

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Settlement Agreement” or “Agreement”) is made by and between Plaintiff Rosa Lorento Salinas (“Plaintiff”) and North Star Food Services, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant as “Parties”, or individually as “Party”.

A. DEFINITIONS.

1. “Action(s)” means the Plaintiff’s class action lawsuit against Defendant captioned *Salinas v. North Star Food Services, Inc.*, Case No. 24STCV09413, initiated on April 15, 2024 (“Class Action”), and Plaintiff’s PAGA lawsuit against Defendant captioned *Salinas v. North Star Food Services, Inc.*, Case No. 24STCV15322, initiated on June 20, 2024 (“PAGA Action”), both pending in Superior Court of the State of California, County of Los Angeles.
2. “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
4. “Aggrieved Employees” means all current and former non-exempt employees of Defendant within the State of California at any time during the PAGA Period.
5. “Class” means all current and former non-exempt employees of Defendant within the State of California at any time during the Class Period.
6. “Class Counsel” means David Bibiyan, Molly DeSario, Vedang Patel, and Megan Lazar of Bibiyan Law Group, P.C.
7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s: (a) full name; (b) last-known mailing address; (c) Social Security number; (d) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).
9. “Class Member” means current and former non-exempt employees of Defendant within the State of California at any time during the Class Period, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Members’ mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address Database (“NCOA”), skip traces, and direct contact by the Administrator with Class Members.
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 and Spanish in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
12. “Class Period” means the period from April 15, 2020, through September 11, 2025.
13. “Class Representative” means the named plaintiff in the Operative Complaint in the Action seeking Court approval to serve as the Class Representative.
14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
15. “Court” means the Superior Court of California, County of Los Angeles.
16. “Defendant” means the named defendant North Star Food Services, Inc.
17. “Defense Counsel” means Musick, Peeler & Garrett LLP.
18. “Effective Date” means the date on which the Final Approval becomes final. For purposes of this Section, the Final Approval “becomes final” only after the Court grants the Motion for Final Approval of the Settlement and upon service of the Notice of Entry of Judgment, and upon the latter of: (i) if no appeal is filed, the expiration date of the time for the filing or noticing of any appeal from, or other challenge to, the Final Approval and Judgment (this time period shall not be less than sixty (60) calendar days after the Court’s Judgment is entered); (ii) the date of affirmance of an appeal of the Final Approval and/or Judgment becomes final under the California Rules of Court; or (iii) the date of final dismissal of any appeal from the Final Approval and/or Judgment or the final dismissal of any proceeding on review of any court of appeal decision relating to the Final Approval and/or Judgment.
19. “Final Approval” means the Court’s order granting final approval of the Settlement.
20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
21. “Gross Settlement Amount” means \$1,050,000.00, unless increased pursuant to Paragraph H of this Agreement, plus the Defendant will separately pay the employer payroll taxes on the Wage Portion of the Individual Class Payments, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments.

22. "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 during the Class Period.
23. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of twenty-five percent (25%) of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
24. "Judgment" means the judgment entered by the Court based upon the Final Approval.
25. "LWDA" means the California Labor and Workforce Development Agency.
26. "LWDA PAGA Payment" means seventy-five percent (75%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
27. "Net Settlement Amount" means the Gross Settlement Amount less the following payments and credits in the amounts approved by the Court: (a) Class Counsel Fees Payment; (b) Class Counsel Litigation Expenses Payment; (c) Class Representative Service Payment; (d) Administration Expenses Payment; (e) Individual PAGA Payments; and (f) LWDA PAGA Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
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.
29. "Operative Complaint" means the First Amended Complaint to be filed in the Class Action. The Operative Complaint will incorporate all of the claims from the PAGA Action and all of the claims in the Class Action.
30. "PAGA" means the Private Attorneys General Act of 2004 (Labor Code section 2698 *et seq.*).
31. "PAGA Notice" means Plaintiff's letter sent to the LWDA and Defendant on April 15, 2024 providing notice pursuant to Labor Code section 2699.3, subd. (a).
32. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one (1) day during the PAGA Period.
33. "PAGA Period" means the period from April 15, 2023, through September 11, 2025.
34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated seventy-five percent (75%) to the LWDA and the twenty-five percent (25%) to the Aggrieved Employees in settlement of PAGA claims.
35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
36. "Plaintiff" means Rosa Lorento Salinas, the named plaintiff in the Action.

37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.
38. "Released Class Claims" means the claims being released as described in Section E.2. below.
39. "Released PAGA Claims" means the claims being released as described in Section E.3. below.
40. "Released Parties" means Defendant and each of its past, present, and future parents, subsidiaries, affiliated companies, agents, managing agents, employees, servants, officers, directors, owners (whether direct or indirect), franchisors, general partners, limited partners, trustees, representatives, shareholders, stockholders, members, mortgagees or ground lessors, attorneys, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, potential and/or alleged joint employers, temporary staffing agencies, dual employers, potential and/or alleged dual employers, co-employers, potential and/or alleged co-employers, common law employers, professional employer organizations, contractors, affiliates, service providers, alter-egos, potential and/or alleged alter-egos, vendors, affiliated organizations, any person and/or entity with potential or alleged to have joint liability, dbas, and all of their respective past, present and future employees, directors, officers, members, owners, agents, representatives, payroll agencies, attorneys, stockholders, fiduciaries, parents, subsidiaries, other service providers, and assigns and any and all persons and/or entities acting under, by, through or in concert with any of them.
41. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
42. "Response Deadline" means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement; or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
43. "Settlement" means the disposition of the Action effected by this Settlement Agreement and the Judgment.
44. "Workweek" means any week during which a Class Member worked for Defendant for at least one (1) day during the Class Period.

B. RECITALS.

1. On April 15, 2024, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code she contends were violated and the theories supporting her contentions ("PAGA Notice").

2. On April 15, 2024, Plaintiff filed a class action complaint in the Los Angeles Superior Court captioned *Salinas v. North Star Food Services, Inc.*, Case No. 24STCV09413, alleging causes of action against Defendant for), Failure to Pay Overtime Wages (Cal. Lab. Code §§ 510, 1194 and 1199), Failure to Pay Minimum Wages (Cal. Lab. Code §§ 1194, 1197, Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512), Failure to Provide Rest Periods (Cal. Lab. Code § 226.7), Failure to Pay Wages Due Upon Termination (Cal. Lab. Code §§ 201, 202, 203), Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226), Failure to Timely Pay Wages During Employment (Cal. Lab. Code § 204), Failure to Indemnify All Necessary Business Expenses (Cal. Labor Code § 2802), Violation of Labor Code § 227.3 and Violations of California’s Unfair Competition Law (Cal. Bus. & Prof. Code § 17200 et seq.) (“Class Action”).
3. On June 20, 2024, Plaintiff filed a PAGA complaint in the Los Angeles Superior Court captioned *Salinas v. North Star Food Services, Inc.*, Case No. 24STCV15322, for PAGA Penalties based on the alleged Labor Code violations (“PAGA Action”).
4. On August 1, 2024 the Court entered an Order finding that Case Nos. 24STCV09413 and 24STCV15322, are related within the meaning of California Rules of Court, rule 3.300(a) and Case No. 24STCV09413 is the lead case.
5. After engaging in discovery, investigations, and negotiations, on September 11, 2025, the Parties remotely attended mediation with the mediator Kelly Knight, Esq. that resulted in the settlement of this Action, subject to the Court’s approval.
6. As part of this Agreement, and before filing the Motion for Preliminary Approval, the Parties agree to stipulate to Plaintiff’s filing of the Operative Complaint. Plaintiff will thereafter request dismissal without prejudice of the PAGA Action, thereby effectively consolidating the Class Action and PAGA Action for purposes of Settlement. Plaintiff will seek dismissal of the PAGA Action within five (5) days after the Court has approved and authorized the filing of the Operative Complaint.
7. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.
8. The Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Defendant produced several documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, and meal and rest breaks along with payroll, timekeeping, and operational policies. As part of Defendant’s production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data enabling Plaintiff to understand the number of Workweeks and PAGA Pay Periods. Plaintiff also located and interviewed Class Members who worked for Defendant throughout the Class Period. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.
9. The Court has not granted class certification.

10. The Parties, Class Counsel, and Defense Counsel represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement Agreement.

C. MONETARY TERMS.

1. Gross Settlement Amount. Defendant promises to pay \$1,050,000.00, unless escalated pursuant to Paragraph H of this Agreement, 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 employer payroll taxes) prior to the deadline stated in Section D of this Settlement. 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.
2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments and credits from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval Order:
 - a. To Plaintiff: The Class Representative Service Payment of no more \$7,500.00 to Plaintiff (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 if it does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, 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 the Class Representative Service Payment less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Court's approval of a Class Representative Service Payment in an amount less than requested shall not be grounds for Plaintiff or Class Counsel to file an appeal. 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.
 - b. To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$350,000.00 (33.333333% of the Gross Settlement Amount) and a Class Counsel Litigation Expenses Payment of no more than \$30,000.00. Defendant will not oppose requests for these payments if they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for a Class Counsel Fees Payment and a Class Counsel Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. 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. The Court's approval of a Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment in an amount less than requested shall not be grounds for

Plaintiff or Class Counsel to file an appeal. The Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator may purchase an annuity to utilize U.S. treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS Form 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment, hold Defendant harmless, and indemnify Defendant from any dispute or controversy regarding any division or sharing of any of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment.

- c. To the Administrator: An Administration Expenses Payment not to exceed \$10,500.00 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 \$10,500.00 the Administrator will allocate the remainder to the Net Settlement Amount.
- d. 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 during the Class Period.
 - i. Tax Allocation of Individual Class Payments. Fifteen percent (15%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims ("Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on IRS Form W-2. Eighty-Five percent (85%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties ("Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.
 - ii. 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.
- e. To the LWDA and Aggrieved Employees: PAGA Penalties in the sum of \$105,000.00 to be paid from the Gross Settlement Amount, seventy-five percent (75%) of which (\$78,750.00) will be allocated to the LWDA as the LWDA PAGA Payment and twenty-five percent (25%) of which (\$26,250.00) will be allocated to the Aggrieved Employees as their Individual PAGA Payments.
 - i. The Administrator will calculate each Individual PAGA Payment by: (a) dividing the amount of the Aggrieved Employees' twenty-five percent

(25%) share of PAGA Penalties (\$26,250.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

- ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In addition, the Administrator will report the Individual PAGA Payments on IRS Form 1099.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Workweeks and PAGA Pay Periods. Based on a review of its records to date, Defendant estimates there were approximately 676 Class Members who worked a total of approximately 30,500 workweeks at the time of the mediation.
2. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount of \$1,050,000 and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator within 45 calendar days of the Effective Date.
3. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
 - a. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via first-class United States Postal Service ("USPS") mail, postage prepaid. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notices were 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 Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the NCOA.

- b. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator will remail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator shall send a replacement check to any Class Member whose original check was lost or misplaced if requested by the Class Member prior to the void date.
- c. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subd. (b).
- d. The payment of the Class Representative Service Payment, Individual Class Payments, and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Settlement. Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions, or amounts to which Plaintiff or any Class Member may be entitled under any benefit plans.

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

- 1. Plaintiff's Release. In consideration of Plaintiff's Class Representative Service Payment and all the other terms and conditions of this Settlement, and upon full funding of the Gross Settlement Amount, Plaintiff and her former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge the Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or could have been alleged based on the facts contained in the Operative Complaint; and (b) all PAGA claims that were, or could have been, alleged based on facts contained in the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges she may discover facts or law different from, or in addition to, the facts or law Plaintiff now knows or believes to be true but agrees Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.
 - a. Plaintiff's Waiver of Rights Under 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 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.

2. Release by Participating Class Members. Upon full funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or could have been alleged, based on the facts contained in the Operative Complaint and that occurred during the Class Period except as set forth in Section E.3. of this Agreement, including, without limitation, California Code of Civil Procedure Sections 382, 1021.5, and 1032, California Labor Code sections 200, 201, 201.3, 202, 203, 204, 204.1, 204.2, 205, 205.5, 218.6, 226, 226.7, 227.3, 245, et seq., 510, 512, 558.1, 1194, 1194.2, 1197, 1197.5, 1199, 2802, and any federal counterparts, California Business and Professions Code sections 17200, et seq. through 17208, California Civil Code Section 3287, any IWC Wage Orders, any cause of action for (i) Failure to Pay Overtime Wages [Cal. Lab. Code §§ 510, 1194 and 1199]; (ii) Failure to Pay Minimum Wages [Cal. Lab. Code §§ 1197, 1199], (iii) Failure to Provide Meal Periods (Cal. Lab. Code §§ 226.7, 512); (iv) Failure to Provide Rest Periods (Cal. Lab. Code §§ 226.7); (v) Failure to Pay All Wages Due at Termination (Cal. Lab. Code §§ 201-203); (vi) Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226); (vii) Failure to Timely Pay Wages During Employment (Cal. Lab. Code § 204); (viii) Failure to Indemnify Necessary Business Expenses (Cal. Lab. Code § 2802); (ix) Violation of Cal. Lab. Code § 227.3; and (x) Unfair Competition (Cal. Bus. & Prof Code §§ 17200, et seq.).

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.

3. Release by Aggrieved Employees and the State of California. Upon full funding of the Gross Settlement Amount, all Participating and Non-Participating Class Members, who are Aggrieved Employees and the State of California are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice that occurred during the PAGA Period including, without limitation, Labor Code sections 96, 98.6, 200, 201, 201.3, 202, 203, 204, 210, 212, 213, 221, 223, 226, 226.3, 226.7, 227.3, 232, 232.5, 245, et seq., 246, 404, 432, 432.3, 432.5, 432.7, 432.8, 510, 512, 558, 1102.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198.5, 1199, 1527, 2698, et seq., 2699, et seq., 2802, 2810.5, 3366, 3457, 8397.4; California Code of Regulations, Title 8, §§ 3395, 11040; California Government Code § 12952, California Business and Professions Code §§ 16600, 16700, 17200, et seq.; California Code of Civil Procedure § 1021.5; the applicable Industrial Welfare Commission Orders; and all other claims for civil penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff's pre-filing letter to the LWDA.

The Released PAGA Claims do not release any class claims or any PAGA Group members' individual claims for wages or any claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

F. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

1. Defendant's Declaration in Support of Preliminary Approval. Defendant will prepare and deliver to Class Counsel a signed declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their declarations, Defendant and Defense Counsel shall also aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (a) a draft of the notice and memorandum in support of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subd. (f)(2)); (b) a draft proposed of the Order Granting Preliminary Approval and Approval of PAGA Settlement; (c) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel, Defendant, or Defense Counsel; (d) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members and Administrator; (e) a signed declaration from Class Counsel attesting to their competency to represent the Class Members; their timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)) and Class Notice; and (f) all facts relevant to any actual or potential conflict of interest with the Class Members and Administrator. In their declarations, Plaintiff and Class Counsel shall also aver they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
 - a. The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding. The Court's approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Agreement. Any order or proceeding relating to an application for the Class

Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall not operate to terminate or cancel this Agreement.

- b. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.
 - c. Defendant agrees it will not oppose Plaintiff's Motion for Preliminary Approval of the Settlement Agreement so long as the motion is consistent with the terms of the Parties' Settlement Agreement.
3. Responsibilities of Counsel. Class Counsel is responsible for (a) filing the Stipulation and Proposed Order for Leave to file a First Amended Complaint in the Class Action, and (b) within five days after the Court approves the filing of the Operative Complaint, thereby consolidating the Class Action and PAGA Action, obtaining a dismissal without prejudice of the PAGA Action. No later than thirty (30) days after the Court signs the Order for Leave to File a First Amended Complaint, Class Counsel is responsible for (a) expeditiously finalizing and filing the Motion for Preliminary Approval (b) obtaining a prompt hearing date for the Motion for Preliminary Approval; and (c) appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator. Defense Counsel will be given at least 7 business days to review the Stipulation and Proposed Order for Leave to File a First Amended Complaint, First Amended Complaint, draft motion for preliminary approval and other related documents.
4. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Settlement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone or email, and in good faith, to modify the Settlement and otherwise satisfy the Court's concerns.

G. SETTLEMENT ADMINISTRATION.

1. Selection of Administrator. The Parties have jointly selected Phoenix to serve as the Administrator and verified that, as a condition of appointment, the Administrator 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 they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.
4. Notice to Class Members.
 - a. No later than thirty (30) days after the settlement agreement has been fully executed, 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. The Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
 - b. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
 - c. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after Preliminary Approval, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail. 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.
 - d. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail 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 remail the Class Notice to the most current address obtained.
 - e. The deadlines for Class Members' written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is remailed. The Administrator will inform the Class Member of the extended deadline with the remailed Class Notice.
 - f. 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 or email, and in good faith 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 no later than fourteen (14) calendar days after receipt of Class Notice or the deadline dates in the Class Notice, whichever is later.

5. Requests for Exclusion (Opt-Outs).

- a. 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 no later than forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's: (i) full name; (ii) present address; (iii) email address or telephone number; and (iv) a simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- b. 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 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 susceptible to challenge.
- c. 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, including the Participating Class Members' Releases under Section E.2. and Section E.3. of this Agreement, regardless of whether the Participating Class Member receives the Class Notice or objects to the Settlement.
- d. 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.
- e. Because this Settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private Attorney General of and for the State of California and LWDA, the Parties agree that no Aggrieved Employee (including Plaintiff) has the right to object to the PAGA portion of the Settlement or exclude himself or herself from the release of claims set forth in Section E.3 of this Settlement regardless of whether the Aggrieved Employee cashes any payment received as a result of this Settlement.

6. Challenges to Calculation of Workweeks and PAGA Pay Periods.

- a. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice.
- b. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks 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 PAGA Pay Periods shall be final and not appealable susceptible to challenge.
- c. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Class Counsel and Defense Counsel along with the Administrator's determination of the challenges.

7. Objections to Settlement.

- a. Only Participating Class Members may object to the class action components of the Settlement and/or this Settlement Agreement, including contesting the fairness of the Settlement Agreement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.
- b. Participating Class Members may send signed written objections to the Administrator by fax, email, or mail. The written objection must: (i) indicate what the Class Member is objecting to; (ii) why the Class Member is objecting; (iii) any fact that support the objection; and (iv) include the Class Member's full name, present address, and email address or telephone number.
- c. Alternatively, 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 no later than forty-five (45) calendar days after the Administrator's mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed).
- d. Aggrieved Employees have no right to object to the PAGA portion of the Settlement and shall be bound by the release of claims identified in Section E.3 of this Agreement.

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.

- a. Website, Email Address, and Toll-Free Number. The Administrator will establish, maintain, and use a website to post information of interest to Class Members. This information includes the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, Class Notice, Motion for Final Approval, Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment, Final Approval, and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.
- b. Requests for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. No later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Defense Counsel containing: (i) names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (ii) names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (iii) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid). The Administrator shall also provide a list to Class Counsel of the total number of valid and invalid Requests for Exclusion (with no Class Member names or personally identifying information).
- c. 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: (i) Class Notices mailed or remailed; (ii) Class Notices returned undelivered; (iii) Requests for Exclusion (whether valid or invalid) received; (iv) objections received; (v) challenges to Workweeks and/or PAGA Pay Periods received and/or resolved; and (vi) checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion.
- d. Workweek and/or PAGA Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- e. Administrator’s Declaration. No later than sixteen (16) court days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, 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: (i) mailing of Class Notice; (ii) Class Notices returned as undelivered; (iii) re-mailing of Class Notices; (iv) attempts to locate Class Members; and the (v) total number of Requests for Exclusion from Settlement it received (both valid or invalid). 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.

- f. Final Report by Administrator. At least ten (10) calendar 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 its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
- g. Employer Taxes. The Administrator shall calculate Defendant's share of employer payroll taxes due on the Wage Portion of Individual Class Payments and provide this information to the Parties and the Court for purposes of Final Approval. The Administrator shall remit employer taxes and required forms to the appropriate taxing authorities within the deadlines set by law.

H. ESCALATOR CLAUSE. If it is determined that the number of Workweeks through the Class Period exceeds ten percent (10%) or more of 30,500 workweeks (*i.e.*, more than 33,550 Workweeks), then Defendant at its exclusive discretion shall either (1) end the Class Period on the date on which the total number of workweeks is not more than 33,550 Workweeks, or (2) increase the Gross Settlement Amount proportionally by the Workweeks in excess of 33,550 multiplied by the Workweek Value. The Workweek Value shall be calculated by dividing the GSA by 30,500, which amounts to a Workweek Value of \$34.42. Thus, for example, should there be 35,000 Workweeks in the Class Period, then the Gross Settlement Amount shall be increased by \$49,909 ((35,000 Workweeks – 33,550 Workweeks) x \$34.42 per Workweek.) Under the first option no additional payment is necessary. Defendant shall provide the Class Data to the administrator no later than 30 days after full execution of this Agreement. Defendant shall make its election regarding the above no later than 14 days after receiving information from the administrator regarding the workweek count.

I. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% (ten percent) of the total of all Class Members, Defendant may, but is not obligated, 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 ten (10) business days after the Claims Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

J. NULLIFICATION OF AGREEMENT. In the event: (i) the Court does not enter the Preliminary Approval Order and approve the Released Class Claims and Released PAGA Claims specified herein; (ii) the Court does not give final approval of the Settlement as provided herein; (iii) Defendant exercises its option to nullify the Settlement Agreement based on an excessive number of opt-outs, as described in the above Section; (iv) the Settlement does not become final for any other reason (e.g., an objection by the LWDA); (v) or the Court does not permit the filing of the Operative Complaint, this Settlement Agreement shall be null and void. A reduction of the Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment and/or any Class Representative Service Payment shall not be grounds for nullification of this Settlement. If the Settlement is nullified, any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning, and the stipulations and recitals contained herein shall be of no force or effect and shall not be treated as an admission by the Parties or their

counsel. In such a case, the Parties and any funds to be awarded under this Settlement Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed, except that any fees already incurred by the Administrator shall be paid equally by both Parties. The Parties agree that they will cooperate and take all steps necessary in order to obtain preliminary and/or Final Approval in the event that the Court raises issues or questions about this Settlement or anything pertaining to this Settlement (including, but not limited to, the motion for preliminary approval and motion for final approval).

K. MOTION FOR FINAL APPROVAL. No later than sixteen (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 not later than seven days 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.

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 (5) calendar court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), 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 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Settlement within the meaning of this section. If the Court does not grant Final Approval of the Agreement, or if the Court’s Final Approval is reversed or materially modified on appellate review, then the Parties will make a good faith effort to revise the terms of the Agreement. If that process fails, the Settlement will be null and void. In such event, the Parties reserve their rights with respect to the prosecution and defense of the Action. Any disputes arising out of or relating to this Agreement will be submitted to the mediator for resolution. The Parties will split the costs of the mediator for any such time incurred by the mediator in reaching such resolution and the Parties will bear their own attorneys’ fees and other costs incurred.
3. Continuing Jurisdiction of the Court. The Parties agree after entry of Judgment, the Court will retain jurisdiction over the Parties, Operative Complaint, and Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.
4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Participating

Class Members who did not object to the Settlement as provided in this Settlement, 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 Settlement 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.

5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If 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 Class Members), this Agreement shall be null and void. The Parties shall expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing any additional settlement administration costs reasonably incurred after remittitur on a 50-50 basis. An appellate decision to vacate, reverse, or modify the Court's award of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payment shall not constitute a material modification of the Judgment within the meaning of this section if the Gross Settlement Amount remains unchanged.

L. 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 a proposed amended judgment, if possible.

M. ADDITIONAL PROVISIONS.

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 Actions, Operative Complaint or PAGA Notice have merit or that Defendant has any liability for any claims asserted. Moreover, nothing in this Agreement should be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree class certification and representative treatment is for purposes of this Agreement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, Defendant reserves all available defenses to the claims in the Action or Operative Complaint, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree, 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: (a) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (b) to counsel in a related matter; (c) to the extent necessary to report income to appropriate taxing authorities; (d) in response to a court order or subpoena; or (e) 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, with a 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, Class Counsel, Defendant, and Defense Counsel separately agree not to publish the fact and/or terms of this Agreement or any related information on their website(s), for advertising purposes, and/or in publication materials generally available to the public. This section does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
3. 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 section 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.
4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent they are authorized by Plaintiff and Defendant 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.
6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement Agreement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Settlement Agreement that may become necessary to implement the Settlement Agreement, the Parties may seek the assistance of the mediator and/or the Court to try for resolution.

7. Enforcement Action. In the event that any Party institutes any legal action or other proceeding against another Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees, incurred in connection with any enforcement action.
8. No Prior Assignments. The Parties separately represent and warrant 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.
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.
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.
11. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
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. 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 the Party was the drafter or participated in the drafting.
14. Representation by Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement and that this Settlement Agreement has been executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.
15. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.
16. Confidentiality. To the extent permitted by law, all agreements made, and orders entered into during the Action and in this Agreement relating to the confidentiality of information, shall survive the execution of this Agreement.

17. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
18. Dismissal of Appeal. The Parties agree that the pending appeal will be dismissed once this Settlement Agreement is fully executed by all Parties. Each Party is to bear their own attorneys' fees and costs associated with the appeal.
19. Headings. The descriptive heading of any section of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
20. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. If 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.
21. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms or to support a defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or similar defense as to the claims being released in this Settlement Agreement. Plaintiff, and not Plaintiff's representative(s), must personally execute this Settlement Agreement.
22. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties.
23. Contractual Terms. Each term of this Agreement is contractual and not merely a recital.
24. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.
25. 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 U.S. mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff: David D. Bibiyan, Esq.
 Vedang J. Patel, Esq.

Megan R. Lazar, Esq.
Bibiyan Law Group, P.C.
1460 Westwood Blvd.
Los Angeles, CA90024
(Tel) (310) 328-5555
david@tomorrowlaw.com
joseph@tomorrowlaw.com

To Defendant: Beth Kahn, Esq.
Carol A. Humiston, Esq.
Laura P. Birnbaum, Esq.
Musick, Peeler & Garrett LLP
333 South Hope Street, Suite 2900
Los Angeles, California 90071
(Tel) (213) 629-7600
b.kahn@musickeeler.com
c.humiston@musickeeler.com
l.birnbaum@musickeeler.com

26. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.
27. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*e.g.*, 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.
28. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to class certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible in this or any other proceeding as evidence that either: (a) a class action should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.
29. Acknowledgement that the Settlement is Fair and Reasonable. The Parties have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

30. Stay of Litigation. The Parties agree 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

The Settlement Agreement consists of 24 pages.

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

Dated: 05/29/2026

Rosa Loreto Salinas

By: Rosa Loreto Salinas

Dated: 5/29/2026

Bibiyan Law Group, P.C. [Approving as to Form Only]

By: Vedang J. Patel
David D. Bibiyan, Esq.
Vedang J. Patel, Esq.
Megan R. Lazar, Esq.
Attorneys for Plaintiff

Dated: _____

North Star Food Services, Inc.

By: _____

Dated: _____

Musick, Peeler & Garrett LLP [Approving as to Form Only]

By: _____
Beth Kahn, Esq.
Carol A. Humiston, Esq.
Laura P. Birnbaum, Esq.
Attorneys for Defendant