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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

ARTEM TOGONIDZE, on behalf of himself and
all others similarly situated,

Plaintiff,

v.

KLA CORPORATION, a California Corporation;
and DOES 1-50, inclusive.

Defendants.

CASE NO.: 24CV431363

Assigned to the Hon. Theodore C. Zayner

**DECLARATION OF MEHRDAD
BOKHOUR IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Hearing

Date: January 14, 2026

Time: 1:30 p.m.

Dept.: 19

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20 others.

8. I have been selected as a “Super Lawyer Rising Star” in Employment Litigation during the years 2017 through 2021, and in 2022-2025, I was selected as a “Super Lawyer,” a distinction that is reserved for the top 2.5% of lawyers in the practice area.

9. I have also been recognized by TopVerdicts.com for achieving several of the top wage and hour class and PAGA action settlements in California.

10. Through a contested but productive mediation, Plaintiff and Defendant KLA Corp. (“Defendant”) (collectively, the “Parties”) entered into a Class Action and PAGA Settlement Agreement resolving the wage and hour claims of the Class (“Agreement”), which is attached hereto as **Exhibit “A.”** The Settlement Agreement seeks to fully release and discharge it from the claims brought against it in this matter in exchange for Defendant’s agreement to pay \$4,100,000 on a non-reversionary, non-claim-made basis (each Class Member will receive his/her share of the Net Settlement Amount without having to submit a claim form or taking action, except for those who opt out).

11. Plaintiff seeks to represent a Class of similarly situated persons who are or were previously employed by Defendant in California and classified as non-exempt employees from February 20, 2020 to June 13, 2025. (“Class Period”). Likewise, the Aggrieved Employees include all persons who are or were previously employed by Defendant in California and classified as a non-exempt employee at any time from February 11, 2023 to June 13, 2025 (“Aggrieved Employees”).

12. Under the terms of the Settlement Agreement, Defendant will not oppose Class Counsel’s application for a reasonable award of attorney’s fees not to exceed 35% of the Settlement Amount, Class Counsel’s litigation costs not to exceed \$30,000, Settlement Administration Costs not to exceed \$12,000, PAGA penalties of \$205,000 (of which \$153,750 or 75% will be paid to the LWDA and the remaining \$51,250 or 25% will be paid to the Allegedly Aggrieved Employees), and a Service Award not to exceed \$10,000 to the named Plaintiff as follows:

	Total Amount
<i>Gross Settlement Amount</i>	\$4,100,000.00
Attorneys’ Fees (not to exceed 35% of GSA)	\$1,435,000.00
Litigation Costs (not to exceed)	\$30,000.00

Administrator Costs (not to exceed)	\$12,000.00
PAGA payment to LWDA (75% of \$205,000)	\$153,750.00
PAGA payment to Aggrieved Employees (25% of 205,000)	\$51,250.00
Plaintiff's Service Award	\$10,000.00
<i>Net Settlement Amount</i>	\$2,408,000

13. On February 8, 2024, Plaintiff submitted his PAGA Notice to the LWDA and alleged claims under the California Labor Code.

14. On February 20, 2024, Plaintiff filed a wage-and-hour class action Complaint alleging causes of action for: failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512); failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); and Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*).

15. On April 16, 2024, Plaintiff filed a First Amended Class Action and Representative Action Complaint and asserted a fifth cause of action for violations of the PAGA. Plaintiff later filed a Second Amended Complaint asserting claims for unpaid minimum and overtime wages, meal and rest period violations, sick pay violations, inaccurate wage statements, untimely payment of wages during employment and upon separation, failure to indemnify business expenses, failure to maintain and provide required employment records, Wage Order violations, Labor Code sections 558 and 558.1 violations, and unfair competition. The SAC conforms the class definition to the definition set forth in this Agreement and is the operative complaint in the action (the "Operative Complaint").

16. Defendant denied the allegations throughout the litigation and vowed to defend against the claims vigorously. However, before engaging in protracted litigation, the Parties agreed to explore resolution through private mediation. In preparation for mediation, the Parties agreed to an informal discovery process where information relating to the applicable policies and procedures, a robust (25%) sampling of payroll and timekeeping records, the size of the Class, compensation policies and practices, and other data points bearing on the potential settlement value of the case were exchanged. The time and pay data sampling enabled Plaintiff's counsel and their expert to fully evaluate the potential claims and extrapolate the data to the entire Class. During this process, Plaintiff and his counsel analyzed, researched, and investigated the potential claims of all similarly situated

1 employees.

2 17. On February 13, 2025, the Parties participated in a mediation session before mediator
3 Daniel Turner, an experienced mediator who has mediated numerous wage-hour class actions. The
4 case resolved after Mr. Turner, Esq. issued a mediator's proposal that the Parties accepted on March
5 13, 2025.

6 18. Plaintiff alleges multiple wage and hour violations on behalf of himself and other non-
7 exempt employees who worked for Defendant during the Class Period.

8 19. First, Plaintiff claims that he and other non-exempt employees were not compensated
9 for all hours worked due to Defendant's alleged unlawful timekeeping practices.

10 20. Next, Plaintiff asserts that Defendant failed to pay overtime at the correct rate for all
11 hours worked beyond eight hours in a workday or 40 hours in a workweek because of its alleged
12 miscalculation of the "regular rate of pay."

13 21. Moreover, Plaintiff contends that Defendant maintained deficient meal and rest period
14 policies and practices that failed to provide Class Members with timely, compliant meal and rest
15 periods or compensate them in lieu thereof at the correct "regular rate of pay."

16 22. In addition, Plaintiff brought a claim for Defendant's failure to reimburse for
17 necessary business expenditures.

18 23. As a result of the above violations, Plaintiff alleges that Defendant failed to pay final
19 wages in a timely manner upon employees' separation from employment. Plaintiff also asserts that
20 Defendant failed to provide accurate, itemized wage statements and seeks civil penalties under the
21 Private Attorneys General Act (PAGA) for the alleged Labor Code violations set forth above.

22 24. Defendant contested and denied each of Plaintiff's allegations on the merits and the
23 propriety of the class and PAGA action.

24 25. First, Defendant argued that their timekeeping and pay policies and practices were
25 compliant with California law, and that the calculation of the "regular rate of pay" properly excluded
26 non-discretionary bonus payments and other compensation.

27 26. Defendant further argued that their meal and rest period policies and practices
28 complied with California law and that non-exempt employees were at all times provided with meal

1 periods and authorized and permitted to take rest periods. Defendant claimed that it also posted the
2 applicable Wage Order in prominent locations at each worksite. Defendant further contended that
3 Plaintiff's wage-and-hour claims failed because Plaintiff and non-exempt employees attested that: (1)
4 their hours worked were accurate, (2) they were provided compliant meal periods, and (3) they were
5 authorized and permitted to take compliant rest periods.

6 27. Defendant further contended that Plaintiff's waiting time penalty and wage statement
7 claims based on the alleged underlying meal and rest period violations were unfounded, given that
8 Plaintiff and non-exempt employees did not suffer underlying meal and rest period violations.

9 28. Moreover, Defendant also argued that it had a good faith dispute defense as to waiting
10 time penalty and wage statement claims, based on its lawful wage-and-hour policies and practices, as
11 well as Plaintiff and non-exempt employees' attestations as to the underlying claims that could trigger
12 these penalties.

13 29. Furthermore, Defendant contended that Plaintiff's claims were highly individualized,
14 that non-exempt employees would not be entitled to late pay penalties, and that there was no stand-
15 alone cause of action for Plaintiff's sick pay claim.

16 30. The putative class included over 80 unique job positions across different operational
17 projects at various worksites, with over 250 different managers and work arrangements.

18 31. Specifically, Defendant contended that Plaintiff's claims were not suitable for class
19 certification because individualized inquiries would be required to establish, amongst other things,
20 which employees, if any, took meal periods of less than 30 minutes and why a particular employee
21 received a meal period of less than 30 minutes on a particular shift; which non-exempt employees, if
22 any, had a non-compliant rest period, on which shift, and the reason for each purported non-compliant
23 rest period; and which non-exempt employees, if any, worked off the clock in violation of its policies
24 and practices, particularly given non-exempt employees' attestations that their hours worked were
25 accurate (and attested they did not suffer meal or rest period violations).

26 32. Finally, Defendant argued that PAGA penalties, if any, are subject to the discretion of
27 the Court and would be reduced, based on the defenses set forth above and the evidence it produced
28 prior to mediation.

1 33. Based on detailed data obtained through informal discovery and information
2 exchanges, Plaintiff's counsel estimates the following key figures through the mediation date: (1)
3 approximately 1,138 Class Members who worked approximately 137,320 workweeks.

4 34. Plaintiff alleges that Defendant failed to include non-discretionary bonuses and other
5 forms of incentive compensation when calculating the employees' regular rate of pay for purposes of
6 overtime and sick pay wages. Defendant disputes these allegations, asserting that they properly
7 adjusted overtime rates where required, correctly excluded certain payments consistent with
8 applicable law, and that any potential underpayments were made in good faith and were de minimis.

9 35. While Plaintiff believes that Defendant's sampling of pay records revealed "regular
10 rate of pay" violations, the underpayments of overtime and sick wages were minimal throughout the
11 Class Period.

12 36. Due to this and in light of Defendant's other defenses, Plaintiff completely discounted
13 these two claims, keeping in mind that the true significant value of these unpaid wages claims lies in
14 the derivative claims for waiting time penalties under Labor Code § 203 and wage statement
15 violations under Labor Code § 226 as discussed below.

16 37. With respect to Plaintiff's waiting time penalty claim, approximately 256 Class
17 Members were separated from their employment with Defendant during the relevant statutory period.
18 As such, the maximum potential penalty under Labor Code § 201 – 203 is \$2,576,793.60 (256
19 employees x 8 hours per day x average hourly rate of \$41.94 x 30 days).

20 38. However, in response, Defendant argued that it would defeat the waiting time penalty
21 claim because any failure to pay wages was not willful, and in good faith, and occurred before the
22 waiting time penalty liability period. (Bokhour Decl. ¶ 25.) Defendant further argued that it would
23 defeat liability for waiting time penalties arising from Plaintiff's meal and rest period claims.

24 39. Therefore, Plaintiff applied a 50% risk of defeat at the class certification stage and an
25 additional 50% risk of defeat at the summary judgment stage or on the merits, resulting in the risk-
26 adjusted value of \$644,198 for Plaintiff's waiting time penalty claim.

27 40. With respect to Plaintiff's meal and rest period violation claims, the Class Members
28 worked 582,321 shifts during the Class Period. Based on Defendant's sampling of employee time

1 and payroll records, the pre-mediation sampling indicated an alleged 54% violation rate for meal
2 period claims and an alleged 25% violation rate for rest period claims. Given the total number of
3 shifts at issue (approximately 582,321), this established maximum values of \$13,188,173 for the meal
4 period claims (582,321 total shifts x 54% violation rate x \$41.94 per LC § 226.7) and \$6,105,635 for
5 rest period claims (582,321 total shifts x 25% violation rate x \$41.94 per LC § 226.7).

6 41. However, Defendant vehemently opposed Plaintiff's meal and rest period claims
7 based on the following arguments: (1) Plaintiff's meal and rest period claims fall directly into the
8 category of "individualized issues," (2) that its written policies and practices were compliant with
9 California law, and (3) putative class members had ample latitude regarding whether, when, and how
10 they took their meal and rest breaks. Based thereon, Defendant asserted that a factfinder would have
11 to determine for each Class Member whether a break was missed and, if so, why it was
12 noncompliant/nonexistent, because if it was by the employee's choice, no liability attaches to
13 Defendant.

14 42. Based on these arguments, Plaintiff believes there is a 35% risk that the Court would
15 deny class certification on these meal period and rest period violation claims.

16 43. Defendant further argued that, even if certification were granted on these claims, it
17 would defeat these claims on the merits because Defendant utilized compliant meal and rest period
18 policies and practices, and it would present sufficient evidence that the putative class members were
19 adequately provided with all breaks or paid compensation in lieu thereof. Moreover, Defendant
20 argued that Plaintiff could not present sufficient evidence establishing the number of meal and rest
21 period violations to allow a factfinder to determine damages appropriately. Plaintiff acknowledged
22 these risks and incorporated a further 50% reduction. Plaintiff, therefore, calculates the risk-adjusted
23 value of the meal period claims to be \$4,286,156, and the rest period claims to be \$1,984,331.

24 44. Plaintiff estimates that the maximum potential penalties for the derivative wage
25 statement claim are \$1,044,450 (based on approximately 20,889 allegedly violative wage statements
26 issued during the Class Period). In calculating Defendant's exposure, Plaintiff gave Defendant the
27 benefit of assuming Plaintiff could only obtain the "initial" wage statement penalty of \$50 per
28 violation, for a total of \$1,044,450 in potential wage statement penalties. Lab. Code § 226(e)

1 (providing for a \$50 penalty for “initial” violations); *Amaral v. Cintas Corp.* No. 2, 163 Cal.App.4th
2 1157, 1207 (2008) (finding that “initial” violation rate applies until the employer has been notified
3 that it is violating a Labor Code provision.)

4 45. In response to Plaintiff’s wage statement violation claim, Defendant contended that
5 any alleged violations were not “knowing and intentional,” and that Plaintiff could not establish that
6 he or anyone else suffered “injury” because of any alleged wage statement violations. Further,
7 Defendant relied on their defenses to Plaintiff’s underlying claims on the merits and the propriety of
8 class certification.

9 46. As such, Plaintiff discounted the calculated maximum exposure by 40% for the risk
10 of non-certification and by an additional 75% for the risk of being unsuccessful on the merits to arrive
11 at an estimated total of \$156,667.

12 47. Plaintiff alleged that he and the Class Members were not reimbursed for necessary
13 business expenses incurred while working for Defendant, which included reimbursement for personal
14 cell phone use for work purposes. Based on Defendant’s data, there was a total of approximately
15 1,138 non-exempt employees and 137,320 workweeks during the Class Period. Assuming \$10.00
16 weekly pay for cell phone use, Plaintiff calculated that Defendant would be liable for a total of
17 \$1,373,200 in unreimbursed business expenses.

18 48. However, Defendant argued that Plaintiff and the Class were not required to use their
19 cell phones for work purposes and that it was thus not a necessary business expense. Further,
20 Defendant argued that Plaintiff and the Class were adequately reimbursed for cell phone use to the
21 extent they even used phones at all. Finally, Defendant argued that any reimbursement claim required
22 an individualized inquiry and that these claims were therefore not suitable for class certification.

23 49. Accordingly, Plaintiff discounted this maximum amount by 80% for risk of non-
24 certification and by an additional 40% for risk of being unsuccessful on the merits to arrive at an
25 estimated exposure of \$44,784.

26 50. Plaintiff also sought PAGA penalties for each violation for which they are available
27 and alleged that these penalties can be “stacked.” .

28 51. However, this maximum figure does not account for significant legal and factual

1 uncertainties regarding the assessment and potential reduction of PAGA penalties. First, while
2 Plaintiff asserts that stacking of penalties is permissible, the extent to which a court would allow
3 multiple penalties per pay period remains unsettled. Courts have discretion to determine whether
4 stacking is appropriate, particularly when penalties arise from derivative violations. Second, Labor
5 Code § 2699(h) grants courts broad authority to reduce PAGA penalties if awarding the full amount
6 would be “unjust, arbitrary and oppressive, or confiscatory.” Courts have exercised this discretion in
7 similar cases, recognizing that full penalties are not always warranted when an employer did not act
8 in bad faith, deliberately evade clear obligations, or negligently fail to understand its wage-and-hour
9 responsibilities.

10 52. Considering these risks, including the possibility of judicial reduction of penalties and
11 Defendant’s anticipated defenses, Plaintiff applied a 80% discount to the maximum PAGA exposure.
12 This discount accounts for the uncertainty of penalty stacking and the likelihood that the court would
13 exercise its discretion to reduce penalties based on the specific circumstances of the case.
14 Accordingly, Plaintiff estimates the reasonable PAGA penalty exposure to be \$706,780 after applying
15 this discount.

16 53. In sum, when factoring in defenses and risks of ongoing litigation, Plaintiff estimates
17 the risk-adjusted class recovery as follows:

18	•	Overtime Regular Rate Claim:	\$0 (discounted)
19	•	Labor Code §§ 201 – 203 Claims:	\$644,198
20	•	Meal Period Claims:	\$4,286,156
21	•	Rest Break Claims:	\$1,984,331
22	•	Labor Code § 226 Claims:	\$156,667
23	•	Reimbursement Claims:	\$373,200
24	•	PAGA Penalties	\$706,780
25	•	<u>Total Risk-Adjusted Penalties and Damages:</u>	\$8,151,332

26 54. Given the realistic value of Plaintiff’s claims, the \$4,100,000 Settlement Amount is
27 an excellent result for the Class, considering that the Settlement Amount totals approximately 50%
28 of Plaintiff’s risk-adjusted value of the case. Preliminary approval is appropriate since the Settlement

1 will provide significant monetary relief to the Class.

2 55. The Settlement was the product of extensive arm's length negotiations between
3 counsel and was facilitated by an experienced wage-and-hour class action mediator. Though cordial
4 and professional, the Settlement negotiations were adversarial and non-collusive in nature. The
5 Settlement reached is the product of substantial effort by the Parties and their counsel. Although
6 Plaintiff and Class Counsel believed that there was a possibility of certifying the claims, they
7 recognized the potential risk, expense, and complexity posed by litigation, such as unfavorable
8 decisions on class certification, summary judgment, at trial and/or on the damages awarded, and/or
9 on an appeal that can take several more years to litigate. In addition, if Defendant prevailed on any
10 of its defenses, the Class Members may not have received any substantial monetary recovery.

11 56. The Settlement will result in a fair payment to each Settlement Class Member based
12 on the number of Workweeks worked during the Class Period. As set forth hereinabove, Plaintiff and
13 counsel have diligently investigated the claims and defenses on behalf of the Class Members and
14 worked to resolve the claims to maximize the recovery by avoiding further expenditure of attorneys'
15 fees and costs. After evaluating the significant risks attendant with further litigation described above
16 and weighing them against the benefits of a known compromise and settlement as set forth in the
17 Settlement Agreement, a settlement on the terms agreed to is believed to be in the best interest of
18 Plaintiff and the Class and is a fair and reasonable resolution of the claims alleged.

19 57. Plaintiff's counsel brought to bear a great deal of collective experience in negotiating
20 the settlement of this case. As detailed herein, Plaintiff's counsel engaged in necessary informal
21 discovery, investigation, sampling, and expert evaluation, making it possible to exercise informed
22 judgment throughout the settlement process, including significant document review (e.g., documents
23 pertaining to Defendant's policies and procedures, personnel documents, wage statements, time
24 records, among others) and conducted an extensive analysis and extrapolation of the sampling of
25 class-wide data provided by Defendant.

26 58. Based on our experience in other cases, including wage and hour matters, Joshua
27 Falakassa and I are qualified to evaluate the class claims and viability of defenses in this class action.
28 In this case, the recovery for each Class Member is reasonable, fair, and adequate, and a settlement

1 at this time is in the Class's best interest. The Settlement compensates each Class Member for the
2 alleged violations when viewed in relation to the costs and risks inherent in obtaining class
3 certification and proceeding to trial.

4 59. Plaintiff's counsel and Defendant's counsel fully endorse the terms and conditions of
5 the Settlement as set forth in the above-mentioned Settlement Agreement.

6 60. Of course, the Settlement Amount represents a compromise figure, considering the
7 various risks surrounding class certification and the merits of Defendant's asserted defenses.
8 Nevertheless, the Settlement provides fair and adequate payments to the Class Members, with no
9 reversion to Defendant.

10 61. Plaintiff seeks a Service Award not exceeding \$10,000, which we believe is fair and
11 warranted. Plaintiff agreed to come forward to effectuate a policy and practice change that benefitted
12 all other Class Members and to recover unpaid wages and penalties. Plaintiff assumed significant risk
13 in bringing this litigation; namely, had he lost, he would have been ordered to pay the Defendant's
14 costs.

15 62. Plaintiff provided invaluable assistance to the investigation and prosecution of this
16 case, including providing factual background for the class and PAGA Complaint; reviewing the
17 litigation documents; providing information and documentation about Defendant's policies and
18 practices; participating in phone calls to discuss litigation and settlement strategy; and reviewing the
19 settlement documents. Plaintiff agreed to participate in this case with no guarantee of personal benefit.
20 Plaintiff's comprehensive declaration setting forth all of the reasons why he believes that the Service
21 Award should be approved has been filed herewith.

22 63. As set forth above, I have handled upwards of 250 class and representative actions,
23 have been appointed as class counsel and have successfully litigated and resolved several class
24 actions, and many others remain pending.

25 64. When this case was taken on a contingency fee basis, with our firms agreeing to
26 assume responsibility for all litigation costs, the ultimate result was far from certain. During this
27 litigation, we paid all costs, including the filing fees, court costs, research/database fees, mediation
28 costs, and expert costs. There was never a guarantee that our firms would recoup these expenditures.

1 65. It is our experience that attorneys' fee awards of one-third of a common fund
2 settlement are the standard in California. Once the Court grants preliminary approval of the
3 Settlement Agreement and the Notice Packet is disseminated, Plaintiff's counsel will submit a request
4 for attorneys' fees and costs with its final approval motion. Defendant does not oppose this fee
5 request. The fee is further warranted because it is within the range of reasonableness and will be based
6 on the actual amount incurred at the time of final approval.

7 66. Subject to the Court's approval, the parties stipulated that Phoenix Class Action
8 Administration Solutions serve as the Settlement Administrator. Phoenix is experienced in
9 administering class action settlements and will not charge more than \$6,000.00 to administer this
10 class action Settlement.

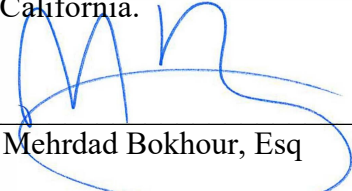
11 67. Attached hereto as **Exhibit "B"** is the Class Notice subject to Court approval.

12 68. Plaintiff has concurrently submitted the Settlement to the LWDA in accordance with
13 Labor Code Section 2699(1)(2). The proof of submission is attached hereto as **Exhibit "C."**

14 69. For the foregoing reasons, it is respectfully requested that the Court grant preliminary
15 approval of the Settlement as being fair, reasonable, and in the best interests of the Class, as well as
16 preliminarily approve the requested attorneys' fees and costs, and service award to the Class
17 Representative.

18 70. The proposed Notice Packet and proposed plan for the Settlement Administrator to
19 mail the Notice Packet to the last known address of all Class Members complies with all California
20 Rule of Court requirements 3.79(f) and 3.766(b). The contents of the proposed Notice Packet include
21 (1) the material terms of the Settlement; (2) the proposed attorneys' fees and costs and the Settlement
22 Administration Costs; (3) details about the final fairness hearing and how Class Members may elect
23 to exclude themselves or make an objection; and (4) how Class Members can obtain additional
24 information.

25 I declare under penalty of perjury under the laws of California that the foregoing is true and
26 correct on this 17th of December 2025, at Los Angeles, California.

27
28 By: 

Mehrdad Bokhour, Esq

EXHIBIT “A”

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and Private Attorneys General Act (“PAGA”) Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiff Artem Togonidze (“Plaintiff” or “Class Representative”) on the one hand, individually and on behalf of the Settlement Class, including Aggrieved Employees (as defined below), by and through their counsel of record, and Defendant KLA Corporation (“Defendant”) on the other hand, by and through their counsel of record, subject to the approval of the Court, as provided below. This Settlement Agreement is intended by Plaintiff and Defendant to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions herein, as follows:

1. Definitions.

As used herein, for the purposes of this Settlement Agreement only, the following terms shall be defined as set forth below:

- 1.1 “Action” refers to the civil action entitled: *Artem Togonidze v. KLA Corporation*, pending in the Santa Clara County Superior Court, Case No. 24CV431363, in the Superior Court of California, County of Santa Clara.
- 1.2 “Aggrieved Employee(s)” refers to all Class Members employed by Defendant at any time between February 11, 2023 and June 13, 2025 (“PAGA Period”).
- 1.3 “Class” or “Class Members” refers to all non-exempt employees of Defendant in the State of California at any time between February 20, 2020 and June 13, 2025 (“Class Period”). The term “Class Member” refers to both Participating and Non-Participating Class Members, including Non-Participating Class Members who qualify as Aggrieved Employees. It shall be an opt-out class.
- 1.4 “Class Member Address Search” means the Administrator’s investigation and search for Class Member and Aggrieved Employee mailing addresses using all reasonably available sources, methods, and means including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members or Aggrieved Employees.
- 1.5 “Class Counsel Fees and Costs Award” refers to costs incurred and attorneys’ fees sought by Class Counsel and agreed upon by the Parties for Class Counsel’s litigation and resolution of this Action, subject to Court approval.
- 1.6 “Class Settlement Notice” refers to the form of direct-mail notice to Class Members substantially in the form attached hereto as **Exhibit A**, as may be modified by the Court, entitled the Notice of Settlement of Class Action.

- 1.7 “Effective Date” refers to the date upon which both of the following have occurred: (i) final approval of the Settlement is granted by the applicable court assuming jurisdiction of this matter, and (ii) the Court’s Judgment approving the Settlement becomes Final (as defined herein). For purposes of this foregoing sentence, “Final” shall mean the latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for review with the California Supreme Court, or, (ii) if a petition for review is filed, the date of denial of the petition, or the date the Judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment. If a timely Objection to Settlement is filed (including an objection from the LWDA), and not withdrawn by the time the Final Approval Order and Judgment is granted, “Effective Date” shall be the later of: (a) the date on which the time for all appeals relating to Objections to Settlement and the Final Approval Order has expired; or (b) if an appeal, review or writ is sought, the date on which the highest reviewing court renders its decision denying any petition (where the immediately lower court affirmed the judgment) or affirming the judgment. Provided, however, if the LWDA has commenced an investigation or issued a citation prior to the Effective Date, as determined under the forgoing definition, the Effective Date will be extended to the date that the LWDA concludes its investigation or resolves the Citation (whichever is later), or if the LWDA objects to the Settlement, the date when the LWDA’s objection to the Settlement is resolved and no longer appealable. The payments in this Settlement shall be distributed within 45 days after the Effective Date or as otherwise directed by the Court..
- 1.8 “Final Approval Hearing” refers to the hearing at which the Court will make a final determination whether the terms of the Settlement Agreement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval.
- 1.9 “Final Approval Order” refers to the final order by the Court approving the Settlement following the Final Approval Hearing.
- 1.10 “Gross Settlement Amount” (also referred to herein as “GSA”) refers to the maximum settlement payment Defendant shall be obligated to make except as provided in Paragraph 19 below: Four Million One Hundred Thousand Dollars And No Cents (\$4,100,000.00). The GSA shall include all Individual Class Payments, the Court-approved Service Award (i.e., enhancement award) to the Class Representative, the Court-approved Settlement Administration Costs, the Court-approved PAGA Payment, and the Court-approved Class Counsel Fees and Costs Award. The GSA excludes applicable employer-side payroll tax payments (including but not necessarily limited to FICA, FUTA, etc.). This settlement, and specifically the GSA, shall be made on a non-claims-made basis and will be non-

reversionary. Defendant shall pay a total of no more than the GSA plus any applicable employer-side payroll taxes.

- 1.11 “Individual Class Payment” means each Participating Class Member’s pro rata share of the Net Settlement Amount, calculated pursuant to the formula described in Paragraph 6.1.1 below.
- 1.12 “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of the PAGA Penalties, calculated pursuant to the formula described in Paragraph 6.2.2 below.
- 1.13 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14 “LWDA Payment” means the \$153,750.00 amount the Parties have agreed to pay the Labor and Workforce Development Agency (“LWDA”) in connection with the settlement of the Aggrieved Employees’ PAGA claims, representing 75% of the total PAGA Payment of \$205,000.
- 1.15 “Net Settlement Amount” (also referred to herein as “NSA”) shall be defined as the GSA minus the Court-approved Service Award to the Class Representative, the Court-approved Settlement Administration Costs, the Court-approved Class Counsel Fees and Costs Award, and the PAGA Payment. The NSA is the maximum amount that shall be available for distribution to and on behalf of Class Members for Class Member Payments and Aggrieved Employees.
- 1.16 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Settlement Administrator a valid and timely Request for Exclusion.
- 1.17 “Notice Packet” refers to the Class Action and Representative Settlement Notice as set forth herein in the form substantially similar attached as **Exhibit “A,”** and subject to approval by the Court.
- 1.18 “Operative Complaint” refers to the Second Amended Complaint to be filed in the Action as described in Paragraph 3.2 below.
- 1.19 “PAGA” means the Private Attorneys General Act of 2004, Labor Code § 2698, *et seq.*
- 1.20 “PAGA Payment” means the \$205,000 amount the Parties have agreed to allocate to the resolution of any Aggrieved Employee’s claims arising under PAGA. Under PAGA, 75% of the PAGA Payment will be paid to the LWDA (the “LWDA Payment”). The remaining 25% of the PAGA Payment will be distributed to Aggrieved Employees (the “PAGA Penalties”).

- 1.21 “PAGA Penalties” means the \$51,250 amount the Parties have agreed to pay the Aggrieved Employees in connection with the settlement of their claims under PAGA, representing 25% of the PAGA Payment.
- 1.22 “PAGA Period” refers to February 11, 2023 until June 13, 2025. The PAGA Period shall be the Release Period for the Aggrieved Employees’ claims under PAGA.
- 1.23 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.24 “Parties” refers to Plaintiff and Defendant collectively.
- 1.25 “Plaintiff’s Released Claims” are those claims defined in Paragraph 12.3 that are released solely by Plaintiff against the Released Parties.
- 1.26 “Preliminary Approval” refers to the date the Court grants preliminary approval of the Settlement.
- 1.27 “Preliminary Approval Order” refers to the Court’s Order granting Preliminary Approval of the Settlement.
- 1.28 “Release Claims” refers collectively to the Plaintiff’s Released Claims, the Released Class Claims, and the Released PAGA Claims.
- 1.29 “Released Class Claims” are those claims defined in Paragraph 12.1 that are released by Class Members.
- 1.30 “Released PAGA Claims” are those claims defined in Paragraph 12.2 that are released by Aggrieved Employees.
- 1.31 “Released Parties” means: Defendant KLA Corporation, and each of its current and/or former subsidiaries, parents, affiliates, joint ventures, and predecessors, and all of its and their respective insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans’ respective current or former trustees and administrators, agents, employees, and fiduciaries.
- 1.32 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement in accordance with Paragraph 13.
- 1.33 “Response Deadline” refers to a date that is 30 calendar days after the date that the Notice Packet is initially mailed to Class Members (including Aggrieved Employees), and is the deadline by which any Class Member

may postmark his or her Objection to the Settlement, request for exclusion from the Settlement, or workweek and/or pay period dispute subject to any extensions as provided in Paragraph 13.3.6 below.

- 1.34 “Service Award” refers to the Court’s award of a monetary payment to Plaintiff for his service as Class Representative as described in Paragraph 8, to be paid from the GSA, and in return for executing Plaintiff’s Released Claims as set forth in Paragraph 12.3.
- 1.35 “Settlement” refers to the settlement of this Action on behalf of the Class under the terms and conditions set forth in this Settlement Agreement.
- 1.36 “Settlement Administration Costs” refers to the costs that the Parties agree to pay the Settlement Administrator, subject to Court approval, for its fees and costs to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement. The Parties anticipate that the Settlement Administration Costs will not exceed \$12,000.
- 1.37 “Settlement Administrator” or “Administrator” refers to the third-party administrator mutually selected by the parties, subject to Court approval, to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement. The Parties agree to use CPT Group, subject to Court approval. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Settlement Administrator other than a professional relationship arising out of prior experiences administering settlements.

2. **Procedural History, Recitals, Filing of Second Amended Complaint.**

- 2.1 On February 8, 2024, Plaintiff submitted his PAGA Notice to the LWDA and alleged causes of action under the California Labor Code, including: failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512), failure to furnish accurate wage statements (Cal. Lab. Code § 226), and failure to pay wages timely upon termination (Cal. Lab. Code §§ 201-203).
- 2.2 On February 20, 2024, Plaintiff filed a wage-and-hour class action Complaint alleging causes of action for: failure to provide meal periods (Cal. Lab. Code §§ 226.7 and 512); failure to provide accurate itemized wage statements (Cal. Lab. Code § 226); failure to timely pay final wages at termination (Cal. Lab. Code §§ 201-203); and Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*).
- 2.3 On April 16, 2024, Plaintiff filed a First Amended Class Action and Representative Action Complaint and asserted a fifth cause of action for violations of the PAGA.
- 2.4 On February 13, 2025, the Parties participated in a mediation session before mediator Dan Turner, an experienced mediator who has mediated numerous

wage-hour class actions. The case resolved after Mr. Turner issued a mediator's proposal that the Parties accepted on March 13, 2025.

- 2.5 Defendant denies each of the claims in the Complaint, and further denies that they are liable to Plaintiff, the Class, or Aggrieved Employees and further denies that, for any purpose other than settling this Action, this Action is appropriate for class action or representative treatment.
- 2.6 Prior to mediation, Plaintiff obtained, through informal discovery, relevant wage and hour policies and procedures, such as meal and rest break policies, and a 25% sampling of time and payroll records for the entire Class. The Parties agree that Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal. App. 4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 129-130 (2008) ("*Dunk/Kullar*"). Class Counsel represents that they have thoroughly investigated the class claims against Defendant. Class Counsel represents that they have conducted their own investigation into the underlying facts, events, and issues related to the subject matter of this Action. Class Counsel represents that they have further undertaken an extensive analysis of the legal principles applicable to the claims asserted against Defendant, and the potential defenses thereto. Plaintiff and Defendant have had an opportunity to evaluate their respective positions on the merits of the claims asserted.
- 2.7 Class Counsel also has engaged in intensive arms-length negotiations with counsel for Defendant with a view toward achieving substantial benefits for the Class, while avoiding the cost, delay and uncertainty of further litigation, trial, and appellate review.
- 2.8 As a consequence of said negotiations, and of Class Counsel's investigation, analysis and discovery, Plaintiff and Class Counsel determined to enter into this Settlement Agreement on the terms and conditions hereinafter set forth, believing such Settlement to be fair, reasonable, and adequate and in the best interests of Class Members. Plaintiff and Class Counsel have determined to execute this Settlement Agreement and urge approval by the Court of the proposed Settlement after considering: (1) the substantial factual and legal defenses asserted by Defendant to the claims asserted in these Action; (2) the potential difficulties Plaintiff and Class Members would encounter in establishing the elements of their claims; (3) the substantial benefits that Class Members shall receive pursuant to the proposed Settlement; (4) the fact that the proposed Settlement ensures that Class Members shall receive relief in the most expeditious and efficient manner practicable, and thus much sooner than would be possible were the claims to be litigated successfully through trial and appeal; and (5) the fact that the proposed Settlement allows persons who would otherwise fall within the definition of the Class, if they so desire, to opt out of the Settlement and individually pursue the claims alleged in the Action.

2.9 As set forth above, without admitting any wrongdoing or liability, Defendant is willing to agree to the terms of the proposed Settlement provided that all of the Released Claims are settled and compromised, in order to fully resolve all issues relating to the subject matter of the Action.

2.10 The Court has not granted class certification in the Action.

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and of the release and dismissal of all Released Claims, Plaintiff, on behalf of himself and as the Class Representative on behalf of the Class (including the Aggrieved Employees), Class Counsel, and Defendant agree to the terms and provisions of this Settlement Agreement, subject to the approval of the Court.

3. Filing of Second Amended Complaint, Amended LWDA Letter.

3.1 Amended LWDA Letter. Class Counsel will submit an Amended PAGA Letter no later than 21 days after the execution of this Settlement Agreement. Plaintiff will provide a draft of the Amended PAGA Letter to Defendant 10 days before the Amended PAGA Letter is submitted to the LWDA. The Amended PAGA Letter shall allege claims for unpaid minimum wages pursuant to Labor Code §§ 1194, 1197, 1197.1, and 1198; unpaid overtime wages pursuant to Labor Code §§ 510, 1194, and 1198; meal period violations pursuant to Labor Code §§ 226.7 and 512; rest period violations pursuant to Labor Code §§ 226.7 and 516; failure to pay sick pay pursuant to Labor Code §§ 246, 1194.2, 1197.1, and 1198; failure to provide accurate and itemized wage statements pursuant to Labor Code § 226; failure to pay wages timely upon separation of employment pursuant to Labor Code §§ 201, 202, and 203; failure to pay wages timely during employment pursuant to Labor Code §§ 204 and 210; failure to indemnify employees for expenditures pursuant to Labor Code §§ 2800 and 2802; failure to keep and/or provide requisite employment records pursuant to Labor Code §§ 226, 1174(d), and 1198.5; violations of the applicable Wage Order(s); and violations of Labor Code §§ 558 and 558.1.

3.2 Second Amended Complaint: The Parties will file a stipulation and proposed order to the Court to allow Plaintiff to file a Second Amended Class & Representative Action Complaint. Plaintiff will provide Defendant with a draft of the Second Amended Complaint at least 10 days before filing. Defendant shall not be required to file an answer to the Second Amended Class & Representative Action Complaint and no affirmative or other defense shall be considered waived as to the Second Amended Complaint, if the Court does not grant Final Approval of the Settlement. The Second Amended Complaint shall include claims for unpaid minimum wages pursuant to Labor Code §§ 1194, 1197, 1197.1, and 1198; unpaid overtime wages pursuant to Labor Code §§ 510, 1194, and 1198; meal period violations pursuant to Labor Code §§ 226.7 and 512; rest period violations pursuant to Labor Code §§ 226.7 and 516; failure to pay sick pay

pursuant to Labor Code §§ 246, 1194.2, 1197.1, and 1198; failure to provide accurate and itemized wage statements pursuant to Labor Code § 226; failure to pay wages timely upon separation of employment pursuant to Labor Code §§ 201, 202, and 203; failure to pay wages timely during employment pursuant to Labor Code §§ 204 and 210; failure to indemnify employees for expenditures pursuant to Labor Code §§ 2800 and 2802; failure to keep and/or provide requisite employment records pursuant to Labor Code §§ 226, 1174(d), and 1198.5; violations of the applicable Wage Order(s); violations of Labor Code §§ 558 and 558.1; unfair competition pursuant to Business & Professions Code § 17200 *et seq.* The Second Amended Complaint shall conform with the class definition that is set forth in this Agreement.

4. Stipulation to Certification and Limitation on Effect of Settlement.

- 4.1 The Settlement shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class is appropriate or proper or that Plaintiff could establish any of the requisite elements for class or representative action treatment of any of the claims in the Action. For purposes of this Settlement only, the Parties stipulate to the certification of the Class under California Code of Civil Procedure Section 382. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, Defendant expressly reserves all rights to challenge certification of a class on all available grounds.

5. Establishment of the GSA.

- 5.1 Under the Settlement, Defendant shall pay a GSA of no more than \$4,100,000 (except if the escalator clause is triggered and Defendant chooses to increase the GSA).
- 5.2 This Settlement shall be made on a non-claims-made basis and will be non-reversionary.
- 5.3 Payment by Defendant pursuant to this Settlement Agreement shall settle all Released Claims between the Released Parties and Class Members (including all Aggrieved Employees), including all Individual Class Payments, the Court-approved Service Award to the Class Representative, the Court-approved Settlement Administration Costs, the Court-approved PAGA Payment, the Court-approved Class Counsel Fees and Costs Award, and any applicable employer-side payroll tax payments (including but not necessarily limited to FICA, FUTA, etc.).

6. Calculation of the NSA and Distribution of Settlement Proceeds.

6.1 This Settlement shall be a “non-claims-made” settlement. Each Class Member will be entitled to a share of the NSA for the Individual Class Payment in accordance with the formula set forth below. Payments will be made from the NSA only to Participating Class Members, as set forth herein.

6.1.1 Each Participating Class Member will be paid a portion of the NSA in accordance with the following formula:

The pro rata portion of the NSA to be distributed to each Class Member shall be determined by dividing the total number of weeks worked during the Class Period into the NSA to arrive at a value per workweek for each eligible Class Member. The value per workweek shall be multiplied by the number of workweeks worked by each Class Member during the Class Period. Partial weeks will be counted as full workweeks. For purposes of payment, workweeks shall be determined based on payroll records.

6.2 Subject to Court-approval, a PAGA Payment in the amount of \$205,000.00 shall be paid from the GSA with 75% (\$153,750.00) allocated to the LWDA Payment and 25% (\$51,250.00) allocated to PAGA Penalties.

6.2.1 Each Aggrieved Employee will be entitled to a share of the PAGA Penalties (aka the 25% of the PAGA Payment payable to Aggrieved Employees) in accordance with the formula set forth below. Payments will be made from the PAGA Penalties only to Aggrieved Employees as set forth herein. Assuming the Court approves the PAGA Payment stipulated to by the Parties, the PAGA Penalties are estimated to be \$51,250.00.

6.2.2 Each Aggrieved Employee will be paid a portion of the PAGA Penalties in accordance with the following formula:

The pro rata portion of the PAGA Penalties shall be determined by dividing the total number of pay periods worked during the PAGA Period into the PAGA Penalties to arrive at a value per pay period for each Aggrieved Employee. The value per pay period shall be multiplied by the number of pay periods worked by each Aggrieved Employee during the PAGA Period. Partial pay periods will be counted as full pay periods.

6.2.3 If the Court approves a PAGA Payment of less than the amount requested, the Settlement Administrator will allocate the remainder to the NSA. Any change in the requested PAGA Payment is not a material term of this Agreement. If the Court approves a lesser or greater amount than that requested, the other terms of this

Agreement shall remain in effect. However, some approval of a PAGA Payment is a material term of this Agreement. If the Court does not approve any PAGA Payment without leave to amend, then the entire Agreement will be, at Defendant's sole discretion, void and unenforceable. In such case, the Parties shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement and the Parties shall proceed in all respects as if this Agreement had not been executed except that the costs of administration shall be borne by Defendant.

- 6.3 Payments to Class Members (including Aggrieved Employees) pursuant to this Settlement Agreement are not intended by the Parties to be compensation for purposes of determining eligibility, vesting, participation, or contributions with respect to any employee benefit plan. For purposes of this Agreement, the term "benefit plan" means every ERISA "employee benefit plan," as defined in the Employee Retirement and Income Security Act of 1974 ("ERISA"), 29 U.S.C. section 1002(3). The term "benefit plan" also includes any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy, regardless of whether any such plan is considered an ERISA employee benefit plan.

7. **Class Counsel Fees and Costs Award.**

- 7.1 Class Counsel shall move for Class Counsel Fees and Costs Award contemporaneous with the motion for the Final Approval Order requesting, and to which Defendant agrees to not oppose, Class Counsel Fees that are equal to or less than \$1,435,000.00 (*i.e.*, 35% of the GSA), plus a Costs Award up to \$30,000. Defendant retains the right to oppose a request for Class Counsel Fees exceeding 35% of the GSA or a request for Costs Award in excess of \$30,000. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Costs Award. If the Court awards a lower amount of Class Counsel Fees or Costs Award requested by Class Counsel, the other terms of this Agreement shall apply. Should the Court approve Class Counsel Fees or Costs Award in an amount less than that set forth herein, the unapproved portion or portions shall revert to the NSA and be apportioned to Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of Class Counsel Fees or Costs Award in the amounts sought is not a material term of this Agreement and the award of any of these items at less than requested by Class Counsel does not give rise to a basis to abrogate this Agreement.

8. Service Award.

8.1 Class Counsel shall file a motion requesting a Service Award, to which Defendant agrees not to object, of up to \$10,000 to Plaintiff from the GSA in consideration for serving as Class Representative and in exchange for Plaintiff's Released Claims. With the exception of claims subject to his individual and separate settlement agreement with the Defendant, Plaintiff shall execute a general release of all claims, known or unknown, in favor of Defendant and the Releasees. Defendant retains the right to object to a request for a Service Award in excess of this amount. If the Court awards a lower amount for the Service Award requested by Plaintiff's counsel, the other terms of this Agreement shall apply. Should the Court approve a Service Award in an amount less than that set forth herein, the unapproved portion or portions shall revert to the NSA and be apportioned to Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of any Service Award in the amount sought is not a material term of this Agreement and the award of an amount less than requested by Plaintiff does not give rise to a basis to abrogate this Agreement.

9. Costs of Settlement Administration.

9.1 The Parties agree to mutually select XXXXX as the Settlement Administrator in the Action. This administration duty shall include without limitation, setting up an escrow account for funding of the Settlement, obtaining tax identification number(s) for Defendant applicable to the Settlement, calculating the Individual Class and PAGA Payments, performing an initial Class Member Address Search upon receipt of the Class Member mailing addresses, mailing the Notice Packets, performing one skip trace on Notice Packets returned as undeliverable, establishing a hotline telephone number to communicate with Class Members about the Settlement, reviewing and processing requests by Class Members to opt out of the settlement, reviewing and submitting to Class Counsel and Defendant's Counsel any received objections, mailing the Individual Class and PAGA Payments and tax forms to the Class Members and Aggrieved Employees, and making all required distributions to Class Members (including the Aggrieved Employees). The Settlement Administrator will report payment of the Individual Class Payments and Individual PAGA Payments to all required taxing and other authorities, and requisite reporting documentation to the applicable taxing agencies, and issue appropriate tax forms. The Settlement Administrator will establish a Qualified Settlement Fund ("QSF"), pursuant to U.S. Treasury Regulation Section 468B(g) of the Internal Revenue Service for the purposes of administering the Settlement. All Settlement Administration Costs shall be taken from the GSA. The Parties expect Settlement Administration Costs to not exceed \$12,000. Any unapproved amount of Settlement Administration Costs shall be allocated to the NSA and apportioned to the Class Members as described in Paragraph 6.1.1 of this Settlement Agreement. The award of Settlement Administrator

Costs in the amount sought is not a material term of this Agreement and the award of an amount less than requested by Plaintiff does not give rise to a basis to abrogate this Agreement.

- 9.2 The Settlement Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees and Costs Award and Service Award, the Final Approval Order and the Judgment. The Settlement Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

10. Payment Procedure.

- 10.1 Funding the Settlement. Within 45 calendar days after the Effective Date, Defendant will deposit money into an account, through the Settlement Administrator, in an amount equal to the GSA.
- 10.2 Qualified Settlement Fund. The Settlement Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 10.3 Payments to Class Members, Aggrieved Employees, the LWDA, Class Counsel, Class Representative, and Taxing Authorities. Within 10 calendar days after the funding of the Settlement, the Settlement Administrator will pay: (1) the NSA to the Class Members per the terms of this Settlement Agreement and the Final Approval Order; (2) the Court-approved PAGA Payment to Aggrieved Employees and the LWDA; (3) the Court-approved Class Counsel Fees and Costs Award; (4) the Court-approved Settlement Administration Costs; and (5) the Court-approved Service Award to the Class Representative. Disbursement of the Class Counsel Fees and Costs Award, the Settlement Administration Costs, and Service Award shall not precede disbursement of the Individual Class and PAGA Payments. The Settlement Administrator shall also, within the time periods prescribed by law and/or regulations, remit all applicable tax withholdings (if any) to the appropriate taxing authorities. Before mailing any checks, the Settlement Administrator must perform a Class Member Address Search.
- 10.4 Checks to Class Members. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The

Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment.

- 10.5 Uncashed Class/PAGA Payments. In the event that a Class Member Payment check or Individual PAGA Payment check is not cashed within 180 calendar days from the date initially mailed by the Settlement Administrator, such funds shall be donated to the cy pres recipient, Legal Aid at Work, subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). In such an event, release of Released Claims will remain binding upon the affected Class/PAGA Member.
- 10.6 Returned Checks. The Settlement Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date unless the Class Member's check has already been cashed.

11. **Tax Treatment.**

- 11.1 Tax Treatment of Claimed Portion of Settlement Payments. Twenty percent (20%) of the Net Settlement Amount attributable to the Class Settlement Award will be allocated to the settlement of disputed claims for wages (the "Wage Portion"), and eighty percent (80%) of the Net Settlement Amount attributable to the Class Settlement Award will be allocated to the settlement of disputed non-wage claims – *i.e.* penalties and interest (the "Non-Wage Portion"). All of the PAGA Payment will be allocated to the settlement of disputed non-wage claims – *i.e.* the PAGA Payment will be allocated to Form 1099 income. The Settlement Administrator will issue to Class Members a Form W-2 for the Wage Portion of all Settlement Payments and a Form 1099 for the Non-Wage Portion of all Settlement Payments. Class Members shall assume full responsibility and liability for the payment of taxes due on such amounts.
- 11.2 Tax Treatment of Class Representative Service Award. Plaintiff will receive an IRS Form 1099 for his individual Service Award, and will be responsible for payment of any taxes owing on said amount. Plaintiff shall assume full

responsibility and liability for the payment of taxes due on the Service Award.

- 11.3 Tax Treatment of Attorneys' Fees And Cost Award. Class Counsel will receive an IRS Form 1099 for any amount awarded to Class Counsel in the Class Counsel Fees or Costs Awards and will be responsible for payment of any taxes owing on said amounts. Class Counsel shall assume full responsibility and liability for the payment of taxes due on such amounts.
- 11.4 No Tax Advice. Defendant is not giving any tax advice in connection with the Settlement or any payments to be made pursuant to this Settlement. Each Class Member agrees to indemnify, and hold harmless Defendant from any liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share of taxes, interest, fees, or penalties owed.

12. **Releases.**

Upon full payment by Defendant of the GSA to the Settlement Administrator, and in exchange for the consideration set forth in this Settlement Agreement, Plaintiff and the Class Members agree to release those claims set forth herein as applicable.

- 12.1 Release by Participating Class Members: By operation of the entry of the Court's Final Approval Order and judgment, each Participating Class Member and each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians will release the Released Parties from any and all claims, rights, demands, charges, complaints, causes of action, obligations, or liability of any and every kind or nature, contingent or accrued, and irrespective of theory of recovery, that arose during the Class Period and which were or could have been brought based on the facts or claims alleged in any version of the complaints filed in the Action. The released claims means any and all claims that were pled or could have been pled, based on, or which arise out of or relate to, the facts alleged in the Operative Complaint in the Action, arising during the Class Settlement Period including failure to pay minimum and straight time wages; failure to pay overtime wages; failure to provide compliant meal periods or pay meal period premiums; failure to authorize and permit rest periods or pay rest period premiums; failure to timely pay wages at termination; failure to provide accurate itemized wage statements; failure to indemnify employees for expenditures; failure to pay sick pay; failure to pay vacation wages; failure to pay split shift premiums and/or shift differentials; off-the-clock wages; regular rate of pay violations; failure to pay wages timely during employment; failure to keep requisite payroll records; and unfair business practices. This also includes, but is not limited to, claims arising under California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.7, 227.3, 246, 510, 512, 516, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2800, 2802; the applicable IWC Wage Orders, including but not limited to IWC Wage Order 1-2001

and 4-2001; the California Unfair Competition Law; and Business and Professions Code section 17200, *et seq.* Participating Class Members shall further waive their right to pursue individual lawsuits as to any of the claims released herein against the Released Parties to the extent such claims accrued during the Class Period. The release of claims shall include a Civil Code Section 1542 release as to the released claims only.

12.2 Release by Aggrieved Employees: As to claims for civil or statutory penalties for violation of PAGA, the State of California (through Plaintiff as a Private Attorney General) and all Aggrieved Employees including Plaintiff shall release the Released Parties for all claims for penalties under the PAGA during the PAGA Period that were or could have been alleged in the Action based on, or which arise out of or relate to, the facts or claims alleged in any version of the Complaint and/or the LWDA Letters irrespective of the underlying theory of recovery supporting the claim for PAGA penalties. This includes, but is not limited to, PAGA claims based on California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.7, 227.3, 246, 510, 512, 516, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, 2800, 2802; and the applicable IWC Wage Orders. The release of claims shall include a Civil Code Section 1542 release as to the released claims only.

12.3 Plaintiff's Release: With the exception of claims subject to his individual and separate settlement agreement with the Defendant, Plaintiff shall execute a general release of all claims, known or unknown, in favor of Defendant and the Released Parties. This general release will include a waiver of rights under section 1542 of the Civil Code of the State of California, and do so understanding the significance of that waiver. Section 1542 provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT 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.”

12.4 Plaintiff warrants and represents that he has not assigned or transferred to any person or entity any of Plaintiff's Released Claims or any rights, claims, or causes of action arising out of Plaintiff's Released Claims. In addition, Plaintiff shall defend, hold harmless, and indemnify the Released Parties, or any of them, from and against any claims, damages, litigation, causes of action, and expenses, including reasonable attorneys' fees, resulting from any breach by either Plaintiff of this warranty and representation, or any breach of Plaintiff of his release of Plaintiff's Released Claims.

- 12.5 Prohibition on Subsequent Assertion of Released Claims. Plaintiff, to the fullest extent allowed by law, is prohibited from asserting a Released Claim, and from commencing, joining in, or voluntarily assisting in a lawsuit or adversary proceeding against the Released Parties, based on Plaintiff's Released Claims. Class Members and Aggrieved Employees, to the fullest extent allowed by law, are prohibited from asserting a Released Claim, and from commencing, joining in, or voluntarily assisting in a lawsuit or adversary proceeding against the Released Parties, based on Released Claims. Excluded from this prohibition are any instances where any individual is legally compelled to testify through service of a subpoena or other process.

13. Class Settlement Notice and Claims Administration.

- 13.1 Duties of Settlement Administrator. The Parties agree for the Settlement Administrator to perform the notice and other settlement claims administration functions set forth below.
- 13.1.1 Weekly Reports. The Settlement Administrator shall provide Defendant's counsel and Class Counsel with weekly summary reports, including the total number of Class Settlement Notices that were returned as undeliverable, the total number of objections and requests to opt out of the settlement, and the amounts not claimed by Class Members as a result of the submission of timely and valid requests to opt out of the settlement, if any, and/or any uncashed or undeliverable Settlement Checks. The Settlement Administrator shall maintain records of its work, which shall be available for inspection upon request by Defendant's counsel or Class Counsel.
- 13.1.2 Workweek and/or Pay Period Challenges. The Administrator has authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of workweeks and/or pay periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 13.1.3 Requests for Exclusion. The Administrator will promptly review on a rolling basis opt-out requests to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting opt-out requests, the Settlement Administrator shall email a list to Class Counsel and Defendant's counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion submitted (whether valid or invalid).

13.1.4 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file his Motion for Final Approval, the Settlement Administrator will provide to Class Counsel and Defendant's counsel a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Settlement Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

13.1.5 Final Report by Settlement Administrator. Within 10 days after the Settlement Administrator disburses all funds in the GSA, the Settlement Administrator will provide Defendant's counsel with a final report detailing its disbursements by employee identification number of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Settlement Administrator will prepare, and submit to Class Counsel and Defendant's counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

13.2 Identification of Class Members.

13.2.1 Within 30 days of the entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator with the following Class Data, to the extent that it possesses the information.

- (1) the names, last known addresses, and last known telephone numbers of each Class Member;
- (2) the social security number of each Class Member;
- (3) the start and ending dates of employment for each Class Member;
- (4) the number of workweeks worked by each Class Member during the Class Period; and
- (5) the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

- (6) To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Settlement Administrator employees who need access to the Class Data to effect and perform under this Agreement.

13.2.2 If Defendant and the Settlement Administrator determine, based upon further review of available data, that a person previously identified as being a Class Member should not be so included or identify a person who should have been included as a Class Member but was not so included, Defendant and the Settlement Administrator shall promptly delete or add such person as appropriate and immediately notify Class Counsel prior to such deletions or additions (and the reasons therefor).

13.2.3 If the Settlement Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Settlement Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

13.2.4 Other than the obligations set forth in this Settlement Agreement, Defendant shall have no additional obligation to identify or locate any Class Member or have any liability in connection with the provision of information to the Settlement Administrator or otherwise.

13.3 Notice to Class Members

13.3.1 Class Settlement Notice. The Class Settlement Notice shall be a pre-printed notice, in substantially the form attached hereto as **Exhibit A** and to be approved by the Court. In addition to other information contained on the Class Settlement Notice, the Class Settlement Notice shall state the number of workweeks and/or pay periods that the Class Member worked in California during the Class Period and/or PAGA Period. The workweeks and pay periods shall be determined according to Defendant's records. The Class Settlement Notice also shall include an estimate of the Class Member's

Individual Class Payment and/or PAGA Payment and an explanation of the pro rata distribution formula.

- 13.3.1.1 Challenges to the Calculation of Workweeks / Pay Periods. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Notice is remailed) to challenge the number of workweeks and pay periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Settlement Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the workweeks and/or pay periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of workweeks and/or pay periods shall be final and not appealable or otherwise susceptible to challenge. The Settlement Administrator shall promptly provide copies of all challenges to calculation of workweeks and/or pay periods to Defendant's counsel and Class Counsel and the Settlement Administrator's determination the challenges
- 13.3.2 Upon its receipt of the Class Data, the Settlement Administrator shall perform a Class Member Address Search and update any addresses.
- 13.3.3 No later than 3 business days after receipt of the Class Data, the Settlement Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and workweeks in the Class Data.
- 13.3.4 The Settlement Administrator shall provide the Notice Packet by first class mail, forwarding requested, to the Class Members at the addresses identified through the process described above. This mailing shall occur no later than 14 days after the Settlement Administrator receives the Class Data. The first page of the Class Notice shall estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of workweeks and/or pay periods used to calculate these amounts. Before mailing Notice Packets, the Settlement Administrator shall update Class Member addresses as necessary following a Class Member Address Search.

13.3.5 Not later than 3 business days after the Settlement Administrator's receipt of any Notice Packet returned as undeliverable, the Settlement Administrator shall re-mail the Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

13.3.6 The deadlines for Class Members' written objections, Challenges to workweeks and/or pay periods, and Requests for Exclusion will be extended an additional 14 days beyond the 30 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

13.3.7 Each Class Member who does not opt out of the Settlement shall remain qualified to receive an Individual Class Payment and shall be subject to being bound by the applicable Released Class Claims provisions in this Agreement or the Final Approval Order, regardless of whether the Class Member actually receives the Class Notice or objects to the Settlement.

13.4 Notice to the LWDA. Class Counsel shall timely transmit to the LWDA all necessary PAGA documents concerning this Settlement, including this Agreement.

14. Objections to the Settlement.

14.1 Any Class Member who does not submit a valid and timely request to opt out of the settlement (*i.e.*, a Participating Class Member) may object to the Settlement. Any Participating Class Member who wishes to object to the Settlement must submit a written objection by fax, email, or mail to the Settlement Administrator no later than the Response Deadline.

14.2 The objection must include the case name and number and must set forth, in clear and concise terms, a statement of the reasons why the objector believes that the Court should find that the Settlement is not in the best interest of the Class Members and the reasons why the Settlement should not be approved, including the legal and factual arguments supporting the objection. The Settlement Administrator will promptly serve copies of any objection or notice of intention to appear on Class Counsel and Defendant's counsel.

- 14.3 Class Members shall be entitled to appear and/or object at the Final Approval Hearing regardless of whether they have submitted a timely written objection and notice of intention to appear pursuant to this Section. Class Members may appear at the Final Approval Hearing, either in person or through a lawyer retained at their own expense.
- 14.4 Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

15. Requests for Exclusion (Opt Outs)

- 15.1 In order to opt out of the Settlement, the Class Member must timely submit by fax, email, or mail, an opt-request request (the “Request for Exclusion”) to the Settlement Administrator by the Response Deadline.
- 15.2 The Request for Exclusion should state the Class Member’s name, address, telephone number, and signature. However, the Settlement Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Settlement Administrator shall accept any Request for Exclusion as valid if the Settlement Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member’s desire to be excluded. The Settlement Administrator’s determination shall be final and not appealable or otherwise susceptible to challenge. If the Settlement Administrator has reason to question the authenticity of a Request for Exclusion, the Settlement Administrator may demand additional proof of the Class Member’s identity. The Settlement Administrator’s determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 15.3 Class Members who submit a valid and timely Request for Exclusion shall not be permitted to object to the Settlement or appeal and shall not receive any Individual Class Payment from the Net Settlement Amount. Class Members who opt out also shall not be bound by the Released Class Claims provisions in this Agreement or in the Final Approval Order.
- 15.4 Except for persons who elect to opt out of the Class in the manner and within the time limits specified above and in the Class Settlement Notice, all Class Members shall be deemed to be within the Class for all purposes under this Settlement Agreement, shall be bound by the terms and conditions of this Settlement Agreement (including the release provisions in Paragraph 12.1), including all orders issued pursuant thereto, and shall be deemed to have waived all unstated objections and unstated opposition to the fairness, reasonableness, and adequacy of this Settlement Agreement, and any of its terms.

- 15.5 Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Class Members who are Aggrieved Employees (including Non-Participating Class Members who have opted out of the Settlement) are deemed to release the claims identified in Paragraph 12.2 of this Agreement and are eligible for an Individual PAGA Payment.

16. Application for Preliminary Approval Order.

After the Parties' execution of this Agreement, Plaintiff shall file for preliminary approval of the proposed Settlement, requesting a Preliminary Approval Order that contains the following provisions:

- (1) preliminarily approving the Settlement Agreement and its terms;
- (2) approving the form of the Class Settlement Notice, and finding that the proposed method of disseminating the Class Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances;
- (3) establishing the procedures and the deadline by which Class Members may assert objections to the Settlement or opt out of the Settlement;
- (4) establishing a deadline to submit papers/briefing in response to any objections and for Plaintiff to submit papers/briefing in support of final approval of the Settlement Agreement including the Service Award for the Class Representative and the Class Counsel Fees and Costs Award;
- (5) appointing Class Counsel, the Settlement Administrator, and the Class Representative; and
- (6) setting a date for the Final Approval Hearing.

Plaintiff will prepare and file a motion for preliminary approval and motion for final approval, and share both motions with Defendant's counsel at least 14 days prior to filing the motions. Class Counsel shall consider in good faith Defendant's counsel's comments or edits prior to filing either motion.

17. Final Approval Order and Judgment.

If the Settlement shall be finally approved by the Court following the Final Approval Hearing, the Parties hereto shall jointly request that the Court enter a Final Approval Order and Judgment, which includes the following provisions:

- (1) confirming certification of the Class for settlement purposes;
- (2) finding that the dissemination of the Class Notice, in the form and manner ordered by the Court was accomplished as directed, and met the requirements of due process;

- (3) finally approving the Settlement Agreement and the Settlement as fair, reasonable and adequate and directing consummation of the Settlement in accordance with its terms and provisions;

The Judgment shall include the following provisions:

- (1) directing the Parties to implement the terms of the Settlement Agreement;
- (2) releasing and discharging the Released Parties from any and all liability with respect to the Plaintiff's Released Claims, Released Class Claims, and Released PAGA Claims as hereinabove provided, except for full payment of the Gross Settlement Amount;
- (3) resolving and settling all of Plaintiff's Released Claims as hereinabove provided, with the release precluding them from instituting, commencing, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of themselves, or in any other capacity of any kind whatsoever, any action in this Court, any other state court, or any arbitration or mediation proceeding or any other similar proceeding, against any Released Party that asserts any claims that are Plaintiff's Released Claims under the terms of the Settlement;
- (4) resolving and settling all the Released Class and PAGA Claims by all Participating Class Members and Aggrieved Employees as hereinabove provided, with the release precluding them from instituting, commencing, or continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of himself or herself, or in any other capacity of any kind whatsoever, any action in this Court, any other state court, or any arbitration or mediation proceeding or any other similar proceeding, against any Released Party that asserts any claims that are Released Class or PAGA Claims under the terms of the Settlement;
- (7) awarding the Service Award to the Class Representative, Class Counsel Fees and Costs Award to Class Counsel, and Settlement Administration Costs to the Settlement Administrator, as determined by the Court;
- (8) reserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Settlement and enforcement of the Judgment; and
- (9) dismissing the Action with prejudice.

18. Effect of Settlement Not Being Final.

In the event that the Settlement does not become final (meaning one or both do not occur: (i) final approval of the Settlement is granted by the applicable court assuming jurisdiction of this matter, and (ii) the Court's Judgment approving the Settlement becomes

Final (as defined in section 1.7) then the Settlement Agreement shall become null and void, and all negotiations, proceedings, and statements relating thereto shall be without prejudice as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors shall be deemed to have reverted to their respective positions in the Action as of the date and time immediately prior to the execution of this Settlement Agreement, and shall retain all rights to make all arguments regarding the merits of the claims and the appropriateness of the case for class and/or representative action treatment. If the Court does not approve either preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects a material change to the Settlement, then this entire Settlement Agreement will be, at the Parties' discretion, voidable and unenforceable.

19. Escalator.

Based on the records, Defendant estimates that there are 119,000 workweeks during the period from February 20, 2020 to February 13, 2025. Should the qualifying workweeks increase beyond 15% worked by the Class Members during the Class Period (i.e., more than 136,850 workweeks), Defendant shall have the option to either: (1) increase the GSA on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above 15% (for example, if the number of workweeks increases by 16%, the GSA will increase by 1%); or (2) shorten the Class Settlement Period to an earlier date at which only the represented number of workweeks plus 15% are covered by the Class Settlement Period.

20. Tolerance of Requests for Exclusion.

Notwithstanding any other provision of this Settlement Agreement, Defendant shall retain the right, in the exercise of their sole discretion, to nullify the Settlement within 15 calendar days after expiration of the Response Deadline, if more than 5% of Class Members choose to validly and timely request to opt out of this Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Settlement Agreement; provided, however, that Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point.

21. No Admissions.

The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims, and no part of this Settlement Agreement or any conduct or written or oral statements made in connection with this Settlement and this Settlement Agreement, whether or not the Settlement is finally approved and/or consummated, may be offered as or construed to be an admission or concession of any kind by Defendant, or any of the Class Members, Released Parties, or Plaintiff. This Settlement and this Settlement Agreement shall not constitute an admission on behalf of Defendant of any form of liability or the accuracy of any allegation made by Plaintiff or Class Counsel.

22. Waiver of Right to Appeal.

Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees and Costs Award set forth in this Settlement, the Parties, their respective counsel, and all Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final, except as to matters that do not affect the Net Settlement Amount.

23. No Solicitation

The Parties agree that neither they nor their respective counsel, agents or employees will solicit any Class Members to opt out of or object to the Settlement, or appeal from the Judgment.

24. Amended Judgment.

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

25. Appellate Court Orders

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

26. Avoidance of Undue Publicity.

Neither Plaintiff nor Class Counsel shall publicize, or cause to be publicized, directly or indirectly, the discussions resulting in or the existence of this settlement or its terms, in any type of mass media, including, but not limited to, speeches, press conferences, press releases, interviews, television or radio broadcasts, newspapers, messages on the Internet, Facebook, X, Instagram, LinkedIn or any other social media, Class Counsels' websites, or any other website. Nothing in this provision shall prevent Class Counsel from carrying out its duties in connection with court filings, settlement administration, or as

otherwise required by law or ethical obligations. Breach of this provision shall entitle Defendant, in the exercise of its sole discretion, to nullify the Settlement at any time before Final Approval by the Court. Should Plaintiff or Class Counsel at any time breach this provision, Plaintiff shall forfeit to Defendant the full amount of his Service Award (to be paid by check to Defendant) without impacting Plaintiff's obligations under this agreement. Without limitation by the foregoing, Defendant also may enforce this provision through an action for injunctive relief. Plaintiff waives any obligation by Defendant to file a bond in connection with any such action.

27. Extensions of Time.

Without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

28. Construction.

This Settlement Agreement was entered into after substantial good-faith, arm's-length negotiations between the Parties' counsel. This Settlement Agreement has been entered into without any coercion and under no duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement Agreement so that it shall not be deemed to have been prepared or drafted by one party or another.

29. Good Faith.

The Parties to this Settlement Agreement agree that it reflects their good faith compromise of the claims raised in the Action, or those that could have been raised in the Action, based upon their assessment of the mutual risks and costs of further litigation and the assessments of their respective counsel. The Parties to this Settlement Agreement pledge their good faith and fair dealing in supporting the approval of this Settlement by the Court, are represented by competent counsel, and have had an opportunity to consult with counsel prior to execution of this Settlement Agreement.

30. Due Authority of Attorneys.

Each of the attorneys executing this Settlement Agreement on behalf of one or more Parties hereto warrants and represents that he or she has been duly authorized and empowered to execute this Settlement Agreement on behalf of each such respective Party and to bind them to the terms hereof.

31. Entire Agreement.

This Settlement Agreement (including all Exhibits hereto) sets forth the entire agreement of the Parties with respect to its subject matter and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Settlement Agreement, whether oral or written, regarding the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties, promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any of the Parties that are not embodied or incorporated by reference herein.

32. Use and Return of Class Data

Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data 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 Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff and/or Class Counsel shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

33. Modification or Amendment.

This Settlement Agreement may not be modified or amended except in a writing signed by all signatories hereto or their successors in interest.

34. Successors.

This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, successors and assigns, and upon any corporation, partnership, or other entity into or with which any Party hereto may merge, combine or consolidate.

35. Counterparts.

This Settlement Agreement may be executed in counterparts, by facsimile or electronically, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

36. Waivers.

The waiver by any Party of any breach of this Settlement Agreement shall not be deemed or construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this Settlement Agreement.

37. Governing Law.

This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California.

38. Headings.

The headings contained in this Settlement Agreement are for convenience and reference purposes only, and shall not be given weight in its construction.

39. Continuing Jurisdiction.

The Court in which the Parties will seek approval of the Settlement shall retain continuing jurisdiction over the Action to ensure the continuing implementation and enforcement of the provisions of this Settlement Agreement under applicable law, including, but not limited to, California Code of Civil Procedure section 664.6.

40. Stay of Litigation

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

41. Notices.

Any notices, requests, demands, or other communications required or permitted to be given pursuant to this Settlement Agreement, other than notice to the Class or Class Members, shall be in writing and mailed or emailed as follows: (1) to the Class Representative, the Class, and Class Counsel to the attention of Mehrdad Bokhour of Bokhour Law of Bokhour Law Group, 1901 Avenue of the Stars, Suite 920, Los Angeles, California 90067, mehrdad@bokhourlaw.com; (2) to Defendant and counsel for Defendant, to the attention of Pamela Vartabedian, Seyfarth Shaw LLP, 560 Mission Street, Suite 3100, San Francisco, California 94105, pvartabedian@seyfarth.com, msigall@seyfarth.com, juackson@seyfarth.com, or any alternative address provided.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Dated: 9/18/2025

By: ARTEM TOGONIDZE
Artem Togonidze
On behalf of himself, as Plaintiff and the Class
(including the Aggrieved Employees)

Dated: 9/24/2025

By: MaryBeth Wilkinson
By: MaryBeth Wilkinson
KLA Corporation

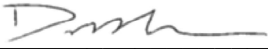
APPROVED AS TO FORM:

Dated: 10/14/2025

Signed by:

D8D3643F271940F...
By: _____
Mehrdad Bokhour
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: 9/19/2025

By:  _____
David R. Markham
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: 09/19/2025

By:  _____
Maggie K. Realin
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: _____

By: _____
Walter Haines
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: _____

By: _____
Pamela Vartabedian
Counsel for Defendant

APPROVED AS TO FORM:

Dated: _____

By: _____

Mehrdad Bokhour
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: _____

By: _____

David R. Markham
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: 09/19/2025

By: 

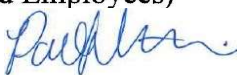
Maggie K. Realin
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: 09/19/2025

By: 

Walter Haines
Counsel for Plaintiff and the Class (including the
Aggrieved Employees)

Dated: 09/22/2025

By: 

Pamela Vartabedian
Counsel for Defendant

EXHIBIT “B”

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**

The Superior Court for the State of California authorized this Notice. Read it carefully. It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

The above estimates are based on Defendant’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. *See* Section 4 of this Notice.

Questions? Please Call: [Redacted]
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and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two options under the Settlement:

- (1) Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment.
- (2) Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will preserve your right to personally pursue Class Period wage claims against Defendant to the extent otherwise permitted by law, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You don't have to do anything to participate in the Settlement.	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Class and PAGA Claims).
You can opt out of the class settlement but not the PAGA settlement. The Opt-Out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. <i>See</i> Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).
Participating Class Members can object to the Class Settlement. The Objection Deadline is _____.	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. <i>See</i> Section 7 of this Notice.
You can participate in the Final Approval	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the

Hearing.	Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. <i>See</i> Section 8 of this Notice.
You can challenge the calculation of your workweek / pay periods. Written challenges must be submitted by _____.	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. <i>See</i> Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum and overtime wages, failing to authorize and permit rest periods or pay rest period premiums, failing to provide meal periods or pay meal period premiums, failing to pay sick pay, failing to keep requisite payroll records, failing to timely pay wages during employment, failing to reimburse employees for reasonable expenses, failing to provide complete and accurate wage statements, failure to timely pay wages upon separation of employment, violations of the applicable Industrial Welfare Commission Wage Order(s), and violations of California's Unfair Competition Law, Business & Professions Code §§ 17200 *et seq.* Based on the same claims, Plaintiff have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) ("PAGA"). Plaintiff is represented by attorneys in the Action: Bokhour Law Group, P.C., Falakassa Law, P.C., Cohelan Khoury & Singer, The Markham Law Firm, and United Employees Law Group ("Class Counsel").

Defendant expressly and specifically denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

The Court has made no determination about the merits of the Action or whether Defendant's or Plaintiff's position is correct.

Plaintiff and Defendant hired an experienced, neutral mediator to see whether they could resolve the Action by agreement (i.e., settle the case), rather than continue expensive and time-consuming litigation. The mediator facilitated extensive negotiations, and the Parties agreed on terms to settle or end the Action. The settlement terms are documented in a lengthy written settlement agreement ("Agreement") that is subject to the Court's review and Final Approval. The Parties have agreed to jointly asked the Court to approve and enforce the Agreement and end the Action. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel firmly believe the Settlement represents a favorable resolution

because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strengths and weaknesses of both claims and defenses, as well as the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

a. Defendant Will Pay \$4,100,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Award, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). The GSA excludes applicable employer-side payroll tax payments (including but not necessarily limited to FICA, FUTA, etc.). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 45 days after the Effective Date of the Agreement as defined in the Settlement Agreement.

b. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

1. Up to \$1,435,000.00 (i.e., 35% of the GSA) to Class Counsel for attorneys' fees and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
2. Up to \$10,000 as a Class Representative Service Award to Plaintiff for filing the Action, working with Class Counsel and representing the Class.
3. Up to \$12,000 to the Administrator for services administering the Settlement.
4. Up to \$205,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

c. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

- d. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- e. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be donated to cy pres recipient, Legal Aid at Work, subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).
- f. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _____ Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant to the extent otherwise permitted by law.

You cannot opt out of the PAGA portion of the Settlement. Class Members who qualify as Aggrieved Employees and who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

- g. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

- h. Administrator. The Court has appointed a neutral company, XXXXX (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
- i. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period fact, and PAGA penalties based on PAGA Period facts as to Aggrieved Employees, as alleged in the Action and resolved by this Settlement.
- j. The Participating Class Members will be bound by the following release:

Each Participating Class Member and each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians will release the Released Parties from any and all claims, rights, demands, charges, complaints, causes of action, obligations, or liability of any and every kind or nature, contingent or accrued, and irrespective of theory of recovery, that arose during the Class Period and which were or could have been brought based on the facts or claims alleged in any version of the complaints filed in the Action. The released claims means any and all claims that were pled or could have been pled, based on, or which arise out of or related to the facts alleged in the Operative Complaint in the Action, arising during the Class Settlement Period including failure to pay minimum and straight time wages; failure to pay overtime wages; failure to provide compliant meal periods or pay meal period premiums; failure to authorize and permit rest periods or pay rest period premiums; failure to timely pay wages at termination; failure to provide accurate itemized wage statements; failure to indemnify employees for expenditures; failure to pay sick pay; failure to pay vacation wages; failure to pay split shift premiums and/or shift differentials; off-the-clock wages; regular rate of pay violations; failure to pay wages timely during employment; failure to keep requisite payroll records; and unfair business practices. This also includes, but is not limited to, claims arising under California Labor Code sections 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.7, 227.3, 246, 510, 512, 516, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2800, 2802; the applicable IWC Wage Orders, including but not limited to IWC Wage Order 1-2001 and 4-2001; the California Unfair Competition Law; and Business and Professions Code section 17200, *et seq.* Participating Class Members shall further waive their right to pursue individual lawsuits as to any of the claims released herein against the Released Parties to the extent such claims accrued during the Class Period. The “Released Parties” include Defendant KLA Corporation, and each of its current and/or former subsidiaries, parents, affiliates, joint ventures, and predecessors,

and all of its and their respective insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans' respective current or former trustees and administrators, agents, employees, and fiduciaries. The release of claims shall include a Civil Code Section 1542 release as to the released claims only.

- k. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. This includes, but is not limited to, PAGA claims based on California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.7, 227.3, 246, 510, 512, 516, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, 2800, 2802; and the applicable IWC Wage Orders.

The Aggrieved Employees' Releases is as follows:

As to claims for civil or statutory penalties for violation of PAGA, the State of California (through Plaintiff as a Private Attorney General) and all Aggrieved Employees including Plaintiff shall release the Released Parties for all claims for penalties under PAGA during the PAGA Period that were or could have been alleged in the Action based on, or which arise out of or relate to, the facts or claims alleged in any version of the Complaint and/or the LWDA Letters irrespective of the underlying theory of recovery supporting the claim for PAGA penalties. This includes, but is not limited to, PAGA claims based on California Labor Code §§ 201, 202, 203, 204, 210, 218, 218.5, 218.6, 226, 226.7, 227.3, 246, 510, 512, 516, 558, 558.1, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698, 2699, 2800, 2802; and the applicable IWC Wage Orders. The "Released Parties" include Defendant KLA Corporation, and each of its current and/or former subsidiaries, parents, affiliates, joint ventures, and predecessors, and all of its and their respective insurers, agents, employees, successors, assigns, officers, officials, directors, attorneys, personal representatives, executors, and shareholders, including their respective pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans' respective current or former trustees and administrators, agents, employees, and fiduciaries. The release of claims shall include a Civil Code Section 1542 release as to the released claims only.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- a. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of

Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

- b. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$51,250.00 (25% of the \$205,000.00 PAGA Payment) by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- c. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

- a. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- b. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator

will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Togonidze v. KLA Corporation*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, the amount Class Counsel is requesting for attorneys' fees and litigation expenses, and the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website (url) or the Court's website (url).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and the Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Togonidze v. KLA Corporation* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at _____ in Department 19 of the Santa Clara County Superior Court, located at 191 North First Street San Jose, CA 95113. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defendant's counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually (*see* <https://santaclara.courts.ca.gov/online-services/remote-hearings>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing. Contact information for the Administrator and Class Counsel are available immediately below in Section 9.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____'s website at _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://santaclara.courts.ca.gov/online-services/case-information-online>) and entering the Case Number for the Action, Case No. 24CV431363. You can also make an appointment to personally review court documents in the Clerk's Office at the Old Courthouse by calling (408) 882-2310.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Settlement Administrator:

...

Class Counsel:

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Attorneys for Plaintiff ARTEM TOGONIDZE and all other similarly situated

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT “C”