuant to California Code of Civil Procedure §
27 384. Class Counsel is responsible for filing the Administrator's declarations in Court.

1 65. Website, Email Address and Toll-Free Number. The Settlement Administrator will
2 establish, maintain and use an internet website to post information of interest to Class Members
3 including the date, time and location for the Final Approval Hearing and copies of the Agreement;
4 Preliminary Approval Order; Class Notice; the Final Approval Order; and the Judgment. The
5 Settlement Administrator will also maintain and monitor an email address and a toll-free telephone
6 number to receive Class Member calls and e-mails. If Final Approval is granted, the Settlement
7 Administrator will post the above-listed information of interest for at least 180 days after Final
8 Approval.

9 66. Weekly Reports. The Settlement Administrator must, on a weekly basis, provide
10 written reports to Class Counsel and Defense Counsel that, among other things, tally the number of:
11 Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion
12 (whether valid or invalid) received, Objections received, challenges to Work Weeks received
13 and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments
14 (“Weekly Report”). The Weekly Reports must include the Settlement Administrator’s assessment
15 of the validity of Requests for Exclusion. The Settlement Administrator must, on a weekly basis,
16 provide Defense Counsel the names and identifying information of Class Members whose Class
17 Notices have been returned as undeliverable for the purpose of determining if Defendant can
18 provide any additional information to successfully mail the Class Notice.

19 67. Escalator Clause. It is currently estimated that there are 29,563 Settlement Class
20 Workweeks through the date of mediation based upon the information provided by Defendant.
21 Defendant shall provide Plaintiff within ten (10) days of notice that Plaintiff intends to file a Motion
22 for Preliminary Approval, the current number of work weeks through the earlier of the date of such
23 notice or the last day of the Class Period. If ten percent (10%) more than 29,563 Settlement Class
24 Workweeks are identified by Defendant's counsel up to the date that Plaintiff files a Motion for
25 Preliminary Approval, Defendant, at its option, can either choose to: (1) cut off the end date for the
26 Class Period as of the date on which the number of total work weeks exceeded 10% of 29,563; or (2)
27 increase the Gross Settlement Amount on a pro rata basis according to the number of additional
28

1 Compensable Work Week worked by all Class Members during the Class Period in excess of ten
2 (10%) percent with respect to the total number of work weeks worked by the entire Class.

3 68. Final Settlement Approval Hearing and Entry of Final Judgment. Upon expiration of
4 the Response Deadline, a final approval hearing shall be conducted to determine, *inter alia*, final
5 approval of the Settlement and amounts properly payable for: (a) Individual Class Payments; (b)
6 Individual PAGA Payments; (c) the Class Counsel Award; (d) the Class Representative Service
7 Award; (e) payment to the LWDA; and (f) the Settlement Administration Costs. No later than sixteen
8 (16) court days before the calendared Final Approval Hearing, Plaintiff will prepare and file a motion
9 for preliminary approval ("Motion for Final Approval"). Plaintiff shall provide drafts of these
10 documents to Defense Counsel not later than three (3) business days prior to filing the Motion for
11 Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or
12 by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final
13 Approval.

14 69. Posting of Final Judgment. Within 10 days after the Court has held a Final Approval
15 Hearing and entered the Judgment certifying the Class for settlement purposes only and approving
16 the Settlement, the Settlement Administrator will give notice of judgment to Class Members
17 pursuant to California Rules of Court, rule 3.771(b) by posting a copy of said Judgment on its
18 website at a web address to be included in the Class Notice.

19 70. Nullification of Settlement Agreement. In the event the Settlement does not become
20 final for any reason, then this Agreement, and any documents generated to bring it into effect, shall
21 be null and void. Any order or judgment entered by the Court in furtherance of this Agreement shall
22 likewise be treated as void from the beginning. In the event an appeal is filed from the Court's Final
23 Approval Order and Judgment, or any other appellate review is sought, administration of the
24 Settlement shall be stayed pending final resolution of the appeal or other appellate review, and any
25 fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from
26 the Court's Final Approval Order and Judgment, or any other appellate review, shall be paid to the
27 Settlement Administrator by the party or person that filed the appeal, within thirty (30) calendar days
28 of said notification.

71. No Effect on Employee Benefits. Amounts paid to Plaintiff or other Settlement Class Members or PAGA Aggrieved Employees pursuant to this Agreement shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Plaintiff or Settlement Class Members or PAGA Aggrieved Employees.

72. No Admission by Defendant. Defendant denies any and all claims alleged in this Action and denies all wrongdoing whatsoever. This Settlement Agreement is not a concession or admission, and shall not be used against Defendant as an admission or indication with respect to any claim of any fault, concession, or omission by any Defendant. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant preliminary approval, final approval or enter judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

73. Exhibits and Headings. The terms of this Settlement Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

74. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action, except such proceedings necessary to implement and complete the Settlement, holding the Action in abeyance pending the final approval hearing to be conducted by the Court.

75. Dispute Resolution. Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Settlement Agreement, the Parties shall

1 meet and confer and/or seek the assistance of a mediator in an attempt to resolve such s prior to
2 submitting such disputes to the Court.

3 76. Defendant's Right to Withdraw. If the number of valid Requests for Exclusion meets
4 or exceeds five percent (5%) of the total of all Class Members, Defendant may, but is not obligated
5 to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the
6 Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have
7 any further obligation to perform under this Agreement; provided, however, Defendant will remain
8 responsible for paying all Settlement Administration Costs incurred to that point. Defendant must
9 notify Class Counsel and the Court of its election to withdraw not later than five (5) business days
10 after learning from the Administrator that the number of Requests for Exclusion equals five percent
11 (5%) or more; late elections will have no effect.

12 77. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant
13 and Defendant's counsel separately agree that, until the motion for preliminary approval of settlement
14 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
15 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or
16 indirectly, specifically or generally, to any person, corporation, association, government agency or
17 other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be
18 instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent
19 necessary to report income to appropriate taxing authorities; (4) in response to a court order or
20 subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
21 agency. Each Party agrees to immediately notify each other Party of any judicial or agency order,
22 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense
23 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
24 communication, before the filing of the motion for preliminary, with any third party regarding this
25 Agreement or the matters giving rise to this Agreement except to respond only that "the matter was
26 resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications
27 with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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1 78. No Solicitation. The Parties separately agree that they and their respective counsel
2 and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
3 from the judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
4 to communicate with Class Members in accordance with Class Counsel's ethical obligations owed
5 to Class Members.

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

9 80. Amended Judgment. If any amended judgment is required under Code of Civil
10 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
11 judgment and supporting documentation.

12 81. Confidentiality. To the extent permitted by law, all agreements made and orders
13 entered during the Action and in this Agreement relating to the confidentiality of information shall
14 survive the execution of this Agreement.

15 82. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement
16 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
17 weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

18 83. Amendment or Modification. This Agreement may be amended or modified only by
19 a written instrument signed by counsel for all Parties.

20 84. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute
21 the entire Agreement among these Parties, and no oral or written representations, warranties, or
22 inducements have been made to any Party concerning this Agreement or its Exhibits other than the
23 representations, warranties, and covenants contained and memorialized in the Agreement and its
24 Exhibits.

25 85. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant
26 and represent they are expressly authorized by the Parties whom they represent to negotiate this
27 Agreement and to take all appropriate actions required or permitted to be taken by such Parties
28 pursuant to this Agreement to effectuate its terms, and to execute any other documents required to

effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court or the mediator to resolve such disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party.

86. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

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

89. This Settlement is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

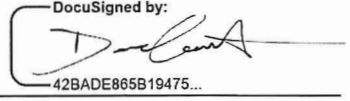
90. Use and Return of Class Information. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Information provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Settlement Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Information received from Defendant unless, prior to the Court's discharge of the Settlement Administrator's obligation,

1 Defendant makes a written request to Class Counsel for the return, rather than the destruction, of
2 Class Information.

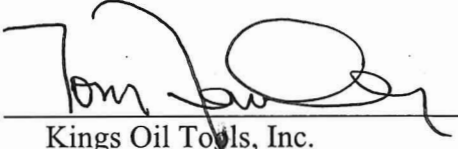
3 91. Jurisdiction of the Court. Pursuant to California Code of Civil Procedure section
4 664.6, the Court shall retain jurisdiction with respect to the interpretation, implementation, and
5 enforcement of the terms of this Settlement Agreement and all orders and judgments entered in
6 connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court
7 for purposes of interpreting, implementing, and enforcing the settlement embodied in this Agreement
8 and all orders and judgments entered in connection therewith. All terms of this Settlement Agreement
9 are subject to approval by the Court.

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

14 2/25/2025
15 Dated: February __, 2025

By: 
42BADE865B19475...
David Giovanni Castro

16
17 Dated: February 26, 2025

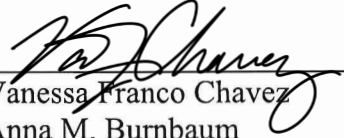
By: 
Kings Oil Tools, Inc.
Name: Tom Fowler, as
Title: CEO

20 **APPROVED AS TO FORM:**

21
22 Dated: February 25, 2025

By: 
Scott E. Wheeler
Justin A. Wheeler
THE WHEELER LAW FIRM, APC
Counsel for Plaintiff and the Putative Class

23
24
25
26
27 Dated: February 26, 2025

By: 
Vanessa Franco Chavez
Anna M. Burnbaum

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KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP

Counsel for Defendant, Kings Oil Tools, Inc.

EXHIBIT 1

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

David Castro v. Kings Oil Tools, Inc.

Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679

PLEASE READ THIS NOTICE

A class and representative action under the Private Attorneys General Act, California Labor Code Sections 2699-2699.5. ("PAGA") against Defendant Kings Oil Tools, Inc. ("Defendant") has been preliminarily approved for settlement. The Settlement resolves disputed claims against Defendant arising out of its wage and hour practices on behalf of the below defined Class Members and PAGA Aggrieved Employees.

Class Member(s) are defined as: Except for those who are subject to severance agreements, all non-exempt, hourly employees who were employed by Defendant in the State of California, at any time from February 4, 2021, through <<DATE>>. ("Class Period" and collectively, the Class Members are referred to as the "Class").

PAGA Aggrieved Employees are defined as: All non-exempt, hourly employees employed by Defendant in California, at any time from February 16, 2023, through <<DATE>> ("PAGA Period").

You have been identified by Defendant's records as a Class Member in the above-entitled action, and as such, you are subject to the terms of the Class Action and PAGA Representative Settlement Agreement And Release ("Settlement"), preliminarily approved by the Court. Please read this notice carefully. It may affect your legal rights. Defendant will not retaliate against you for any actions you take with respect to the settlement.

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to remain in the Class, be bound by the Settlement and receive your Individual Class Payment, and if eligible, PAGA Payment , then you need not do anything.
Exclude Yourself From the Settlement	If you do not want to be bound by the Settlement, you must follow the instructions in Section 6 to exclude yourself. If you exclude yourself, you will not receive your Individual Class Payment, and you will not release the Settled Claims against Released Parties defined in Section 4 below. If this Settlement is approved by the Court, and you are a PAGA Aggrieved Employee, you will receive your PAGA payment and the Released PAGA Claims will be released even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the Settlement, you must follow the instructions in Section 7. If you object, you will still be bound by the terms of the Settlement, if approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant's records reflect that you are a Class Member, as defined above. This Notice provides you with information about (1) the terms of the Settlement, including the claims that are being released, (2) the total monetary amount of the Settlement, (3) your estimated Individual Class Payment provided you remain a Settlement Class Member, and (4) where to find additional information regarding the case and the Settlement.

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you do nothing, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

2. WHAT IS THIS CASE ABOUT?

A Class Action Complaint for Damages was filed by David Castro on April 23, 2024, in the Superior Court of California, County of Monterey, commencing the lawsuit entitled *David Castro v. Kings Oil Tools, Inc.*, Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679 (the "Action"). Plaintiff David Castro alleged on behalf of himself and the Class the following claims against Defendant: (a) failure to provide meal periods and/or pay meal period premiums (including, but not limited

to, first and second meal periods and alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during meal periods, untimely, short, interrupted, or otherwise non-compliant meal periods, or failure to pay premiums at the correct rate of pay); (b) failure to provide rest breaks and/or pay rest break premiums (including, but not limited to, alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during rest periods, untimely, short, interrupted, or otherwise non-compliant rest periods, or failure to pay premiums at the correct rate of pay); (c) failure to provide recovery periods and/or pay premium payments; (d) failure to pay overtime wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay premiums at the correct rate of pay); (e) failure to pay minimum wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay the correct rate of pay); (f) failure to pay timely wages; (g) failure to pay all wages due to discharged and quitting employees; (h) failure to furnish accurate itemized wage statements; (i) failure to maintain required records; (j) failure to provide reimbursement for employment-related expenses (including, but not limited to, alleged failures to reimburse employees for personal cell phones, purchase and maintenance of tools and supplies, uniforms, and travel expenses); (k) failure to maintain records of and provide for sick leave and supplemental COVID-19 sick leave; (l) violation of California Business & Professions Code section 17200, *et seq.* and (m) and violation of PAGA, predicated on the violations of the California Labor Code and IWC Wage Order, Wage Order 16-2001.

Defendant denies any liability or wrongdoing of any kind. Defendant contends, among other things, that they complied at all times with the California Labor Code and the Business and Professions Code, and that employees were correctly and timely paid all wages, and that meal periods and rest breaks are provided as required by applicable law. Defendant also denies that the Action is suitable for class certification. Defendant has entered into the Settlement solely for purposes of resolving this dispute to avoid costly, disruptive, and time-consuming litigation.

The Court has not ruled on the merits of Plaintiff's claims. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case on the merits. Rather, the Court has determined only that there is sufficient evidence to determine on a preliminary basis that the proposed Settlement is fair, adequate, and reasonable and any final determination of those issues will be made at the final approval hearing.

3. THE SETTLEMENT TERMS AND CALCULATION OF INDIVIDUAL CLASS AND PAGA PAYMENTS.

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendant has agreed to pay a Gross Settlement Amount of One Hundred and Fifty Thousand Dollars (\$150,000.00) to settle the Action if approved by the Court.

The following amounts will be paid from the Gross Settlement Amount:

- Service Payment to Plaintiff for his service as Class Representative in the amount of up to Five Thousand Dollars and Zero Cents (\$5,000.00);
- Attorneys' Fees not to exceed Forty-Nine Thousand, Nine-Hundred and Fifty Dollars and Zero Cents (\$49,950.00) (i.e., 1/3 of the Gross Settlement Amount) to Class Counsel and up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) for reimbursement of litigation costs and expenses ("Attorneys' Costs");
- The amount of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) allocated to the payment of civil penalties under PAGA (the "PAGA Allocation");
- The costs associated with administration of the Settlement, estimated not to exceed **Six Thousand Dollars and Zero Cents (\$6,000.00)** ("Settlement Administration Costs").

Individual Class Payment: The amount remaining from the Gross Settlement Amount after the above deductions is called the "Net Settlement Amount". The Net Settlement Amount will be allocated to all Class Members who do not request to be excluded from the Settlement ("Settlement Class Members") on a *pro rata* basis, based on their number of Compensable Work Weeks. Each payment is called an "Individual Class Payment" and will be calculated as follows:

1. The Settlement Administrator will determine the number of work weeks worked by Class Members in California as a non-exempt employee during the Class Period ("Compensable Work Weeks");
2. The Settlement Administrator will determine the value of a single Compensable Work Week by dividing the Net Settlement Amount by the total number of Compensable Work Week(s) for each Settlement Class Member resulting in a payment ratio; and
3. Each Settlement Class Member shall receive a gross Individual Class Payment equal to his or her Compensable Work Week payment ratio multiplied by the Net Settlement Amount.

Based on your Compensable Work Week(s), your individual class payment as a Settlement Class Member is estimated to be \$ _____.

PAGA Payment: A total of Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the Gross Settlement Amount has been allocated to PAGA Settlement. Of this amount, 75% or Eleven Thousand, Two Hundred and Fifty Dollars and Zero Cents (i.e., \$11,250.00) will be paid to California's Labor & Workforce Development Agency, and 25% or Three Thousand, Seven Hundred and Fifty Dollars and Zero Cents (i.e., \$3,750.00) (the "Net PAGA Distribution Amount") will be paid on a *pro-rata* basis to PAGA Aggrieved Employees.

The Settlement Administrator will determine the number of Compensable Work Weeks worked by PAGA Aggrieved Employees as non-exempt employees in California during the period from February 16, 2023 through <<DATE>> ("Compensable PAGA Work Weeks");

1. The Settlement Administrator will determine the value of a single Compensable PAGA Work Week by dividing the Net PAGA Distribution Fund by the total number Compensable Work Weeks by all PAGA Aggrieved Employees.
2. Each PAGA Aggrieved Employee shall receive a PAGA Payment equal to his or her Compensable PAGA Work Week(s) multiplied by the value of a single Compensable PAGA Work Weeks.

Based on these PAGA Compensable Work Week(s), your PAGA Payment is estimated to be \$ [REDACTED].

If you dispute the above information, you may submit a written dispute to the number of Compensable Work Week(s) and/or Compensable PAGA Work Week(s) allocated to you ("Dispute") to the Settlement Administrator. Your Dispute must: (1) contain your name, address, and telephone number and the case name and number of this action, *David Castro v. Kings Oil Tools, Inc.*, Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679; (2) be signed by you; (3) be postmarked, emailed or fax stamped on or before (INSERT DATE) and returned to the Settlement Administrator at the address, email or fax number listed below; (4) clearly state the number of Compensable Work Week(s), and/or Compensable Work Week(s), you believe are correct; and (5) attach any documentary evidence you have to prove the number of contented Compensable Work Week(s), and/or Compensable PAGA Work Week(s).

[REDACTED]
Re: *David Castro v. Kings Oil Tools, Inc.*

INSERT ADDRESS

Phone: (800)

Facsimile: (714)

Email: INSERT EMAIL ADDRESS

Ten percent (10%) of each Individual Class Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; Eighty percent (80%) of each Individual Class Payment will be considered penalties and any other non-wage related amount; and Ten percent (10%) of each Individual Class Payment will be considered interest. The amount allocated as wages will be reported on an IRS form W-2, and the remaining amount allocated as penalties, liquidated damages, interest and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each PAGA Payment will be allocated as penalties and be reported on an IRS form 1099.

In addition to the Gross Settlement Amount, Defendant will pay all employer-payroll taxes and contributions in connection with the portion of the Settlement allocated towards wages at the time the Gross Settlement Amount is funded.

Class Members are responsible for paying taxes on any amounts received. This Notice is not tax advice and you should consult your tax advisor.

Checks will be valid and negotiable for one-hundred and eighty (180) days; after that checks will become void and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one-hundred and eighty (180) days of mailing, or are returned to the Settlement Administrator, will be cancelled and the Settlement Administrator shall send the funds associated with uncashed checks to the State of California Controller's Office, Unclaimed Property Division, in the name of the affected Class Member.

Class Members will be bound by the Settlement even if they do not cash their settlement checks.

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

If you do nothing, you will receive your Individual Class Payment.

If and when the Court grants final approval of the Settlement, as of the Effective Date, all Class Members who do not opt out of the Settlement ("Settlement Class Members") hereby do and shall fully and finally release and discharge Released Parties, from February 4, 2021, through <<DATE>>, from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action contingent or accrued for, that are pleaded, or that could have been pleaded, based on the facts and claims alleged in the Operative Complaint and ascertained in the course of the Action, including but not limited to, any and all federal,

California state law, and/or local wage-and-hour claims, rights, demands, liabilities, and/or causes of action, involving any alleged (a) failure to provide meal periods and/or pay meal period premiums (including, but not limited to, first and second meal periods and alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during meal periods, untimely, short, interrupted, or otherwise non-compliant meal periods, or failure to pay premiums at the correct rate of pay); (b) failure to provide rest breaks and/or pay rest break premiums (including, but not limited to, alleged failures due to rounding, off-the-clock work, remaining on premises or on-duty during rest periods, untimely, short, interrupted, or otherwise non-compliant rest periods, or failure to pay premiums at the correct rate of pay); (c) failure to provide recovery periods and/or pay premium payments; (d) failure to pay overtime wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay premiums at the correct rate of pay); (e) failure to pay minimum wages (including, but not limited to, alleged failures due to rounding, off-the-clock work, or failure to pay the correct rate of pay); (f) failure to pay timely wages; (g) failure to pay all wages due to discharged and quitting employees; (h) failure to furnish accurate itemized wage statements; (i) failure to maintain required records; (j) failure to provide reimbursement for employment-related expenses (including, but not limited to, alleged failures to reimburse employees for personal cell phones, purchase and maintenance of tools and supplies, uniforms, and travel expenses); (k) failure to maintain records of and provide for sick leave and supplemental COVID-19 sick leave; and (l) violation of California Business & Professions Code section 17200, et seq.; predicated on any of the violations of the California Labor Code and IWC Wage Orders 1-2001, 4-2001, and 16-2001, as alleged in the Operative Complaint including but not limited to, claims for restitution and other equitable relief, liquidated damages, or penalties; and any other benefit, wages, penalties, or other amounts claimed on account of the allegations asserted or which could have been asserted in the Operative Complaint and Plaintiff's LWDA Notice dated February 16, 2024. This release shall apply to any and all claims arising at any point during the Class Period. Upon entry of the Final Approval Order and funding of the total Gross Settlement Amount, all Participating Class Members will forever completely release and discharge the Released Parties from the Released Claims for the Release Period. Plaintiff and Defendant intend that the Settlement described in this Settlement Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery to any and all of the Released Claims. This release excludes the release of claims not otherwise permitted by law, i.e. Worker's Compensation and unemployment insurance benefits.

"Released Parties" collectively mean: (i) Defendant; (ii) each of Defendant's former, future, and present parents, joint ventures, and affiliated corporations and partnerships; their directors, officers, shareholders, owners, members, managers, partners, customers, employees, agents, attorneys, insurers, predecessors, successors, assigns, subsidiaries; and (iii) any other individuals, entities, successors, assigns, or legal representatives who could be liable for any of the Released Claims.

5. WHAT AM I RELEASING AS A PAGA AGGRIEVED EMPLOYEE UNDER THE SETTLEMENT?

As of the Effective Date, all PAGA Aggrieved Employees, 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 Released PAGA Claims.

"Released PAGA Claims" means penalties under PAGA only, and not for underlying wage and hour claims which the claims for penalties are based upon, as alleged in the Operative Complaint and the PAGA Notice filed by Plaintiff, and as described in section 4, above, including without limitation any and all claims for PAGA penalties pursuant to the applicable Wage Order, including Wage Order 16-2001, and Labor Code §§ 201-204, 210, 226, 226.7, 246, 248.1, 248.2, 248.6, 510, 512, 558, 1174, 1194, 1197, 1198, 1199, 2800, 2802, 6409.6, and 6432.

Released Parties is defined in section 4 of this Notice above.

PAGA AGGRIEVED EMPLOYEES CANNOT OPT-OUT OR EXCLUDE THEMSELVES FROM THE PAGA SETTLEMENT OR RELEASE OF RELEASED PAGA CLAIMS AND WILL RECEIVE A PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DON'T WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member and with regards to the settlement of Settled Claims, but you are not able to exclude yourself as a PAGA Aggrieved Employee. To exclude yourself as a Settlement Class Member, you must submit a written Request for Exclusion to the Settlement Administrator ("Opt-Out Request") at the address, email or fax number listed in section 3 of this Notice above.

A valid and complete Opt-Out Request must: (1) contain the name, address, and telephone number of the Class Member requesting exclusion and the case name and number of the *David Castro v. Kings Oil Tools, Inc., et al.*, Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679; (2) be signed by the Class Member; (3) be postmarked, emailed or fax stamped on or before **[INSERT DATE]** and returned to the Settlement Administrator at the specified address, email address or fax number listed in section 3 of this Notice above; and (4) contain a statement something substantially similar to:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE DAVID CASTRO V. KINGS OIL TOOLS, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I

WILL NOT RECEIVE AN INDIVIDUAL CLASS PAYMENT FROM THE SETTLEMENT OF THE LAWSUIT. I UNDERSTAND THAT THE PAGA CLAIM WILL STILL BE RELEASED AND SETTLED.”

It is your responsibility to ensure that the Settlement Administrator timely receives your request to be excluded from the Settlement. Unless you timely request to be excluded from the Settlement, you will be bound by the judgment upon final approval of the Settlement.

Class Members who request to be excluded from the Settlement will NOT receive their Individual Class Payment and will not release any of the Settled Claims. However, Class Members who are also PAGA Aggrieved Employees will receive their Individual PAGA Payment and release the Released PAGA Claims regardless of whether they submit an Opt-Out Request.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Settlement Class Member may object to the Settlement or to any settlement term. If the Court denies approval, no payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

If you wish to object, you must submit the written objection to the Settlement Administrator (“Objection”) to the following address or fax number listed in section 3 of this Notice above. A valid and timely Objection must (1) contain the name, address, and telephone number of the Settlement Class Member objecting and the case name and number of the *Castro* Action (i.e., *David Castro v. Kings Oil Tools, Inc., et al.*, Superior Court of the State of California for the County of Monterey, Case No.: 24CV001679; (2) be signed by the Settlement Class Member; (3) give the legal and factual basis for their objection; and (4) be postmarked, emailed or fax stamped on or before **INSERT DATE** and returned to the Settlement Administrator at the specified address, email address or fax number in section 3 of the Notice above. Any written objection will not be presumptively invalidated if the objections do not comply with requirements (1), (2) and (3) as long as the written objection is timely received pursuant to requirement (4).

The submission of an objection will **not** exclude you from the Settlement. If the Court grants final approval of the Settlement, you will still receive an Individual Class Payment and will be barred from pursuing the Released Class Claims. **Do not file both an Objection and Opt-Out Request.** If you file both an Objection and an Opt-Out Request, you will be excluded from the Settlement and the Objection will not be considered.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on **INSERT DATE AND TIME** in Department 15 of the Superior Court of the State of California, Monterey Superior Court – Monterey Courthouse, located at 1200 Agujito Road, Monterey, California 93940. The final approval hearing may be continued without further notice to Class Members. **You are not required to attend** the Final Approval Hearing in order to receive payment under the Settlement.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class are:

THE WHEELER LAW FIRM, APC
Scott Ernest Wheeler
Justin A. Wheeler
250 West First Street, Suite 216
Claremont, California 91711
Telephone: (909) 621-4988
Facsimile: (909) 621-4622

Attorneys for Defendant are:

KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP
Vanessa Franco Chavez (SBN 266724)
Anna M. Burnbaum (SBN 349542)
10000 Stockdale Highway, Suite 200
Bakersfield, California 93311
Telephone: (661) 395-1000
Facsimile: (661) 326-0418

The Court has decided that the Attorneys for Plaintiff and the Class are qualified to represent the Settlement Class Members. Other than the Attorneys’ Fees and Attorneys’ Costs approved by the Court, which will be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION.

This Notice summarizes the Action and the basic terms of the Settlement. For more complete information, the pleadings and other records in this litigation may be examined during regular court hours at the Superior Court of the State of California, Monterey Superior Court – Monterey Courthouse, located at 1200 Aguajito Road, Monterey, California 93940 or at the Court’s website at: <https://www.monterey.courts.ca.gov/>. Documents regarding this Action and Settlement may also be found on the Internet at: <https://www.monterey.courts.ca.gov/online-services/case-search>.

For more information regarding the proposed settlement, please go to: (Website Created by Settlement Administrator_____.)

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK’S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT.

EXHIBIT 2

1 **THE WHEELER LAW FIRM, APC**
2 Scott Ernest Wheeler (SBN 187998)
3 Justin A. Wheeler (SBN 342226)
4 250 West First Street, Suite 216
5 Claremont, California 91711
6 Telephone: (909) 621-4988
7 Facsimile: (909) 621-4622
8 Email: sew@scottwheelerlawoffice.com
9 jaw@scottwheelerlawoffice.com
10

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF MONTEREY**

13 DAVID GIOVANNI CASTRO,
14 individually, and on behalf of all others
15 similarly situated,

16 Plaintiff,

17 v.

18 KINGS OIL TOOLS, INC., a California
19 corporation; and DOES 1 through 50,
20 inclusive,

21 Defendants.
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Case No.: 24CV001679

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT
AGREEMENT AND RELEASE**

1 **[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL**

2 The Court now has before it, Plaintiff’s unopposed Motion for Preliminary Approval of Class
3 Action Settlement (“Motion”). After reviewing the Motion, the Class Action and PAGA Settlement
4 Agreement and Release (“Settlement Agreement”) and exhibits attached thereto, and good cause
5 appearing therefore, the Court hereby finds and orders as follows:

6 1. The Court finds on a preliminary basis that the settlement memorialized in the
7 Settlement Agreement appears to be fair and adequate, and falls within the range of reasonableness,
8 and therefore meets the requirement for preliminary approval.

9 2. The Court conditionally certifies for settlement purposes the following class (the
10 “Class” or “Settlement Class”):

11 Class Period” means the time period from February 4, 2021, through
12 February 28, 2025.

13 Class Period means the time period from February 4, 2021, through February 28, 2025.

14 3. The Court conditionally approves for settlement purposes the PAGA allocation of this
15 settlement to the California Labor and Workforce Development Agency (“LWDA”) and PAGA
16 Members.

17 The PAGA Period is from February 16, 2023, through February 28, 2025.

18 4. The Court finds, for settlement purposes, that the Class meets the requirements for
19 certification under California Code of Civil Procedure § 382 in that: (1) the Class is so numerous that
20 joinder is impractical; (2) there are questions of law and fact that are common, or of general interest,
21 to the Class, which predominate over any individual issues; (3) Plaintiff’s claims are typical of the
22 claims of the Class; (4) Plaintiff and Plaintiff’s counsel will fairly and adequately protect the interests
23 of the Class; and (5) a class action is superior to other available methods for the fair and efficient
24 adjudication of the controversy.

25 5. The Court appoints, for settlement purposes, Plaintiff David Giovanni Castro as
26 Representative for the Class.

27 6. The Court appoints, for settlement purposes, The Wheeler Law Firm, APC, as Counsel
28 for the Class.

1 7. The Parties are ordered to carry out the Settlement according to the terms of the
2 Settlement Agreement.

3 8. The Court appoints Xpand Legal Consulting, LLC (“Xpand”) as the Settlement
4 Administrator and is ordered to carry out the administration of the settlement according to the terms
5 of the Settlement Agreement.

6 9. The Court approves as to form and content of the Class Action and PAGA Settlement
7 Notice. The Court finds that the dates selected for the mailing and distribution of the Notice Packet
8 meet the requirements of due process, provide the best notice practicable under the circumstances,
9 and shall constitute due and sufficient notice to all persons entitled thereto.

10 10. If any Class Member objects to the Settlement Agreement, the objecting party is not
11 required, either personally or through counsel: 1) to appear at the hearing on the motion for final
12 approval for that party’s objection to be considered; or 2) to file or serve, or to state in the objection,
13 a notice of intention to appear at the hearing on the motion for Final Approval of the Class Settlement.

14 11. Xpand, the Settlement Administrator, shall provide notice to any objecting party of any
15 continuance of the hearing of Plaintiff’s Motion for Final Approval.

16 12. The Parties are ordered to carry out the Settlement according to the following
17 implementation schedule:

Event	Date
Last day for Defendants to provide the Settlement Administrator with the Class Information	
Last day for Settlement Administrator, Xpand to mail Class Notice	
Last day for Class Members to submit a dispute regarding Workweeks, Request for Exclusion, or written Objection	
Last Day for Plaintiffs to file Motion for Final Approval of the Class Settlement, Attorneys’ Fees and Costs and Class Representative Service Award	Per Code
Final Approval Hearing	

1 13. The Court finds that the method of giving notice to the Class constitutes the best means
2 practicable of providing notice under the circumstances. The Court further finds that the Notice Packet
3 and the method of giving notice to the Class meet the requirements of California Code of Civil
4 Procedure § 382, California Rules of Court, Rules 3.766 and 3.769, and due process under the
5 California and United States Constitutions, and other applicable law.

6 14. At the Final Approval Hearing, the Court will consider whether the Settlement should
7 be finally approved as fair, reasonable and adequate, whether a final judgment should be entered, and
8 whether the payments provided for under the Settlement, including attorneys' fees and costs and class
9 representative service award, should be finally approved and granted.

10 15. Pending the Final Approval Hearing, all proceedings in this Action, other than
11 proceedings necessary to implement the Settlement and this Order, are stayed.

12 **IT IS SO ORDERED.**

13
14 DATED: _____

HONORABLE THOMAS W. WILLS
JUDGE OF THE SUPERIOR COURT