

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Brian Macias (“Plaintiff”) and Empire Demolition, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “**Action**” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Brian Macias v. Empire Demolition, Inc. (CVRI2400688)*, initiated on February 9, 2024, and pending in Superior Court of the State of California, County of Riverside; and shall include the Second Amended Complaint filed January 23, 2026, setting forth all claims that were asserted by Plaintiff and that were negotiated during settlement discussions, and which could have been filed in the original and First Amended Complaint filed by Plaintiff, including without limitation, claims for unauthorized deductions from wages and alleged violation of Labor Code 221, 222, 223 and 224.
- 1.2 “**Administrator**” means Phoenix Settlement Administrators (“PSA”) the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “**Administration Expenses Payment**” means the amount the Administrator will be paid from the Gross Settlement Amount “not to exceed” the bid submitted to the Court in connection with Preliminary Approval of the Settlement, for the fees and expenses reasonably and necessarily incurred by the Administrator as a result of performing the settlement administration procedures and functions expressly required in this Agreement or as directed by the Court and shall include all costs of administering the Settlement, including, but not limited to, all tax document preparation, custodial fees, and accounting fees incurred by the Administrator; all costs and fees associated with preparing, issuing and mailing any and all notices and other correspondence to Class Members and Aggrieved Employees; all costs and fees associated with computing, processing, reviewing, and paying the claims, and resolving disputed claims; all costs and fees associated with calculating tax withholdings and payroll taxes and making related payments to federal and state tax authorities and issuing tax forms relating to payments made under the Settlement; all fees and costs associated with any other payments to be made out of or into the costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency, and providing copies of such forms to the Parties at their request and as permitted under this Agreement; all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering disbursements from the QSF per Paragraph 4 of this Agreement; all costs and fees associated with providing copies of any forms received from Class Members to Defendant at their request; and any other costs and fees incurred and/or charged by the Administrator in connection with the execution of its duties under this Agreement.

- 1.4 “**Aggrieved Employee**” means all non-exempt employees who worked for Defendant in California during the PAGA Period.
- 1.5 “**Class**” means all current or former non-exempt employees who have worked or continue to work for Defendant in California during the Class Period, excepting those who have signed a general release of all claims via a release of Civil Code 1542.
- 1.6 “**Class Counsel**” means Shirin Forootan of Forootan Law Corporation and Morgan E. Podruski of SoCal Employment Lawyer, APC.
- 1.7 “**Class Counsel Fees Payment**” and “**Class Counsel Litigation Expenses Payment**” mean the amounts allocated to Class Counsel for reasonable attorneys’ fees and reimbursement of expenses, respectively, incurred to prosecute the Action.
- 1.8 “**Class Data**” means Class Member identifying information including the Class Member’s name, last-known mailing address, Social Security Number, number of Class Period Workweeks, and if they have worked during the PAGA period, the number of Workweeks within the PAGA Period, to be, derived using Defendant’s human resources and/or payroll databases as they are maintained in the normal course of business.
- 1.9 “**Class Member**” or “**Settlement Class Member**” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “**Class Member Address Search**” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11 “**Class Notice**” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
- 1.12 “**Class Period**” means the period from February 1, 2022, to the date of Final Approval, subject to modification pursuant to Paragraph 8.
- 1.13 “**Class Representative**” means the named Plaintiff, Brian Macias, in the Operative Complaint in the Action.
- 1.14 “**Class Representative Service Payment**” means the payment, in the amount approved by the Court, to the Class Representative for initiating the Action, providing services in support of the Action, and in consideration for execution of a general release of all claims against Defendant.

- 1.15 **“Court”** means the Superior Court of California, County of Riverside.
- 1.16 **“Defendant”** means named Defendant Empire Demolition, Inc.
- 1.17 **“Defense Counsel”** means Summer Young-Agriesti and Ana Thomas of Young-Agriesti & Thomas, LLP.
- 1.18 **“Effective Date”** means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is “final” as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, or objections are withdrawn, the day the Court enters Judgment; (b) if one or more objections to the Settlement are filed and not withdrawn, and if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of Judgment; (c) if rehearing, reconsideration and/or appellate review of the Judgment is sought, the day after any and all avenues of rehearing, reconsideration and appellate review have been exhausted and no further rehearing, reconsideration or appellate review is permitted, and the time for seeking such review has expired, and the Judgment has not been modified, amended or reversed in any way that materially affects the terms of this Agreement.
- 1.19 **“Final Approval”** or **“Final Approval Order”** means the Court’s Order Granting Final Approval of the Settlement.
- 1.20 **“Final Approval Hearing”** means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 **“Final Judgment”** or **“Judgment”** means the Judgment entered by the Court upon granting Final Approval of the Settlement.
- 1.22 **“Gross Settlement Amount”** Four Hundred Seventy-Five Thousand Dollars and No Cents (\$475,000.00), which is the total maximum amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. Defendant is also responsible for paying, separate and apart from the Gross Settlement Amount, Defendant’s share of payroll taxes on the wage portion of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, approved Class Counsel Fees Payment, approved Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administrator’s Expenses.
- 1.23 **“Individual Class Payment”** means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked by each Participating Class Member during the Class Period.
- 1.24 **“Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

- 1.25 “**LWDA**” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.26 “**LWDA PAGA Payment**” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27 “**Net Settlement Amount**” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, approved Class Counsel Fees Payment, approved Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.28 “**Non-Participating Class Member**” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion. There shall be no basis to opt-out of the PAGA settlement.
- 1.29 “**Objection**” means a Class Member’s written objection to the Settlement, as contained in the form attached as **Exhibit B**. There shall be no basis to opt-out of the PAGA settlement.
- 1.30 “**Operative Complaint**” means the operative Second Amended Complaint filed January 23, 2026.
- 1.31 “**PAGA Period**” means the period from February 1, 2023 to the date of Final Approval, subject to modification pursuant to Paragraph 8.
- 1.32 “**PAGA**” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33 “**PAGA Notice**” means Plaintiff’s letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a), and an amended letter to the LWDA dated January 23, 2026 providing notice pursuant to Labor Code section 2699.3 of facts alleging unauthorized deductions from wages and violation of Labor Code 221, 222, 223 and 224.
- 1.34 “**PAGA Penalties**” means the total amount of PAGA civil penalties (\$20,000) to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$7,000.00) and 65% to LWDA (\$13,000) in settlement of PAGA claims.
- 1.35 “**Participating Class Member**” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36 “**Plaintiff**” means Brian Macias, the named plaintiff in the Action.
- 1.37 “**Preliminary Approval**” means the Court’s Order Granting Preliminary Approval of the Settlement.

- 1.38 **"Preliminary Approval Order"** means the proposed Order Granting Preliminary Approval of the Settlement.
- 1.39 **"Released Class Claims"** means the claims being released as described in Paragraph 5.2 below.
- 1.40 **"Released PAGA Claims"** means the claims being released as described in Paragraphs 5.3 and 5.4 below.
- 1.41 **"Released Parties"** means: Defendant and its former and present subsidiaries, affiliates, officers, directors, operators, principals, owners, partners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, employees, partners, shareholders, members, divisions, fiduciaries, trustees, agents, attorneys, investors, benefit plans, other successors and predecessors in interest, assigns or legal representatives.
- 1.42 **"Request for Exclusion"** means a Class Member's written request to be excluded from the Class Settlement, as contained in the form attached as **Exhibit C**.
- 1.43 **"Response Deadline"** means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44 **"Settlement"** means the disposition of the Action effected by this Agreement and the Judgment.
- 1.45 **"Wage Portion"** means the ten percent (10%) portion of Individual Class Member Payments the Parties have agreed will be allocated as wages.
- 1.46 **"Workweek"** is defined as when a Class Member works or worked for Defendant for a complete calendar week during the Class Period or PAGA Period based upon calculations derived from Defendant's personnel database as maintained in the normal course of business, including hire, leave of absence and termination records (and excluding periods of leaves of absence or other non-working time).

2. RECITALS.

- 2.1 On February 9, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (1) failure to pay wages for all hours worked; (2) failure to pay overtime and double time; (3) failure to provide compliant meal periods; (4) failure to provide rest periods; (5) failure pay wages during employment; (6) waiting time penalties; (7) failure to provide accurate and itemized wage statements; (8) failure to reimburse necessary business expenses;

and (9) unfair and unlawful business practices. Thereafter, Plaintiff filed a First Amended Complaint adding a cause of action for civil penalties under PAGA. Plaintiff filed a Second Amended Complaint (“Operative Complaint”) which conforms to the terms of this Settlement. Defendant denies the allegations in the Operative Complaint, deny any failure to comply with the laws identified in in the Operative Complaint and deny any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.3 On October 17, 2024, the Parties participated in an all-day mediation presided over by Michael D. Young, Esq. of Mediation Offices Judicate West Mediation Services. which eventually led to this Agreement to settle the Action.
- 2.4 Prior to mediation Plaintiff obtained, through informal discovery, Plaintiff’s personnel file, including time and payroll records, the employee handbooks in effect during the Class Period, including policies and procedures regarding the payment of wages, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, a random sampling of 5% of the payroll and time records for the Class Members, the number of putative Class Members, mix of current versus former employees, the estimated number of workweeks, the average shift length, and the average hourly rate, among other information. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5 On January 23, 2026, Plaintiff amended his PAGA notice and filed a Second Amended Complaint consistent with this Agreement and settlement of the Operative Complaint. Accordingly, the Second Amended Complaint is attached to this Agreement as **Exhibit D** and reflects additional claims discussed and bargained over at mediation, and the Parties stipulate to filing of same. The Parties agree that no responsive pleading is required.
- 2.6 The Court has not yet granted class certification.
- 2.7 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 **Gross Settlement Amount.** Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$475,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the

Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1 To Plaintiff: A Class Representative Service Payment to the Class Representative in an amount to be approved by the court, up to \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for the Class Representative Service Payment that does not exceed this amount. As part of the Final Approval motion, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 33 1/3%, which is currently estimated to be \$158,333.17 and a Class Counsel Litigation Expenses Payment of not more than \$25,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. As part of the Final Approval motion, Plaintiff and/or Class Counsel will request approval of the Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. 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 Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$5,000 except for a showing of good cause and as approved by the Court.

To the extent the Administration Expenses are less or the Court approves payment less than the requested amount, the Administrator will allocate the remainder in the Net Settlement Amount.

- 3.2.4 **To Each Participating Class Member:** An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. All Participating Class Members will be credited with at least one Workweek.

3.2.4.1 **Tax Allocation of Individual Class Payments.** 10% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms by the Administrator, to the extent that they exceed two thousand dollars (\$2,000). Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 **Effect of Non-Participating Class Members on Calculation of Individual Class Payments.** Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments to the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

- 3.2.5 **To the LWDA and Aggrieved Employees:** PAGA Penalties in the amount of \$20,000.00 to be paid from the Gross Settlement Amount, with 65% (\$13,000.00) allocated to the LWDA PAGA Payment and 35% (\$7,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$7,000.00) by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Workweeks during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. All Aggrieved Employees will be credited with at least one PAGA Period Pay Period.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.5.3 Individual PAGA Payments shall be treated as payment of penalties for tax purposes. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.4 If the Court opines or determines that the PAGA Penalties as stated in this Agreement are insufficient as compared to the total Settlement, the Parties shall agree to reallocate funds within the Maximum Settlement Amount consistent with the Court's view.

3.2.5.5 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 **Class Workweeks.** Based on a review of its records to date, Defendant estimates there are an estimated 17,500 Workweeks, which should cover all employees who worked during the Class Period. Workweeks associated with non-working leaves of absence and employees who signed 1542 releases are not included in this amount.

4.2 **Class Data.** Not later than 15 court days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

The Class list, and any other data provided by Defendant to the Administrator, shall be treated as confidential and shall be used solely for purposes of administering the Settlement. It shall not be used or distributed for any other purpose, except as authorized by this Agreement. The Class list shall not be subject to disclosure by the Administrator to Class Counsel, except that relevant information may be provided to Class Counsel to the extent necessary to address a disputed claim or to respond to a specific inquiry from a Class Member. The names of opt-outs shall be released to Class Counsel if requested by the Court. At no time during the settlement process will any Class Member's address, telephone number or Social Security Number be filed with the Court, except under seal as may be ordered by

the Court. The Administrator shall ensure that the Notice and any other communications to Class Members shall not include the Class Members' Social Security Numbers, except for the last four digits.

- 4.3 **Funding of Gross Settlement Amount.** Within one (1) business day after the Effective Date, the Administrator will direct Defendant to pay to the Administrator the amount necessary to fund the QSF pursuant to this Agreement and the specific amount of employer-side payroll taxes owed pursuant to this Agreement. The Administrator shall, at this time, provide all information necessary for Defendant to wire payment, including without limitation an IRS Form W-9 for the QSF, as well as the routing and account number, with oral confirmation via phone call to a mobile device of Defendant's counsel. Within nine (9) business days of receiving the post-Effective Date notice from the Administrator as described above, Defendant will remit the funds requested by the Administrator into a QSF, or as designated by the Administrator.

The QSF shall be an interest-bearing account at a federally-insured bank that is mutually acceptable to the Parties and the Administrator. The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. Section 1.468B-1, 26 CFR Section 1.468B-1, et seq., and will be administered by the Administrator as such. With respect to the QSF, the Administrator shall: (1) open and administer a Settlement Account in such a manner as to qualify and maintain the qualification of the QSF as a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. Section 1.468B-1; (2) calculate, withhold, remit and report, for each Eligible Class Member, all applicable payroll taxes (including, without limitation, federal, state, local and income tax, employer-side and employee-side federal, state and local payroll tax withholdings, including without limitation FICA, FUTA, Medicare and any state, or local employment taxes); (3) satisfy all federal, state and local and income and other tax reporting, return, and filing requirements with respect to the Defendant and the QSF and any interest or other income earned by the QSF; and (4) satisfy out of the QSF all (i) taxes (including any estimated taxes, interest or penalties) with respect to the interest or other income earned by the QSF, and (ii) fees, expenses and costs incurred in connection with the opening and administration of the QSF and the performance of its duties and functions as described in this Agreement. The aforementioned taxes, fees, costs and expenses shall be treated as, and included in, the costs of administering the QSF and as Claims Administration Costs. The Administrator shall provide copies to Defendant of any federal, state and local income or other tax reporting, return and filing prepared on Defendant's behalf. The Parties agree to cooperate with the Administrator and one another to the extent reasonably necessary to carry out the provisions of this paragraph.

- 4.4 **Payments from the Gross Settlement Amount.** Within five (5) business days after Defendant funds the Gross Settlement Amount, the Administrator will mail

checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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

4.4.2 The Administrator must conduct a Class Member Address Search for all other Participating Class Members and Aggrieved Employees 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 Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member and/or Aggrieved Employee whose original check was lost or misplaced, requested by the Participating Class Member and/or Aggrieved Employee prior to the void date.

- 4.4.3 **Undeliverable Checks to Current Employees.** If any settlement checks returned as undeliverable belong to Participating Class Members or Aggrieved Employees who are current employees of the Defendant, and the Administrator is unable to locate a valid mailing address for the employees, the Administrator shall arrange with the Defendant to have those settlement checks delivered to the employees at their place of employment.
- 4.4.4 **Reminder Postcard.** The Administrator shall mail a reminder postcard to any Participating Class and/or Aggrieved Employee whose settlement check has not been negotiated within 60 days after the date of mailing.
- 4.4.5 For any Participating Class Member and/or Aggrieved Employee whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date (180 days), the uncashed funds shall be paid to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated. If a check is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or a mass search on LexisNexis or a comparable databases based on set criteria and, if another address is identified, the Settlement Administrator shall mail the check to the newly identified address. If the Settlement Administrator is unable to obtain a valid mailing address through this process, the Settlement Administrator will tender the funds from the undeliverable checks to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.
- 4.4.6 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Participating Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5 RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, and Class Members will release claims against all Released Parties as follows:

- 5.1 **Plaintiff's Release.** Plaintiff shall give the following general release of claims for Plaintiff and Plaintiff's respective spouses, heirs, successors and assigns, and forever

release the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, from the beginning of time through the date of their signature on this Agreement, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to his employment with Defendant or the remuneration for, or termination of, such employment. This release excludes any release of any claims not permitted to be released by law.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Participating Class Members ("Class Release"):

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from any and all past, present and future claims, administrative or otherwise, actions, causes of action, rights, or liabilities, whether known or unknown, whether in law or equity, which were asserted or which could have been asserted in the Action, including claims based on, arising out of, or in any way relating or pertaining to the following categories of claims and allegations:

- 1) all claims for off the clock work, travel time, or other unpaid wages including but not limited to any type of regular wages, minimum wages, overtime or double time wages (or an overtime or double-time premium on non-hourly compensation, including without limitation, bonus, or other incentive pay) or seventh day premiums, in accordance with California local, state or federal law;
- 2) all claims for liquidated damages;
- 3) all claims for the failure to provide meal breaks or rest breaks or premium pay in lieu thereof;

- 4) all claims for failure to indemnify or reimburse employees for business related expenses and costs, including without limitation mileage and other travel costs, tools and equipment;
- 5) all claims for sick days and/or supplemental COVID-19 sick leave
- 6) all claims for the failure to keep accurate records, including records pertaining to hours worked and start and stop time of meal breaks, or timely produce those records;
- 7) all claims that Defendant owed and failed to timely pay all wages due and owing during employment, or within the required time at Class Members' termination, resignation or discharge;
- 8) all claims for the failure to issue properly itemized wage statements pursuant to California Labor Code Section 226;
- 9) all claims for unauthorized deduction of wages;
- 10) all interest and statutory penalties, including those recoverable under the PAGA for alleged violation of Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 246-247.5, 432, 510, 512, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5 and 2802;
- 11) all claims for violations of Labor Code Sections 201, 202, 203, 204, 204b, 210, 218.5, 218.6, 221-223, 226, 226.6, 226.7, 246-247, 247.5, 432, 510, 512, 558.1, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5, 2800, 2802;
- 12) all claims for violations of any Wage Order issued by the Industrial Welfare Commission related to any of the claims set forth herein; and
- 13) all incorporated or related claims for unfair competition pursuant to California Business and Professions Code Section 17200, et seq. ("Released Claims").

The Released Claims include a waiver and relinquishment of unknown claims pursuant to Civil Code Section 1542, which 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.

Accordingly, even if Participating Class Members later discover facts in addition to or different from those which they now know or believe to be true with respect to a subject matter encompassed within the Released Claims, each Participating

Class Member, upon the Effective Date, shall be deemed to by operation of the Final Judgment to have fully, finally, and forever settled and released any and all of the Released Claims stated herein during the Release Period, including claims known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without regard to the subsequent discovery or existence of such different or additional facts, including all of the claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and subject to this Release. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period or based upon or arising out of the facts and/or claims not alleged in the operative Complaint(s) or in the LWDA Notice(s). Participating Class Members who have not submitted a timely and valid exclusion or opt-out request shall be permanently enjoined and forever barred from prosecuting any and all Released Claims against the Released Parties.

Participating Class Members only release these claims for the duration of the Class Period. Participating Class Members do not release any other claims, based on facts occurring outside the Class Period.

- 5.3 **Release by Non-Participating Class Members:** As of the Effective Date, all Non Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties for statutory penalties that could have been sought by the Labor Commissioner for the Labor Code violations identified in the Plaintiff's PAGA Notice, and as alleged in the Twelfth Cause of Action for Violation of the Private Attorneys General Act in the Operative Complaint ("PAGA Only Release"). The PAGA Only Release does not release Non-Participating Class Members for claims, wages, damages or claims outside the PAGA Period. Non-Participating Class Members shall be permanently enjoined and forever barred from prosecuting any claims subject to the PAGA Only Release against the Released Parties.
- 5.4 **PAGA Release:** Plaintiff and the State of California release all claims for statutory penalties that could have been sought by the Labor Commissioner for the Labor Code violations identified in Plaintiff's PAGA Notice, and as alleged in the Twelfth Cause of Action for Violation of the Private Attorneys General Act in the Operative Complaint ("PAGA Only Release"). The PAGA Only Release does not release any Aggrieved Employees' Non-Participating Class Member for claims for wages or

damages. This release only releases these penalty claims for the duration of the PAGA Period. Non-Participating Class Members shall be permanently enjoined and forever barred from prosecuting any claims subject to the PAGA Only Release against the Released Parties.

6 MOTION FOR PRELIMINARY APPROVAL. As soon as possible following execution of this Agreement, Plaintiff's Counsel shall move the Court for an order granting preliminary approval of this Agreement; conditionally certifying the Class under Code of Civil Procedure Section 382 for settlement purposes only; approving the Notice to be provided to Class Members; establishing a procedure for Class Members to request exclusion (opt-out) from the Settlement; and scheduling a hearing for Final Approval of the Settlement. Plaintiff will request that the Court's preliminary approval of this Agreement be embodied in a Preliminary Approval Order.

- 6.1 No Answer is necessary to Plaintiff's Second Amended Complaint. This Settlement shall be conditioned upon the filing of such a Second Amended Complaint.
- 6.2 In their declarations, Plaintiff's Counsel shall aver that they are not aware of any other pending civil action asserting claims that will be extinguished or adversely affected by the Settlement. Before filing the Preliminary Approval Motion, Plaintiff shall provide Defendant with drafts of the complete filing (including notice, motion, memorandum of points and authorities, exhibits, declarations, and proposed orders) to review for consistency with this Agreement. Defendant shall have ten (10) calendar days to propose edits, and Plaintiff's Counsel agrees to work with Defendant in good faith to address and resolve these issues. If a dispute arises as to the language of the Proposed Order, the Parties agree to defer filing the Proposed Order and submit the dispute to mediator for resolution.
- 6.3 The Parties shall request that the Court enter an order that pending Final Approval, Class Members who do not request exclusion or opt-out of the Settlement are barred from instituting, prosecuting, or participating in any claims or actions against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties, whether in court or arbitration, are stayed on an interim basis as to any claims which fall within the definition of the Released Claims. The parties shall also request that the Court enter an order that pending Final Approval, Non-Participating Class Members are barred from instituting, prosecuting, or participating in any PAGA claim or action against the Released Parties which fall within the definition of the Released Claims and that any pending actions against the Released Parties, whether in court or arbitration, are stayed on an interim basis as to any claims which fall within the definition of the Released Claims.

- 6.4 Plaintiff's Counsel shall assure delivery of this Agreement to the LWDA at the same time that this Agreement is submitted to the Court for approval.
- 6.5 Class Counsel is responsible for delivering the Court's Preliminary Order to the Administrator.
- 6.6 Each Party agrees that it will abide by this Agreement and that the Parties and their counsel will cooperate with each other to effect the implementation of this Agreement. The Parties pledge their good faith and fair dealing in supporting approval of this Agreement by the Court. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the parties may seek the assistance of the mediator who facilitated the negotiations. If the Parties cannot resolve their dispute with the assistance of the mediator, the Parties may seek assistance of the Court.
- 6.7 If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any non-material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns. If, however, the Settlement, or any terms therein, is materially modified, vacated, altered or becomes otherwise subject to challenge by law, including by not limited to, any law that becomes effective after the execution of this Agreement, so that this Agreement is not approved by the Court in its entirety and the intent of the Parties cannot be accomplished after jointly taken efforts to enforce it have been exhausted, Defendant shall have the option to revoke this Agreement at its sole discretion.

7 SETTLEMENT ADMINISTRATION.

- 7.1 **Selection of Administrator.** The Parties have jointly selected to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators ("PSA") agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 **Employer Identification Number.** The Administrator shall calculate payroll tax withholdings and providing reports state and federal tax authorities on behalf of the QSF, to the extent required pursuant to this Agreement.

- 7.3 **Qualified Settlement Fund.** The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 **Notice to Class Members.**
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel and Defense counsel that the list has been received and state the number of Class Members, PAGA Members, and Workweeks in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as **Exhibit A**, along with the Objection and Request for Exclusion forms, attached to this Agreement as **Exhibits B and C**, respectively. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class 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.
- 7.4.4 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 45 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.
- 7.4.5 If the 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 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.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). The Request for Exclusion form shall (i) instruct the Class Member seeking exclusion that the exclusion form must be mailed, emailed, or faxed the Administrator, (ii) state the name and address of the Administrator, and (iii) state the day by which the Request for Exclusion from must be mailed or otherwise delivered. The information required to be provided by a Class Member on the Request for Exclusion form shall not exceed the minimum information necessary to (i) identify the person as a Class Member and (ii) contact the person to clarify any uncertainties. The Request for Exclusion Form shall indicate that exclusion from the class settlement will not result in exclusion from the PAGA settlement as a Non-Participating Class Member. To be valid, a Request for Exclusion must be timely postmarked or otherwise delivered by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual

Class Payment or have the right to object to the class action components of the Settlement. Non-Participating Class Members who are Aggrieved Employees will remain eligible for an Individual PAGA Payment.

7.6 **Challenges to Calculation of Workweeks.** Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by submitting a written letter (“Workweeks Dispute”), which must: (a) contain the Class Member’s full name, current address, current telephone number, dates of employment with Defendant, last four digits of their Social Security number or employee ID number, and signature; (b) contain the case name and number of the matter (Macias v. Empire Demotion, Inc., Case No. CVRI2400688; (c) contain a clear statement explaining the basis for their dispute; (d) attach any documentation that they have to support the dispute; and (e) be emailed, mailed or faxed to the Settlement Administrator, postmarked or delivered by the above listed deadline. 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 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 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator’s determination the challenges.

- i. The Administrator agrees to not destroy any Exclusions, Objections, or other communications between the Administrator and any individual who is sent Notice without first receiving written confirmation from Counsel for Defendant authorizing them to do so.

7.7 **Objections to Settlement.**

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement.

7.7.2 Participating Class Members may send written objections to the Settlement. The Objection form (**Exhibit B**) shall (i) instruct the objection Class Member that the objection must be mailed, emailed or faxed to the Administrator, (ii) state the name and address of the Administrator, and (iii) state the Response Deadline. The information required to be provided by an objecting Class member on the Objection Form shall not exceed the minimum information necessary to (i) identify the objector as a person entitled to object to the Settlement, (ii) describe the nature of and basis for

the objection, and (iii) contact the objector to clarify any uncertainties. Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

7.7.4 Neither Plaintiff, Class Counsel, Defendants, Defense Counsel, nor the Class shall be responsible for fees, costs, or expenses related to any Class Members who submit objections to the Settlement or any appeal by an objector arising from the Action for attorneys' fees, costs, or expenses of any kind.

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

7.8.1 **Website, E-Mail Address, and Toll-Free Number.** The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails. The Administrator will post the Court's final judgment on its website, for which the Class Notice will direct Class Members to check, following the hearing on Plaintiff's Motion for Final Approval. The posting of the final judgment on the Administrator's website will satisfy the requirements of Cal. Rules of Court, rule 3.771(b)

7.8.2 **Requests for Exclusion and Exclusion List.** The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense 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; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 **Weekly Reports.** The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay

Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- 7.8.4 **Workweek and/or Pay Period Challenges.** The Administrator has the 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.
- 7.8.5 **Administrator’s Declaration.** Not later than 14 days after the Response Deadline, the Administrator will provide to Class Counsel and Defense 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: (a) a description of both the administrator’s distribution of the Class Notice, Objection Form, Exclusion Form, and the results thereof, distinguishing between valid forms and any invalid forms that are untimely, incomplete, or otherwise invalid; (b) attaching and authenticating copies of the final versions of the Class Notice, Objection form, and Request for Exclusion form; (c) attaching and authenticating copies of every Objection form and Request for Exclusion form received; (d) an English translation of any Objection form or Request for Exclusion from received that is not in English; (d) a description of the services performed by the Administrator to the date of the declaration, including the time and expense incurred to perform those services and the fee charged for the services; (e) a description of the services to be performed by the Administrator after the date of the declaration, including an estimate of the time and expenses needed to perform those services and the estimated fee for those services; and (f) an estimate of the Defendant’s payroll taxes that will need to be paid in addition to the Gross Settlement Amount. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 **Final Report by Settlement Administrator.** Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to (i) the date the checks were mailed, (ii) the total number

of checks mailed to Class Members, (iii) the average amount of those checks, (iv) the number of checks that remain uncashed, (v) the total value of those uncashed checks, (vi) the average amount of the uncashed checks, and (vii) the nature and date of the disposition of the uncashed funds.

- 8 **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 17,500 Class Workweeks during the Class Period. The settlement includes a 10% escalator clause, meaning that as long as the actual number of workweeks worked by Class Members does not exceed 19,250 Workweeks (17,500 plus 10%) prior to Court approval, Defendant will not be required to pay any additional amounts. However, if the actual number of workweeks exceeds 19,250 workweeks (17,500 plus 10%), Defendant will have the option either reduce the scope of the release to fit within the escalator clause (i.e., reducing the release period such that the release period ends on the same date as the ending pay period date prior to which the pay periods exceeded 19,250 Workweeks) or increase the Gross Settlement Amount on a proportional basis for subsequent Workweek. The Gross Settlement Amount will not be reduced due to Defendant's estimate.
- 9 **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the 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 Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
- 10 **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel as soon as practicable prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval. If Defendant has objections to the [Proposed] Final Approval Order that cannot be remedied informally, the Parties agree to defer filing any [Proposed] Final Approval Order and to apply to the mediator for assistance.
- 10.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive

documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

- 10.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final Approval on any non-material change to the Settlement the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating 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 amount of the Net Settlement Amount.
- 10.5 **CONSEQUENCES OF SETTLEMENT NOT BECOMING EFFECTIVE.** If the Court does not grant preliminary or Final Approval of this Settlement or, if appealed, the 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 Participating Class Members or Aggrieved Employees), or if the Settlement does not become effective for any other reason, the Parties agree that conditional class certification for settlement purposes only will automatically be deemed revoked and this Agreement shall be null and void. The Parties will take all steps, if necessary, to decertify the class and return the case to the "status quo" as it existed prior to the Parties' seeking approval of the Settlement from the Court. In the event that the conditional class certification for settlement purposes only is deemed revoked, then the class certification for settlement purposes only shall have no precedential value and it shall not be

introduced into evidence or used for any other purpose. To the extent that this Agreement is deemed void or the Effective Date does not occur or for whatever reason does not result in the final resolution of the Action, Defendant does not waive, and, instead, expressly reserves its rights to challenge all claims and allegations in the Action upon all procedural, factual and legal grounds, including, without limitation, the ability to challenge class treatment on any grounds, as well as asserting any and all other potential defenses or privileges. The Parties further agree that nothing in this Agreement is deemed to waive or otherwise prevent Defendant from asserting its right to compel arbitration on behalf of its if the Settlement does not become effective for any reason. Plaintiff and Class Counsel agree that Defendant retains and reserves these rights, and agrees not to argue or present any argument, and hereby waives any argument that, based on this Agreement, Defendant cannot contest class certification on any grounds or assert any and all other potential defenses and privileges if this Action were to proceed. The Parties do not waive, and instead expressly reserve, their respective rights with respect to the prosecution and defense of the Action as if this Agreement never existed. The Parties shall nevertheless expeditiously work together in good faith to address the trial or appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. A trial court or appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment 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.

- 11 **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 a proposed amended judgment.
- 12 **CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT.** The Parties enter into this Agreement and the Settlement on a conditional basis. This Agreement and Settlement is contingent upon, and will become final and effective only upon the occurrence of, all of the following events:
 - 1) The Court entering an order granting preliminary approval of the Settlement and conditional certification of a class for settlement purposes only consistent with the terms described in this Agreement (or as otherwise agreed upon in writing by the Parties);
 - 2) Mailing of the Class Notice to Class Members in accordance with the Court's order of preliminary approval;
 - 3) The Court setting and conducting a Fairness Hearing;

- 4) The Court entering an order granting Final Approval of the Settlement consistent with the terms described in this Agreement;
- 5) The Effective Date occurring, and any challenge to the Settlement, whether by objection or appeal, is being resolved in favor of enforcement of the Settlement.

Unless the Court orders otherwise or as otherwise agreed upon in writing by the Parties, this Agreement shall be deemed null and void ab initio unless each of these conditions occurs.

13 ADDITIONAL PROVISIONS.

- 13.1 **No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant have any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses.
- 13.2 **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that

“the matter was resolved,” or words to that effect. Plaintiff should not communicate about the Settlement with Class Members. Any communication by Class Counsel about the Settlement with Class Members prior to the Court-approved Notice Packet being sent by the Claims Administrator will be limited to a general statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved Notice. This paragraph does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to putative class members, if any.

- 13.3 **Confidentiality of Settlement.** The Parties acknowledge and agree that neither they nor Class Counsel or Defense Counsel will issue any press release or initiate any contact with the press, disclose to the press the fact or terms of the Settlement, or respond to any press inquiry concerning the Settlement except to acknowledge that the Action has been settled, including that certain claims “have been resolved by the Parties” without advance written consent from Defendant. Any website maintained by Class Counsel shall not identify Defendant or this Action by name, nor shall it link or refer to any other website that does disclose such information.
- 13.4 **No Solicitation.** The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability to communicate with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.
- 13.5 **Integrated Agreement.** Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.6 **Attorney Authorization.** Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.7 **Cooperation.** The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

- 13.8 **No Prior Assignments.** The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.9 **No Tax Advice.** Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. Each of the Parties acknowledges and agrees that (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their Counsel and other advisers is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended); (2) each Party (a) has relied exclusively upon his, her or its own independent legal and tax advisors for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any counsel or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any other counsel or advisor to any other Party to avoid any tax penalty that may be imposed on that Party; and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.
- 13.10 **Modification of Agreement.** This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.11 **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.12 **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.13 **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.14 **Confidentiality.** To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

- 13.15 **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16 **Calendar Days.** Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 13.17 **Notice.** All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Shirin Forootan, Esq.
shirin@forootanlaw.com
Forootan Law Corp.
3334 E. Coast Hwy, No. 307
Corona del Mar, CA 92625

Morgan E. Podruski, Esq.
morgan@employmentlawyersocal.com
SoCal Employment Lawyer, APC
33 Brookline, Aliso Viejo, CA 92656

To Defendant:

Summer Young-Agresti, Esq.
Ana Thomas, Esq.
syoung@yatlaw.com
athomas@yatlaw.com
Young-Agresti & Thomas
7755 Center Avenue, Suite 1100
Huntington Beach, California 92647

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

[Signatures on Next Page]

Dated: 23/06/2026

 Macias (Jun 23, 2026 10:43:22 PDT)

Plaintiff Brian Macias

Dated: 06/04/2026

Kris Huff

 Digitally signed by Kris Huff
DN: C=US, E=kris@empiredemolition.com, O="Empire
Demolition, Inc.", CN=Kris Huff
Date: 2026.06.04 16:46:20-0700

Name: Kris Huff

On behalf of Defendant Empire Demolition, Inc.

Dated: 6/23/26

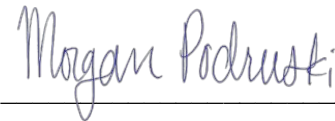
FOROOTAN LAW CORP.



Shirin Forootan, Esq.
Attorneys for Plaintiff and the Class

Dated: 6/26/2026

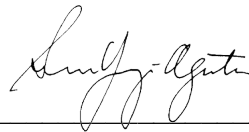
SoCal Employment Lawyer, APC



Morgan E. Podruski, Esq.
Attorneys for Plaintiff and the Class

Dated: 6/9/2026

Young-Agresti & Thomas, LLP



Summer Young-Agresti, Esq.
Attorneys for Defendant Empire Demolition, Inc.

EXHIBIT A

NOTICE OF PROPOSED CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT

Brian Macias v. Empire Demolition, Inc.
Riverside County Superior Court Case No. CVRI2400688

*A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.
However, your legal rights are affected by whether you act or don't act.*

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. READ CAREFULLY – THIS NOTICE INFORMS YOU ABOUT YOUR LEGAL RIGHTS

Why have you received this Notice?

You have received this Notice because records indicate that you are a member of the settlement class settled in this action. The settlement class is comprised of all current and former non-exempt employees who worked for Defendant Empire Demolition, Inc. (“Defendant”) in California at any time during the Class Period.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class and PAGA action lawsuit entitled *Macias v. Empire Demolition, Inc.*, Riverside County Superior Court Case No. CVRI2400688 (the “Action”). The purpose of this Notice of Proposed Class and Private Attorneys General Act of 2004 (“PAGA”) Representative Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Operative Complaint.

What Are My Options?

The purpose of this Notice is to inform you of the proposed Settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

YOUR ESTIMATED PAYMENT FROM THIS SETTLEMENT: Your estimated Individual Settlement Payment is <<Estimated Payment>>, which includes your payment from the Class settlement in the estimated amount of <<Estimated Individual Settlement Class Payment>> and, because you [ARE/ARE NOT] also a member of the Aggrieved Employee group, your payment from the PAGA settlement in the estimated amount of <<Estimated Individual PAGA Settlement Payment>>.

A hearing concerning final approval of the proposed Settlement will be held before the Hon. Harold W. Hopp, on <<FA DATE>>, at <<FA TIME>>, in Department 1 of the Riverside County Superior Court, located at 4050 Main Street, Riverside, CA 92501, to determine whether the Settlement is fair, adequate, and reasonable. As a Settlement Class Member, you are eligible to receive an individual Settlement Payment under the Settlement and will be bound by the release of claims described in this Notice and the Settlement Agreement filed with the Court, unless you timely request to be excluded from the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING – GET MONEY	If you do nothing, and the Court grants final approval of the Settlement, you will be considered a “Settlement Class Member” in the Settlement and will receive settlement benefits as explained more fully below. You will also give up rights to pursue a separate legal action against Defendant for the Released Claims asserted in the Action as explained more fully in this Notice.
EXCLUDE YOURSELF FROM THE SETTLEMENT/OPT OUT.	You have the option to pursue separate legal action against Defendant about the claims in the Action, except for claims under PAGA. With the

DEADLINE TO EXCLUDE YOURSELF: <<RESPONSE DEADLINE>>	exception of the settlement of the PAGA claims, you have the right to request exclusion from the Settlement. If you choose to do so, you must exclude yourself, in writing, from the Settlement by completing and submitting the included request to be excluded (“Request for Exclusion Form”). As a result, you will not receive any benefits under the Settlement (other than benefits based on the PAGA Claim). You must timely provide a written Request for Exclusion via email, mail or fax to the Settlement Administrator. Request for Exclusion forms must be submitted by <<RESPONSE DEADLINE>>. Your Request for Exclusion must be signed, dated and provide your telephone number and address. Phoenix Settlement Administrators <<ADMINISTRATOR INFORMATION>> Unless you timely request to be excluded of the Settlement, you will be bound by the judgment upon final approval of the settlement, including the Released Claims asserted in the Action as explained more fully in this Notice. Following Final Approval of the Settlement, the Court will enter Final Judgment. The Final Judgment will bind all Settlement Class Members who do not request exclusion from the Settlement on time. Even if you request to be excluded of the class settlement, you will still receive any PAGA settlement payment to which you may be entitled as an Aggrieved Employee and will still be bound by the release of the PAGA claims.
OBJECT TO THE SETTLEMENT. DEADLINE TO SUBMIT WRITTEN OBJECTIONS: <<RESPONSE DEADLINE>>	If you want to object to the Settlement and you have not requested exclusion, you may object to the Settlement personally or through an attorney, by emailing, mailing or faxing your written objection to the Settlement Administrator. You must complete and submit the objection form (“Objection Form”). Phoenix Settlement Administrators <<ADMINISTRATOR INFORMATION>> Written objections must be submitted by <<RESPONSE DEADLINE - 45 DAYS AFTER MAILING>>. You have the right to attend the Final Approval Hearing, or hire an attorney to attend at your own cost, to present verbal objections at the Final Approval hearing. The Court will hear from you if you attend the Final Approval Hearing and ask to speak regarding your objection, regardless of whether you complied with the above objection or exclusion procedures. If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object. Any Settlement Class Member who does not object in the manner provided above will have waived any objection to the Settlement, whether by appeal or otherwise.

	Objections not previously made in writing in a timely manner as described above will not be considered by the Court, and you will not be permitted to participate. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before the Final Approval Hearing.
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Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Settlement Class”):

All non-exempt employees of Defendant who worked in California during the Class Period. The “Class Period” is February 1, 2022, through <<FA DATE>>.

According to Defendant’s records, you are a member of the settlement class (“Class Member”). Aggrieved Employees will automatically receive their *pro rata* share of the \$7,000.00 allocated from the PAGA Allocation to Aggrieved Employees, cannot opt-out of the release of PAGA Claims, and will be bound by the release of the PAGA Claims even if they opt-out of the Settlement. Defendant’s records indicate you [ARE/ARE NOT] also an Aggrieved Employee who worked in the State of California at any time during the PAGA Period of February 1, 2023, through <<FA DATE>>.

What is this case about?

In the Action, Plaintiff Brian Macias (“Plaintiff”) alleges on behalf of himself and the Class that Defendant: (1) failed to pay all wages (including minimum wages, travel time and sick pay); (2) failed to pay overtime and double time; (3) failed to provide compliant meal periods; (4) failed to authorize and permit rest periods; (5) failed to pay wages timely during employment; (6) failed to timely pay all wages at termination; (7) failed to furnish accurate itemized wage statements, payroll and personal records, and failure to produce records in response to demands; (8) unlawfully deducted wages (9) caused the secret payment of lower wages (10) failed to reimburse for necessary business expenses; (11) violated California’s Unfair Competition Law, California Business and Professions Code § 17200 *et seq.*; and (12) violated provisions of the Labor Code giving rise to civil penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, *et seq.*]. Plaintiff seeks unpaid wages, actual, consequential and incidental losses and damages, special damages, liquidated damages, injunctive relief, declaratory relief, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys’ fees, and costs.

Defendant denies all liability and is confident that it has strong legal and factual defenses to these claims. Defendant contends that it: (1) properly paid the Settlement Class all minimum, regular, overtime and double time wages, including without limitation sick pay and travel time; (2) provided required meal breaks and authorized/permitted rest breaks; (3) did not make unlawful deductions or pay a lower wage than stated on wage statements; (4) provided reimbursements for reasonable or necessary business expenses; (5) paid regular and final wages on time; (6) maintained and provided upon demand accurate itemized wage statements, payroll and personnel records; and (7) did not engage in unfair business practices. As such, Defendant denies that it owes the Settlement Class any wages, expenses, restitution, penalties, or other damages. Defendant contends that its conduct is and has been lawful at all times relevant and that Plaintiff’s claims do not meet the requirements for class certification.

However, it recognizes the risks, distractions, and costs associated with litigation. This Settlement is therefore a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that this Settlement is fair, adequate, and reasonable. Plaintiff also believes this Settlement is in the best interests of all Settlement Class Members. Among the reasons for their support are the defenses to liability potentially available to Defendant and the risks of the denial of class certification, a trial on the merits, the enforcement of arbitration agreements with Settlement Class Members, and the delays and uncertainties inherently associated with litigation.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Plaintiff's Counsel:

Shirin Forootan, Esq.
shirin@forootanlaw.com
FOROOTAN LAW CORP.
3334 E. Coast Highway, Ste. 307
Corona del Mar, CA 92625
Telephone: (949) 610-9878

Morgan E. Podruski, Esq.
morgan@employmentlawyersocal.com
**SOCAL EMPLOYMENT LAWYER,
APC**
33 Brookline, Aliso Viejo, CA 92656
Telephone: (949) 393-6393

Defendant's Counsel

Summer Young-Agriesti, Esq.
Ana Thomas, Esq.
syoung@kbylaw.com
athomas@yatlaw.com
Agriesti & Thomas, LLP
7755 Center Ave, Suite 1100
Huntington Beach, CA 92647
Telephone: (949) 221-8700

What are the Settlement terms?

Subject to final Court approval, Defendant will pay a maximum of \$475,000.00 (the "Gross Settlement Amount") for: (a) Individual Settlement Payments to Settlement Class Members; (b) the Court-approved Class Representative Service Payment to Plaintiff (\$10,000.00); (c) the Court-approved attorneys' fees and costs to Class Counsel ("Class Counsel's Fees and Expenses") (the 33 1/3% of the gross settlement or \$158,333.17 in fees and not more than \$25,000.00 in costs to be requested); (d) payment to the Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties (the "PAGA Penalty Payment") (\$20,000.00 allocated to the PAGA settlement, with 65% of PAGA penalties sent to the state Labor Workforce Development Agency); and (e) payment to the Settlement Administrator for settlement administration services ("Administrative Expenses") (estimated to be no more than **\$5,000**).

Individual Settlement Payments. Class Members who do not timely and properly request to be excluded from the Settlement (the "Settlement Class Members") will receive a share of the Net Settlement Amount, and Class Members who are also Aggrieved Employees will receive their share of the **\$7,000** from the PAGA Settlement allocated to Aggrieved Employees (the "PAGA Settlement Payment"), regardless of whether the request exclusion from the Settlement (the total payment to a Settlement Class Member is their "Individual Settlement Payment").

The "Net Settlement Amount" will be calculated by deducting from the Gross Settlement Amount the Class Counsel's Fees and Expenses, the Class Representative Service Payment, the complete PAGA Penalty Payment (\$20,000), and the Administrative Expenses. Payments by Defendant from the Net Settlement Amount will be included in the Settlement Payments to each Settlement Class Member (the "Settlement Class Payments") and each Aggrieved Employee (the "PAGA Settlement Payments").

The Settlement Class Payment shall be divided among all Settlement Class Members on a *pro rata* basis based upon the total number of Workweeks worked by each Settlement Class Member during the Class Period. The portion of the Net Settlement Amount paid to a Settlement Class Member is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members during the Class Period and (b) multiplying the result by each Settlement Class Member's Workweeks.

The PAGA Settlement Payment shall be divided among all Aggrieved Employees on a *pro rata* basis based upon the total number of Workweeks worked by each Aggrieved Employee during the PAGA Period. The portion of the PAGA Settlement Payment paid to a Aggrieved Employee will be calculated by (a) dividing the amount of the Aggrieved Employees' share of PAGA Penalties (**\$7,000**), by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Workweeks during the PAGA Period.

According to Defendant's records:

- February 1, 2022, to <<FA DATE>> (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.

- February 1, 2023, to <<FA DATE>> (i.e., the PAGA Period), you are credited as having worked [REDACTED] Workweeks.

Workweeks is a term defined in the settlement, and does not include partial weeks, non-working time such as leaves of absence. If you wish to dispute the Workweeks credited to you, you must submit a written letter ("Workweeks Dispute"), which must: (a) contain your full name, current address, current telephone number, last four digits of your Social Security number or employee ID number, and signature; (b) contain the case name and number of the Action (*Macias v. Empire Demotion, Inc.*, Case No. CVRI2400688; (c) contain a clear statement explaining the basis for your dispute; (d) attach any documentation that you have to support the dispute; and (e) be emailed, mailed or faxed to the Settlement Administrator, postmarked or delivered on or before [Response Deadline] at:

Phoenix Settlement Administrators

<<ADMINISTRATOR INFORMATION>>

You must produce documentary evidence supporting your contention. Defendant's records will be presumed correct unless you prove otherwise by credible evidence. In the absence of any contrary documentation, the Settlement Administrator is entitled to presume that the Workweeks contained in this Class Notice are correct so long as they are consistent with the Class Data. Do not send originals.

Your Individual Settlement Payment and Individual PAGA Payment is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$ [REDACTED]. The Individual Settlement Payment will reflect federal, state, and local income tax withholdings, as well as deductions for employee-side and employer-side payroll taxes. Under the terms of the Settlement, your additional Individual PAGA Payment (if any) is estimated to be \$ [REDACTED].

The settlement approval process may take multiple months. Your Individual Settlement Payment and Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

For tax reporting purposes, the payments to Settlement Class Members will be allocated 10% as wages, 90% as penalties and interest. All PAGA Settlement Payments will be allocated as 100% penalties. The wage portion of the Individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable employee-side payroll taxes from the wage portion of the Individual Settlement Payments. The portion of the Individual Settlement Payments allocated as civil penalties, and interest shall not have no deductions, but shall be classified as other miscellaneous income and reported on IRS Form 1099-MISC if required by governing tax laws. Any taxes owed on that other miscellaneous income will be the responsibility of Settlement Class Members receiving those payments. The employer's share of any payroll taxes will be separately paid by Defendant.

All checks for Individual Settlement Payments paid to Settlement Class Members will be mailed and will remain valid and negotiable for one hundred eighty (180) days from the date of the checks' issuance and shall thereafter automatically be void if not claimed or negotiated by a Settlement Class Member within that time. All funds remaining from uncashed checks after 180 days shall be handled pursuant to California Code of Civil Procedure section 384. The uncashed funds shall be paid to the State Controller Unclaimed Property in the name of the Settlement Class Member for whom the funds are designated. In such event, the Settlement Class Members and Aggrieved Employees shall nevertheless remain bound by the Settlement.

The "Effective Date" of the Settlement means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Settlement Class Member objects to the Settlement, or objections are withdrawn, the day the Court enters Judgment; (b) if one or more objections to the Settlement are filed and not withdrawn, and if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of Judgment; (c) if rehearing, reconsideration and/or appellate review of the Judgment is sought, the day after any and all avenues of rehearing, reconsideration and appellate review have been exhausted

and no further rehearing, reconsideration or appellate review is permitted, and the time for seeking such review has expired, and the Judgment has not been modified, amended or reversed in any way that materially affects the terms of the Settlement Agreement.

PLEASE BE PATIENT AND UPDATE THE SETTLEMENT ADMINISTRATOR WITH YOUR NEW ADDRESS IF YOU MOVE AFTER RECEIVING THIS NOTICE OR YOU RECEIVED THIS NOTICE AS FORWARDED MAIL.

None of the Parties or their attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Settlement Class Member.

Class Counsel's Fees and Expenses, the Class Representative Service Payment, Administrative Expenses, the PAGA LWDA Payment. Class Counsel will ask the Court to award attorneys' fees up to \$158,333.17 (33 1/3%) of the Gross Settlement Amount and reimbursement of reasonable costs incurred in the Action not to exceed \$25,000.00. Pursuant to a fee-splitting agreement between Class Counsel, attorneys' fees will be allocated as follows: After a 15% referral fee is paid to Orange County Bar Association Lawyer Referral Information Service, 53% to Forootan Law Corp. and 47% to SoCal Employment Lawyer, APC. In addition, Class Counsel will ask the Court to authorize Class Representative Service Payment made to Plaintiff in the amount of \$10,000.00, for his efforts in bringing the Action on behalf of the Class and for general release of his known and unknown claims in addition to claims he shall release as a Class Member. The Parties estimate the cost of administering the Settlement will not exceed \$5,000. The PAGA Penalty Payment in the amount of \$13,000.00 will also be made to the LWDA for PAGA penalties, which represents 65% of the \$20,000.00 PAGA Allocation.

These payments are subject to Court approval and the Court has discretion to award less than the amounts listed above.

What claims are being released by the proposed Settlement?

Upon the final approval by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this Settlement, the Class Representative, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, will release claims as follows:

(a) Identity of Released Parties. The released parties are Defendant and its former and present subsidiaries, affiliates, officers, directors, operators, principals, owners, partners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, employees, partners, shareholders, members, divisions, fiduciaries, trustees, agents, attorneys, investors, benefit plans, other successors and predecessors in interest, assigns or legal representatives (collectively "Released Parties").

(b) Date Release Becomes Effective. The Released Claims will be released on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments.

(c) Claims Released by Settlement Class Members. As of the Effective Date, each and every Participating Class Member, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases the Released Parties from any and all past, present or future claims, administrative or otherwise, actions, causes of action, rights or liabilities, whether known or unknown, whether in law or equity, which were asserted or which could have been asserted in this Action, including claims based on, or arising out of, or in any way relating or pertaining to the following categories of claims and allegations:

- 1) all claims for off the clock work, travel time, or other unpaid wages including but not limited to any type of regular wages, minimum wages, overtime or double time wages (or an overtime or double-time premium on non-hourly compensation, including without limitation, bonus, or other incentive pay) or seventh day premiums, in accordance with California local, state or federal law;

- 2) all claims for liquidated damages;
- 3) all claims for the failure to provide meal breaks or rest breaks or premium pay in lieu thereof;
- 4) all claims for failure to indemnify or reimburse employees for business related expenses and costs, including without limitation mileage and other travel costs, tools and equipment;
- 5) all claims for sick days and/or supplemental COVID-19 sick leave
- 6) all claims for the failure to keep accurate records, including records pertaining to hours worked and start and stop time of meal breaks, or timely produce those records;
- 7) all claims that Defendant owed and failed to timely pay all wages due and owing during employment, or within the required time at Class Members' termination, resignation or discharge;
- 8) all claims for the failure to issue properly itemized wage statements pursuant to California Labor Code Section 226;
- 9) all claims for unauthorized deduction of wages;
- 10) all interest and statutory penalties, including those recoverable under the PAGA for alleged violation of Labor Code sections 201, 202, 203, 204, 210, 226, 226.7, 246-247.5, 432, 510, 512, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5 and 2802;
- 11) all claims for violations of Labor Code Sections 201, 202, 203, 204, 204b, 210, 218.5, 218.6, 221-223, 226, 226.6, 226.7, 246-247, 247.5, 432, 510, 512, 558.1, 1174, 1182.12, 1194, 1197, 1198, 1198.5, 1199, 2698, 2699, 2699.3, 2699.5, 2800, 2802;
- 12) all claims for violations of any Wage Order issued by the Industrial Welfare Commission related to any of the claims set forth herein; and
- 13) all incorporated or related claims for unfair competition pursuant to California Business and Professions Code Section 17200, et seq. ("Released Claims").

The Released Claims include a waiver and relinquishment of unknown claims pursuant to Civil Code Section 1542, which 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.

Participating Class Members only release these claims for the duration of the Class Period. Participating Class Members do not release any other claims, based on facts occurring outside the Class Period.

(d) **PAGA Release:** Plaintiff and the State of California release all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's January 23, 2026 PAGA Notice, as alleged in the Operative Complaint. The PAGA Release itself does not release any Aggrieved Employees' claims for wages or damages, however, such claims may be released by Settlement Class Members pursuant to the above release. This release only releases these penalty claims for the duration of the PAGA Period.

Settlement Administrator at -----. In order to be valid, your Request for Exclusion form must be signed and include the last four digits of your social security number or Employee ID (to confirm your identity and make certain that only persons requesting exclusion are removed from the settlement). If you do not have a social security number and do not know your Employee ID, please contact the Settlement Administrator to arrange for an alternate method of confirming your identity.

Your Request for Exclusion form (to remove you from the Class Settlement) must postmarked on or before <<RESPONSE DEADLINE>>. If you do not submit a Request for Exclusion form on time (as evidenced by the postmark), your request to be excluded from the Settlement will be rejected, you will be deemed a Settlement Class Member, and you will be bound by the release of Released Claims as described above and all other terms of the Settlement. If you submit a Request for Exclusion form by the deadline to request exclusion, you will have no further role in the Action as it relates to the Class claims. You will not be able to complain to the Court about any aspect of the Class Settlement and any written objection to the Class Settlement would not be considered valid. **You will not be entitled to any benefit, including money**, as a result of the Action and Settlement, except for any payment you may be receive from the PAGA portion of this Settlement.

IMPORTANT: DO NOT SUBMIT A REQUEST FOR EXCLUSION FORM IF YOU WISH TO BE INCLUDED IN THE CLASS SETTLEMENT AND RECEIVE YOUR SHARE OF THE MONEY AVAILABLE TO YOU AS PART OF THE SETTLEMENT.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's Fees and Expenses, the Class Representative Service Payment, the Administrative Expenses, and the PAGA Allocation on <<FINAL APPROVAL HEARING DATE & TIME>>, in Department 1 of the Riverside County Superior Court, 4050 Main Street, Riverside, CA 92501.

As described above, if you wish to attend the Final Approval Hearing remotely, you can do so via Zoom link provided on the Court's website. If you wish to attend the Final Approval Hearing in person, you can attend it at Riverside County Superior Court, 4050 Main Street, Riverside, CA 92501.

The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment.

If the Court grants Final Approval of the Settlement, the Order granting Final Approval and entering a Judgment, will be posted on a website by the Settlement Administrator for a period of at least 90 days following the entry of that Order in the Court record. That website is: <<website>>.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More detailed information and records relating to the lawsuit are available for inspection and/or copying at the Civil Records Office of the Riverside County Superior Court. You may also request a copy of the Settlement Agreement from Class Counsel or the Settlement Administrator, at the addresses listed above.

You may also view documents filed in this case, including the complete Settlement, on the Court's website at: <https://epublic-access.riverside.courts.ca.gov/public-portal/>. You may need the case number to access and view case documents (CVRI2400688) NOTE: If you choose to access documents online, the Court will charge you a fee for access. Class Counsel can provide you with copies of the settlement documents at no charge.

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

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT].

EXHIBIT B

OBJECTION FORM

Superior Court of California for the County of Riverside
Brian Macias v. Empire Demolition, Case No. CVRI2400688

USE AND RETURN THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you do not wish to object to the Class Settlement, you should NOT fill out this form. You do not need to take any action. If the proposed settlement receives final approval from the Court, you will still be bound by the release and the Settlement Administrator will send you a check by U.S. Mail, at the last address the Settlement Administrator has on file for you.

If you wish to object to the Class Settlement, you must:

- state all factual and legal bases for your objection (space is provided below for doing so),
- attach any documents you are relying on for your objection,
- indicate whether you are represented by counsel and, if so, provide their contact information (your counsel must file a notice with the Court if they plan to appear at the Final Approval Hearing)
- indicate whether you plan to appear at the Final Approval Hearing,
- write your name, address, and last four digits of your Social Security number,
- sign on the following page, and
- return this form by e-mail, mail or fax to the Settlement Administrator, at the following mailing address, postmarked or delivered on or before **RESPONSE DEADLINE**.

Phoenix Settlement Administrators
[INSERT ADDRESS]

I wish to object to the Class Settlement on the following grounds:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Date: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

**Superior Court of California for the County of Riverside
*Macias v. Empire Demolition, Inc., Case No. CVRI2400688***

If you want to receive an Individual Settlement Award, you *should not* fill out this form; you are not required to do anything at this time. This form is to be used only if you want to EXCLUDE yourself from the Settlement.

If you exclude yourself from the Settlement: (1) you will not receive any payments or benefits under the Settlement; (2) you will not be able to object to the Settlement; (3) you will not be bound by the class settlement if it is ultimately approved by the Court.

To be excluded from the Settlement, complete this Request for Exclusion Form and e-mail, mail or fax it to the Settlement Administrator at the address listed below, postmarked no later than [Response Deadline].

[INSERT NAME OF SETTLEMENT
ADMINISTRATOR]
[INSERT INFO]

Request for Exclusion

I hereby certify that I am or was employed by Defendant as a non-exempt employee in California for some period of time between February 1, 2022 and [date of Final Approval]. My dates of employment with Defendant are or were _____.

I have received the Notice of Class Action Settlement (“Notice”) in the Action, and I request to be excluded from the Settlement. I understand that by submitting this Request for Exclusion Form, I will not be bound by the class settlement, including the release of Released Claims, as described in the Notice and in the Settlement Agreement on file with the Court, and **I will not receive a payment from the Class Settlement.** I understand that I cannot exclude myself from the Individual PAGA Settlement Payment and that I will still receive a pro-rata share of the PAGA Settlement Amount and will be bound by the release of the PAGA claims regardless of whether I exclude myself from the Individual Settlement Payment.

Full Name: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: (____) _____

Last four digits of your SSN: _____

Signature of Class Member (or Legal Representative): _____

Date: _____