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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE, CIVIL COMPLEX CENTER

EUDIER LEAÑO on behalf of himself and all others similarly situated,

PLAINTIFF,

v.

RYDER LAST MILE, INC., a. Florida Company, and DOES 1-10, inclusive,

DEFENDANTS.

RYDER LAST MILE, INC., a California Corporation,

CROSS-COMPLAINANT,

v.

SLG, LLC., a. Limited Liability Company, and DOES 1-250, inclusive,

CROSS-DEFENDANTS.

Case No.:30-2024-01405201-CU-OE-CXC

[Assigned for all purposes to the Honorable Melissa R. McCormick, Dept. CX105]

DECLARATION OF ADRIANNE DE CASTRO ISO PLAINTIFF'S UNOPPOSED MOTION FOR APPROVAL OF PAGA SETTLEMENT

[Filed concurrently with Unopposed Motion to Approve PAGA Settlement; and [Proposed] Orders]

Reservation No.:	**74989415**
Date:	March 4, 2027
Time:	2:00 p.m.
Place:	CX105

Complaint Filed:	June 6, 2024
FAC Filed:	December 9, 2024
Trial Date:	None
Cross-Complaint Filed:	August 4, 2025

I, Adrianne De Castro, declare:

1. I am an attorney at Desai Law Firm, P.L.L.C., counsel for the Plaintiff in the above-captioned action. This Declaration is in support of Plaintiff's Unopposed Motion to Approve PAGA Settlement.

2. I am admitted to practice before all state courts throughout California. I am also admitted to practice before numerous federal courts throughout the nation, including the Central District of California, the Northern District of California, and the Ninth Circuit Court of Appeals. If called as a witness, I could, and would, testify to the following matters, which are based upon my personal knowledge.

AUTHENTICATION OF DOCUMENTS AND EXHIBITS

3. A true and correct copy of the Settlement Agreement is attached as **Exhibit "1"** to this Declaration. The Settlement Agreement includes a proposed Notice of Settlement, attached as Exhibit A to the Settlement Agreement.

4. A true and correct copy of the estimate from Simpluris is attached as **Exhibit "2"** to this Declaration.

COUNSEL QUALIFICATIONS

5. I have litigated numerous class and collective actions throughout the years. The following list of cases is included for the Court's review:

- *Cardenas v. McLane Foodservice, Inc.*, case number SACV10-473-DOC (FFMx). This was a one of the first truck driver cases to challenge the trucking industries pay practices in California. It resulted in several published decisions including one dealing with the piece-rate system for activity-based pay and FAAAA preemption. *Cardenas v. McLane Foodservice, Inc*., 796 F.Supp.2d 1246 (C.D. Cal 2011). This case was resolved for $5.5 million.

- *Burnham, et al. v. Ruan Logistics, Corp.*, case number SACV12-0688 AG (ANx). This was a California class action challenging a trucking company's pay practices, and meal and rest break policies. The case was resolved for $3.5 million.

- *Aguirre et al. v. Genesis Logistics, et al,* 12-CV-00687 (C.D. Cal., filed May 2, 2012). This was an employment class action on behalf of 665 truck drivers. A complicated case involving attempts by defense to pre-empt California labor laws by sending the case to federal court, where a district judge reversed himself, and **a**

victory at bench trial on the PAGA claims before Judge James Selna, resulted in a mediated settlement. In 2017, Defendant agreed to a global settlement of $7 million, including $2.3 million in attorney fees and $1 million in PAGA penalties after 5 years of litigation and a trip to the 9th Circuit Court of Appeals.

- *Madrigal v. 24 Hour Fitness*, 30-2014-00735568-CU-OE-CXC, Orange County, Civil Complex, Superior Court of California. This was an employment class action on behalf of Kids Club Attendants. Plaintiff alleged PAGA claims predicated on, among other claims, Defendant's failure to provide rest periods to its non-exempt "Kids Club Attendants" in the State of California. Approval of a $11 million-dollar global settlement award was granted on January 4, 2019.

- *Ambriz et al v. Matheson Tri-Gas,* LACV 14-04546. This was an employment class action on behalf of 151 truck drivers. The parties reached a $1.3 million settlement, which includes an award of a total amount of $7,700.00 to the named plaintiffs, $384,681.25 in attorney fees, and $6,169.92 in costs. Final approval of the settlement was granted on March 3, 2016.

- *Cooley v. Indian River Transport*, 18-cv-00491-WBS. This was an employment class action on behalf of 2,000 truck drivers. The parties reached a settlement in the amount of $1.4 million dollars between Plaintiff, Charles Cooley, individually and as a representative of the Settlement Class. The parties were granted preliminary approval on January 24, 2019. Final approval was granted on May 10, 2019.

6. Prior to joining the Desai Law Firm, P.L.L.C., I was an associate at the law firm of Mower, Carreon, and Desai LLP where I litigated wage and hour and consumer class actions on behalf of restaurant workers, home health care workers, and California consumers. I have also worked as an associate at the law firm of Rudy, Exelrod, Zieff, and Lowe in San Francisco where my focus was on individual employment discrimination cases and wage and hour class actions. I began my career as the Ruth Chance Law Fellow at Equal Rights Advocates where I spent two years representing low-wage women workers in sexual harassment and discrimination cases.

7. I am a 2005 graduate of University of California, Berkeley School of Law, and a 2002 graduate of the University of California, Los Angeles. I have spent my entire legal career practicing exclusively in the area of plaintiffs' employment law representing individuals and class members in a variety of employment disputes including discrimination and wage and hour cases. I am currently a Board Member of the California Employment Lawyers' Association, the state's premier plaintiff-side employment lawyer organization. I am also a Board Member of Legal Aid

at Work. I am also a member of the California Lawyers Association – Executive Committee, Labor & Employment Section. I am frequently asked to speak on wage and hour employment issues as well as discrimination issues for the California Employment Lawyers' Association, the California Bar Association, the Orange County Bar Association - Labor and Employment Section, the Legal Aid Society of Orange County, and the Legal Aid at Work.

8. I am also an adjunct professor at the University of California, Irvine, School of Law where I have taught Employment Discrimination since 2018.

9. My billing rate is $950.00 per hour, which is usual and customary for attorneys with my experience level. Some of the cases in which my rate and DLF's rates have been approved include: *See, e.g., Aguirre v. Genesis Logistics,* SACV 12-00687 (C.D. Cal. April 7, 2014); *Cardenas v. McLane Foodservice, I*nc., SACV 10-473 (C.D. Cal. Jan. 30, 2012); *Bravo De Rueda v. Alta Home Care*, Case No. 30-2011-00506932 (Orange County Superior Court Sept. 7, 2013); and *Madrigal v. 24 Hour Fitness*, 30-2014-00735568-CU-OE-CXC, Orange County, Civil Complex, Superior Court of California; *Edmond Carmona et al v. Dominos Pizza LLC et al*., 8:20-cv-01905-JVS-JDE (C.D. Cal. 2026)(approved with lodestar check).

SUMMARY OF LITIGATION

10. My firm began investigation into this lawsuit in May 2024. From the start, I understood the claims would present complex legal issues related to misclassification, AB5, the business-to-business exemption, and contract law. On April 2, 2024, after extensive legal and factual investigation, my firm sent a letter to the LWDA and Ryder to initiate a representative action pursuant to PAGA on behalf of himself and the State of California as well as on behalf of a group of individuals defined as "**all** California-based truck drivers and other aggrieved employees to recover unreimbursed business expenses, unlawfully withheld wages for meal and rest break violations, unpaid wages for all hours worked, unpaid overtime, payroll reporting violations, waiting time penalties, as well as other statutory penalties and damages owed to the plaintiffs employed by, or formerly employed by Ryder". Plaintiff's PAGA Letter alleged: (1) misclassification as independent contractors, (2) failure to reimburse necessary business expenses, (3) failure to provide meal periods and/or pay premium pay in lieu thereof, (4) failure

to provide rest periods and/or pay premium pay in lieu thereof, (5) failure to pay wages for all hours worked, including minimum wages and overtime wages, (6) failure to provide accurate itemized wage statements, (7) failure to maintain records, (8) failure to timely pay all wages owed during employment, (9) failure to timely pay all wages owed upon termination of employment, (10) unlawful collection of wages from an employee, (11) secret payment of wages at a rate lower than designated by statute, and (12) unlawful demand, exact, or acceptance of a bond.

11. On June 6, 2024, my firm then filed a representative action complaint in Orange County Superior Court against Ryder, Case No. 30-2024-01405201-CU-OE-CXC, seeking penalties under PAGA on behalf of "[a]ll California drivers who performed work for Ryder from one (1) year prior to the date of the PAGA notice letter and continuing to the present." Specifically, Plaintiff's original complaint asserted claims for: (1) misclassification as independent contractors, (2) failure to reimburse necessary business expenses, (3) failure to provide meal periods and/or pay premium pay in lieu thereof, (4) failure to provide rest periods and/or pay premium pay in lieu thereof, (5) failure to pay wages for all hours worked, including minimum wages and overtime wages, (6) failure to provide accurate itemized wage statements, (7) failure to maintain records, (8) failure to timely pay all wages owed during employment, (9) failure to timely pay all wages owed upon termination of employment, (10) unlawful collection of wages from an employee, (11) secret payment of wages at a rate lower than designated by statute, and (12) unlawful demand, exact, or acceptance of a bond.

12. The time-intensive litigation started right away. On August 13, 2024, Ryder filed its Demurrer to Plaintiff's Complaint which Plaintiff opposed. On December 5, 2024, the Court sustained Ryder's Demurrer to Plaintiff's Complaint with leave to amend. On December 9, 2024, my firm filed a First Amended Complaint ("FAC") and added a retaliation claim under Labor Code Section 98.6; and (2) declaratory relief. These efforts required research on AB5, contract law, declaratory relief law, and the business-to-business exemption. My firm also had to manage and navigate Ryder's decision to terminate our client's contract. This required additional time and legal research.

13. On January 9, 2025, Plaintiff filed a Notice of Motion and Motion for Declaratory Relief. On January 17, 2025, Ryder filed its Demurrer to Plaintiff's FAC. These two motions again required significant time and resources. On July 24, 2025, the Court denied Plaintiff's Motion for Declaratory Relief and overruled Ryder's Demurrer to Plaintiff's FAC.

14. Then, after all the challenges to the pleadings were completed, Ryder filed its Answer to Plaintiff's FAC on August 4, 2025.

15. However, matters became more complicated when on August 4, 2025, Ryder filed a Cross-Complaint against SLG, Plaintiff's corporate entity, for breach of contract. Ob August 21, 2025, on behalf of SLG, my firm filed a Demurrer to Ryder's Cross-Complaint. On January 22, 2026, the Court overruled SLG's Demurrer.

16. On February 2, 2026, SLG filed its Answer to Ryder's Cross-Complaint.

17. The hard-fought litigation spanned 2 plus years and involved voluminous discovery requests, many long hours spent in meet and confer efforts, the coordination and execution of a *Bel-Aire West* notice, the exchange of the contact information of the aggrieved employees, several Case Management statements, and multiple motions including demurrers, cross-complaints, a motion for declaratory relief. Throughout this time, the Parties exchanged and reviewed thousands of documents.

18. Given the status of the pleadings and the Parties' imminent preparation for additional costly and extensive discovery work including depositions and motions to compel, the Parties decided to discuss settlement. The Parties then exchanged additional documents in preparation for mediation. The documents were focused on SLG, and information and documents to allow Plaintiff to make rough estimates of the potential penalties.

19. On July 24, 2026, following an informal exchange of documents and information related to the Carrier-Owner Driver Group Members, the Parties attended mediation with Mark LeHocky, an experienced wage and hour mediator at ADR Services. After extensive day-long negotiations where Plaintiff was present, the parties reached a settlement and signed a Memorandum of Understanding setting forth the general terms of the settlement on behalf of the Carrier-Owner Driver Group Members asserted in the Civil Action and Ryder's Cross-Complaint

against SLG. The parties spent the next month drafting and editing the final Settlement Agreement.

20. Plaintiff's Counsel expects to expend additional significant hours preparing and finalizing this motion and overseeing settlement implementation over the course the rest of this year.

PAGA PENALTIES

21. Based on general numbers provided by Ryder, my firm estimated that the potential PAGA penalties totaled $3,555,000 (11,850 work weeks x $100 x 3). Of course, these valuations were keyed on several assumptions favorable to Plaintiff: (1) Plaintiff would prevail on all Labor Code sections where Ryder argued that it had no liability as a matter of law; (2) Plaintiff would prove his numbers (counts) of violations for every Labor Code section at issue; (3) the courts would endorse Plaintiff's view permitting stacking of penalties; and (4) Plaintiff would overcome post-judgment appeals on novel legal questions related to the business-to-business exemption under AB5.

22. The global settlement amount of $725,000 (approximately 20% of maximum penalties) is therefore a very good result for Plaintiff and the other aggrieved employees, particularly given the present value of receiving these funds now as opposed to the prospect of litigation, which could easily result in many additional years of delay because of appeals.

23. This is an example of how, I believe, we have considered the best interests of the aggrieved employees and the enforcement principles underlying the PAGA. The terms of the settlement are fair. My office has reviewed and analyzed thousands of pages of documents, reviewed and analyzed the case law and legal defenses available under misclassification law and AB5, analyzed employment files including payroll records, and timekeeping records.

24. In the end, I believe that the terms of the settlement with immediate payout and no risk, as outlined in the moving papers, are good for the State and the other aggrieved employees. Based on the estimated 11,850 estimated Qualifying Weeks covering an estimated 195 Carrier-Owner Driver Group Members through June 5, 2026, which was utilized for purposes of mediation, the settlement represents approximately $61.18 per Qualifying Week. This figure is an

estimate based upon the raw data that Ryder and its lawyers have given to us, and net settlement of approx. $ 427,500.00.

25. In addition, the settlement is good for the State of California. Since Plaintiffs were prosecuting their Private Attorney General Act Claims ("PAGA") as a proxy for the state, the settlement provides that seventy-five percent of the civil penalties ($320,625.00) will be paid to the LWDA and 25% ($106,875.00) to the Carrier-Owner Driver Group Members, consistent with the PAGA statute. I have submitted a copy of the Settlement Agreement to the LWDA and will serve a copy of this Approval Motion to the agency for comment. I fully expect, based upon my many dealings with the LWDA, that they will be very happy with both our efforts and the amount they will be receiving in PAGA penalties.

26. This compares favorably to judgments in other PAGA cases whether obtained through settlement or post-trial award. In the PAGA settlement in *Doe v. Google*, Case No. CGC0160556167 (2023), the San Francisco Superior Court approved a $27 million settlement covering 96,939 aggrieved employees and 9,667,556 pay periods, a per pay period value of $2.79. In another case with similar claims, *Hamilton v. Juul Labs*, the federal district court approved a PAGA settlement of $2,219,981 ($34.00 per employee pay period), as compared to a maximum value of $97.5 million, and a provision allowing a large portion of the penalty amount to be forgiven if Juul complied with programmatic relief. *Hamilton v. Juul Labs, Inc.* (N.D. Cal., Nov. 16, 2021, No. 20-CV-03710-EMC) 2021 WL 5331451, at *11. Indeed, the settlement value obtained here ($61.18) per work week) for compares favorably to cases with wage-and-hour claims (*i.e.,* focused on employee misclassification) that do not present the same risks as this case. In *Stewart v. Hat World*, Case No. CIV533617 (2019) the San Mateo Superior Court approved a PAGA-only settlement of $2,750,000 for 45,000 pay periods, the equivalent of $61.11 per pay period. *Stewart* was a PAGA enforcement action alleging misclassification of an assistant store manager as an exempt employee and resulting meal and rest period, off-the-clock, and expense reimbursement violations.

27. Settlement is compromise. Here, the reasonableness of the settlement is underscored by the fact that the Court could issue a final judgment that largely reduces the total

PAGA penalties available to the Plaintiffs. While we disagree that reduction is appropriate, litigation would be costly and time consuming with appeals likely. In the end, we could lose our arguments, and the class could receive little money to redress their claims.

PARTICIPATION PAYMENT

28. We are seeking a $50,000 participation payment to Plaintiff Leaño. Plaintiff Leaño bravely began this litigation, despite still driving for Ryder. He took a significant risk in bringing this lawsuit and, as Plaintiff he even lost his contract with Ryder. Although Plaintiff was not deposed, he spent hours assisting my firm in investigating the claims by having long conservations with me and Aashish Desai and gathering and reviewing information for discovery. Plaintiff also assisted in preparing for mediation by providing information and being present during the full mediation day. Then Plaintiff had to face the stress and anxiety associated with Ryder's Cross-Complaint against SLG. SLG is run and owned by Plaintiff as his business. Ryder's Cross-Complaint threatened him and his business with potentially huge monetary exposure. This risk was compounded when the Court denied SLG's demurrer to the Cross-Complaint.

29. The suggested payment of $50,000 fairly compensates Plaintiff Leaño for the substantial assistance he provided to this firm, the State, and the personal risks he incurred. Thus, in my professional judgment, the proposed payment is appropriate and justified as part of the overall settlement and at no time did I advise Plaintiff Leaño that his entitlement to a service award was conditioned in any way on their support for the Settlement Agreement. Plaintiff Leaño has filed a declaration further detailing the support for his enhancement award.

CLAIMS ADMINISTRATION

30. I solicited and received bids from three class action Claims Administrators. Simpluris' bid was the most competitive. In addition, it served as the Parties' administrator for the *Bel-Aire West Notice* so it was familiar with the case and had performed an excellent job. Simpluris has agreed to be the Claims Administrator for this settlement.

CONCLUSION

31. The settlement was hard fought over 2 plus years and concludes complicated issues related to AB 5, the business-to-business exemption, contract law, and declaratory relief. The settlement resolves all the claims and cross-claims and will end this litigation once and for all with a substantial benefit to the State and the other aggrieved employees.

Under the penalty of perjury under the laws of the State of California and the United States of America that the above is true and accurate and if called upon to do so, I would, and could, so testify.

Executed this 21nd day of October 2026, in Costa Mesa, California.

/s/*Adrianne De Castro*
Adrianne De Castro, Declarant

EXHIBIT 1

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Exhibit 1

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into by and between Plaintiff Eudier Leaño ("Plaintiff"), an individual, on behalf of himself, all Carrier-Owner Driver Group Members, and the State of California as a private attorney general, Defendant and Cross-Complainant Ryder Last Mile, Inc. ("Ryder"), and Cross-Defendant SLG, LLC ("SLG").

I. REPRESENTATIONS AND DEFINITIONS

1. "Carrier-Owner Driver Group Member List" means the list of Carrier-Owner Driver Group Members that Ryder shall provide to the Settlement Administrator as described in Paragraph 68 below.

2. "Carrier-Owner Driver Group Members" means all California-based individuals who: (1) owned, were managing members, or were partners in a motor carrier company or partnership that had a contract with Ryder in California; and (2) actually drove at least one route providing services to Ryder, at any time during the Covered Period.

3. "Civil Action" means the lawsuit filed in the Superior Court of the State of California for the County of Orange, entitled *Eudier Leaño v. Ryder Last Mile, Inc.*, Orange County Superior Court Case No. 30-2024-01405201-CU-OE-CXC, including the operative First Amended Complaint ("FAC") and the Cross-Complaint styled *Ryder Last Mile, Inc., et al. v. SLG, LLC*.

4. "Counsel for Ryder" means Mara D. Curtis and Tanner J. Hendershot of Reed Smith LLP.

5. "Court" means the Superior Court of the State of California, County of Orange.

6. "Covered Claims" are defined in Paragraph 60 below.

7. "Covered Period" means the period from April 2, 2023 through the date of approval of this Settlement by the Court.

8. "Effective Date" means the first date upon which all of the following have occurred:

(i) This Settlement Agreement has been executed by all Parties and by PAGA Counsel and Counsel for Ryder;

(ii) The Court has approved the Settlement Agreement;

(iii) The Court has issued its Order and Judgment in accordance with the terms

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described herein;

(iv) In the event no appeal is filed, then sixty (60) days after the entry of the final order and judgment, or, if an appeal is filed, upon the final dismissal of the appeal, writ, or other appellate proceeding opposing the Settlement. In this regard, it is the intention of the Parties that the Settlement shall not become effective until the Court's Order approving the Settlement has become completely final, and there is no timely recourse by an appellant or objector who seeks to contest the Settlement;

(v) The Settlement Agreement, motion for approval of the Settlement, including all supporting papers, and final judgment have been submitted to the LWDA; and

(vi) The notice procedure to the Carrier-Owner Driver Group Members has been fully completed and any disputes arising therefrom have been resolved, which shall be confirmed to all Parties via email by the Settlement Administrator.

9. "Enhancement Award" means any payment to the Plaintiff for his service to the Carrier-Owner Driver Group Members and in exchange for the general release as set forth in Paragraph 61, which is in addition to whatever payments he may otherwise be entitled to as a Carrier-Owner Driver Group Member.

10. "Gross Settlement Amount" means the maximum amount of Seven Hundred and Twenty-Five Thousand Dollars and No Cents ($725,000.00) that Ryder shall be required to pay under this Settlement Agreement.

11. "Individual Settlement Payment(s)" means the amount payable from the Net Settlement Amount to an individual Carrier-Owner Driver Group Member.

12. "LWDA" means the California Labor & Workforce Development Agency.

13. "Net Settlement Amount" means the amount of money remaining after PAGA Counsel's attorneys' fees and costs, the settlement administration costs, and the Enhancement Award are deducted from the Gross Settlement Amount.

14. "Order and Judgment" means the order and judgment to be entered by the Court granting approval of the Settlement Agreement as binding upon the Parties, the State of California

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acting by and through the LWDA, and the Carrier-Owner Driver Group Members.

15. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, codified at Labor Code Sections 2698, *et seq.*

16. "PAGA Counsel" means Aashish Y. Desai and Adrianne De Castro of Desai Law Firm, PLLC.

17. "PAGA Letter" means the letter dated April 2, 2024 that Plaintiff caused to be sent to the LWDA and Ryder stating his intent to pursue a representative action pursuant to PAGA on behalf of himself and the State of California as well as on behalf of a proposed group of Carrier-Owner Driver Group Members.

18. "Parties" means Plaintiff, Ryder, and SLG, collectively.

19. "Party" means Plaintiff, Ryder, or SLG, individually.

20. "Plaintiff" means named Plaintiff Eudier Leaño.

21. "Qualifying Weeks" means the total number of weeks in which Ryder's records show that the Carrier-Owner Driver Group Member actually drove a route during the Covered Period.

22. "Released Parties" means Ryder Last Mile, Inc., Ryder System, Inc., Ryder Integrated Logistics, Inc., Ryder Truck Rental, Inc., Ryder Transportation Solutions, LLC, TPE Acquisition, LLC, and each of their present and former parents, subsidiaries, divisions, affiliates, acquired companies, and each of their respective present and former officers, directors, employees, partners, shareholders, agents, trustees, representatives, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities, and any individual or entity that could be jointly liable with any of the foregoing.

23. "Ryder" means Defendant and Cross-Complainant Ryder Last Mile, Inc.

24. "Settlement" means the resolution of the Civil Action and PAGA Letter as set forth in this Settlement Agreement.

25. "Settlement Administrator" means Simpluris, Inc.

26. "Settlement Agreement" means the terms and conditions set forth in this Settlement Agreement.

27. "SLG" means Cross-Defendant SLG, LLC.

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28. "Week Value" means the gross amount that a Carrier-Owner Driver Group Member shall receive for each of the Qualifying Weeks. The Week Value shall be determined as described in Paragraph 52 below.

II. NATURE OF ACTION

29. On April 2, 2024, Plaintiff sent a letter to the LWDA and Ryder stating his intent to pursue a representative action pursuant to PAGA on behalf of himself and the State of California as well as on behalf of a group of individuals defined as "**all** California-based truck drivers and other aggrieved employees to recover unreimbursed business expenses, unlawfully withheld wages for meal and rest break violations, unpaid wages for all hours worked, unpaid overtime, payroll reporting violations, waiting time penalties, as well as other statutory penalties and damages owed to the plaintiffs employed by, or formerly employed by Ryder". Specifically, Plaintiff's PAGA Letter alleges: (1) misclassification as independent contractors, (2) failure to reimburse necessary business expenses, (3) failure to provide meal periods and/or pay premium pay in lieu thereof, (4) failure to provide rest periods and/or pay premium pay in lieu thereof, (5) failure to pay wages for all hours worked, including minimum wages and overtime wages, (6) failure to provide accurate itemized wage statements, (7) failure to maintain records, (8) failure to timely pay all wages owed during employment, (9) failure to timely pay all wages owed upon termination of employment, (10) unlawful collection of wages from an employee, (11) secret payment of wages at a rate lower than designated by statute, and (12) unlawful demand, exact, or acceptance of a bond.

30. On June 6, 2024, Plaintiff filed a representative action complaint in Orange County Superior Court against Ryder, Case No. 30-2024-01405201-CU-OE-CXC, seeking penalties under PAGA on behalf of "[a]ll California drivers who performed work for Ryder from one (1) year prior to the date of the PAGA notice letter and continuing to the present." Specifically, Plaintiff's original complaint asserted claims for: (1) misclassification as independent contractors, (2) failure to reimburse necessary business expenses, (3) failure to provide meal periods and/or pay premium pay in lieu thereof, (4) failure to provide rest periods and/or pay premium pay in lieu thereof, (5) failure to pay wages for all hours worked, including minimum wages and overtime wages, (6) failure to provide accurate itemized wage statements, (7) failure to maintain records, (8) failure to timely pay all wages

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owed during employment, (9) failure to timely pay all wages owed upon termination of employment, (10) unlawful collection of wages from an employee, (11) secret payment of wages at a rate lower than designated by statute, and (12) unlawful demand, exact, or acceptance of a bond.

31. On August 13, 2024, Ryder filed its Demurrer to Plaintiff's Complaint. On December 5, 2024, the Court sustained Ryder's Demurrer to Plaintiff's Complaint with leave to amend.

32. On December 9, 2024, Plaintiff filed his First Amended Complaint ("FAC"), in which he added two additional claims: (1) retaliation under Labor Code Section 98.6; and (2) declaratory relief.

33. On January 9, 2025, Plaintiff filed a Notice of Motion and Motion for Declaratory Relief.

34. On January 17, 2025, Ryder filed its Demurrer to Plaintiff's FAC.

35. On July 24, 2025, the Court denied Plaintiff's Motion for Declaratory Relief and overruled Ryder's Demurrer to Plaintiff's FAC.

36. On August 4, 2025, Ryder filed its Answer to Plaintiff's FAC.

37. On August 4, 2025, Ryder filed its Cross-Complaint against SLG for breach of contract. On August 21, 2025, SLG filed its Demurrer to Ryder's Cross-Complaint. On January 22, 2026, the Court overruled SLG's Demurrer.

38. On February 2, 2026, SLG filed its Answer to Ryder's Cross-Complaint.

39. On July 24, 2026, following an informal exchange of documents and information related to the Carrier-Owner Driver Group Members, the Parties attended mediation with Mark LeHocky, an experienced wage and hour mediator. At the end of the mediation, the Parties achieved a settlement in principle to resolve the claims of the Carrier-Owner Driver Group Members asserted in the Civil Action. This settlement in principle was subsequently memorialized in a memorandum of understanding between the Parties.

40. Ryder vehemently denies that any penalties or any relief of any kind should be awarded for the claims alleged in the Civil Action and/or the PAGA Letter, including for the Covered Claims, and further deny that this Civil Action is appropriate for representative treatment for any purpose other than settling this Civil Action.

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41. Neither the existence of this Settlement Agreement, anything contained in this Settlement Agreement, nor any further proceedings emanating therefrom shall be construed or deemed as an admission of liability, culpability, negligence, or wrongdoing on the part of any of the Released Parties. Nothing herein shall constitute an admission by any of the Released Parties that the Civil Action was properly brought as a representative action, other than for settlement purposes. Settlement of the Civil Action, the negotiation and execution of this Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement or the settlement of the Civil Action: (a) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of any of the Released Parties or of the truth of any of the factual allegations in the operative complaint in the Civil Action; (b) are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omissions on the part of any of the Released Parties in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal; (c) are not, shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for representative treatment, or administration other than for purposes of administering this Settlement as memorialized in this Settlement Agreement; and (d) shall not constitute or be deemed a waiver of any of the Released Parties' right to compel arbitration of any dispute with the Carrier-Owner Driver Group Members that are not the subject of the releases in this Settlement Agreement.

42. The Parties recognize that the issues presented in the Civil Action are likely only to be resolved with extensive and costly trial proceedings and expert analysis, and that further litigation will cause inconvenience, distraction, disruption, delay and expense disproportionate to the potential benefits of litigation. The Parties have taken into account the risk and uncertainty of the outcome inherent in any litigation.

43. Plaintiff and PAGA Counsel have diligently pursued an investigation of the Carrier-Owner Driver Group Members' claims against Ryder.

44. Based on their own independent investigations and evaluations, the Parties and their counsel are of the opinion that settlement for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, adequate, and is in the best interests of Plaintiff, the Carrier-

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Owner Driver Group Members, Ryder, and SLG in light of all known facts and circumstances and the risks inherent in litigation, including potential appellate issues.

45. The purpose of this Settlement is to settle and compromise the Civil Action, and all Covered Claims that Plaintiff, SLG, the Carrier-Owner Driver Group Members, and the State of California may have against the Released Parties.

III. TERMS OF SETTLEMENT

46. In consideration of the mutual covenants, promises and representations set forth in this Settlement Agreement, Plaintiff, on behalf of himself, the State of California, and all Carrier-Owner Driver Group Members, SLG, and Ryder agree to settle and compromise the Civil Action and the Covered Claims.

A. The Amount of Settlement

47. As consideration for the Settlement described herein and the release contained in this Settlement Agreement, Ryder agrees to pay the Gross Settlement Amount of **$725,000.00**. The Gross Settlement Amount will include:

(i) Settlement administration costs estimated to be approximately **$5,000.00**;

(ii) PAGA Counsel's litigation costs of up to **$25,000.00,** subject to Court approval;

(iii) PAGA Counsel's attorneys' fees of 30% of the Gross Settlement Amount **($217,500.00)** subject to Court approval;

(iv) **$50,000.00** to Plaintiff as an enhancement and as consideration in exchange for a general release of all claims including his individual retaliation, declaratory relief, and/or individual wage claims alleged in the Civil Action;

48. The Net Settlement Amount of approximately **$427,500.00** to be divided between the LWDA and the Carrier-Owner Driver Group Members as required by Labor Code Section 2699(i), with **$320,625.00** (75%) going to the LWDA and **$106,875.00** (25%) going to the Carrier-Owner Driver Group Members.[1]

[1] Plaintiff's PAGA Letter was submitted to the LWDA on April 2, 2024. Under the operative version of PAGA at that time, any settlement reached required 75% of the proceeds to be provided to the LWDA and the remaining 25% to the Carrier-Owner Driver Group Members. *See* Cal. Lab. Code § 2699(i) (2024).

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49. If the actual amount of claims administration, litigation costs and/or attorneys' fees are less or more than the amounts set forth above, those funds shall be added to or subtracted from the Net Settlement Amount for allocation to the LWDA and the Carrier-Owner Driver Group Members. Under no circumstances will the total amount of the Gross Settlement Amount exceed **$725,000.00**.

50. The Settlement Administrator shall be authorized to establish a Qualified Settlement Fund ("QSF") pursuant to Internal Revenue Service ("IRS") rules and regulations in which the Gross Settlement Amount shall be placed and from which payments required by the Settlement Agreement shall be made.

B. Allocation of the Net Settlement Amount

51. The asserted claims in the Civil Action may be difficult to quantify and are subject to disputed calculations and formulas. Plaintiff and Ryder agree that the formula for allocating Individual Settlement Payments to Carrier-Owner Driver Group Members provided herein is reasonable and that the Individual Settlement Payments are designed to provide a fair settlement, despite the uncertainties of the amount allegedly owed and the calculation of the same.

52. Each Carrier-Owner Driver Group Member shall receive a portion of the Net Settlement Amount. 75% of the Net Settlement Amount shall be paid to the LWDA. The remaining 25% of the Net Settlement Amount shall be divided by the total number of Qualifying Weeks for all Carrier-Owner Driver Group Members. The result of this division shall yield a Week Value. The gross amount of each Individual Settlement Payment shall be calculated by multiplying the number of Qualifying Weeks worked by the Carrier-Owner Driver Group Member by the Week Value.

C. PAGA Counsel's Fees and Costs.

53. As part of the request for approval of this Settlement, PAGA Counsel will request court approval of attorneys' fees of **$217,500.00**, which is 30% of the Gross Settlement Amount, and reimbursement of already-incurred costs of up to **$25,000.00**. Ryder will not oppose PAGA Counsel's request for attorneys' fees and costs. Should PAGA Counsel request a lesser amount for attorneys' fees and costs and/or the Court approve a lesser amount, the difference shall be considered part of, and added to, the Net Settlement Amount. Any attorneys' fees and costs awarded to PAGA Counsel shall fully compensate and reimburse PAGA Counsel for any and all work already performed in connection

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with the Civil Action and all work remaining to be performed in fully and finally resolving the Civil Action. The Parties agree that any award of attorneys' fees and costs shall not increase the total amount of the Gross Settlement Amount.

D. Tax Treatment of Individual Settlement Payments to Carrier-Owner Driver Group Members.

54. The Parties agree that the Individual Settlement Payments to Carrier-Owner Driver Group Members will be characterized 100% as penalties and the Settlement Administrator shall issue IRS Forms 1099 if necessary. The Released Parties shall not be required to provide any additional form of compensation to any Carrier-Owner Driver Group Member as a result of this allocation of the Individual Settlement Payments. Each Carrier-Owner Driver Group Member shall be responsible for paying all applicable state, local, and/or federal income taxes on all amounts the Carrier-Owner Driver Group Member receives pursuant to this Settlement Agreement. The Released Parties are not responsible for any employee tax obligations regarding the allocation of the Individual Settlement Payments.

55. Payments made to Plaintiff or the Carrier-Owner Driver Group Members pursuant to this Settlement are not intended to count as wages earned by Plaintiff or the Carrier-Owner Driver Group Members.

56. It is expressly understood and agreed that the receipt of an Individual Settlement Payment shall not entitle any Carrier-Owner Driver Group Member to additional compensation or benefits under any company bonus, contest, or other compensation, benefit plan, or agreement in place during the Covered Period, nor shall it entitle any Carrier-Owner Driver Group Member to any increased retirement, 401(k) or matching benefits, or deferred compensation benefits. The Parties agree that any Individual Settlement Payments made to Carrier-Owner Driver Group Members under the terms of this Settlement Agreement shall not represent any modification of previously credited length of service or other eligibility criteria under any bonus plan, employee pension benefit plan or employee welfare plan sponsored by any of the Released Parties, or to which any of the Released Parties are required to make contributions. Further, any Individual Settlement Payments made under this Settlement Agreement shall not be considered compensation in any year for purposes of

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determining eligibility for, or benefit accrual within, any employee pension benefit plan or employee welfare benefit plan sponsored by any of the Released Parties or to which any of the Released Parties are required to make contributions. It is the Parties' intent that the Individual Settlement Payments provided for in the Settlement Agreement are the sole payments to be made by any of the Released Parties to the Carrier-Owner Driver Group Members, and that the Carrier-Owner Driver Group Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments, notwithstanding any contrary terms in any agreement, contract, benefit or compensation plan document that might have been in effect during the Covered Period.

E. Taxes and Withholding and Indemnification.

57. The Settlement Administrator shall be responsible for ensuring that all tax obligations associated with the Settlement are timely paid to the appropriate governmental taxing authorities.

The Settlement Administrator's responsibilities include the following:

(i) filing all federal, state, and local tax returns associated with the taxes;

(ii) timely and proper filing of all required federal, state and local information returns (*e.g.*, 1099s, etc.); and

(iii) completion of any other steps necessary for compliance with any tax obligations applicable to payments made under this Settlement Agreement under federal, state, and/or local law.

58. Each Party to this Settlement Agreement acknowledges and agrees that:

(i) No provision of this Settlement Agreement and no written communication or disclosure between or among the Parties or their attorneys or 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 Department Circular 230 (31 CFR Part 10, as amended);

(ii) Each Party (a) has relied exclusively upon his or its own, independent legal and tax advisers for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the

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recommendation of any other party or any attorney or adviser to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other Party to avoid any tax penalty that may be imposed on him or it; and

(iii) No attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by him or it of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

59. PAGA Counsel assumes full responsibility and liability for taxes owed on attorneys' fees awarded to PAGA Counsel and costs awarded to PAGA Counsel. PAGA Counsel further holds Ryder and the Released Parties harmless, and indemnifies Ryder and the Released Parties, from any dispute or controversy regarding any award of attorneys' fees and/or costs pursuant to this Settlement Agreement.

IV. RELEASE

A. Release By All Carrier-Owner Driver Group Members of Covered Claims

60. As of the Effective Date, each of the Carrier-Owner Driver Group Members (including Plaintiff on behalf of himself, the State of California, and all Carrier-Owner Driver Group Members), individually and on behalf of all their respective affiliated business entities (if any), successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully release and forever discharge the Released Parties from any and all claims, causes of action, demands, rights, liabilities, penalties, attorneys' fees, costs, damages, interest, restitution, and/or liability of any kind under PAGA, whether known or unknown, that were or could have been asserted against any of the Released Parties in the Civil Action or PAGA Letter or based on any facts discovered in the course of the litigation of the Civil Action. This includes, but may not be limited to, claims for penalties based upon alleged misclassification as independent contractors, failure to reimburse necessary business expenses, failure to provide meal periods and/or pay premium pay in lieu thereof, failure to provide rest periods and/or pay premium pay in lieu thereof, failure to pay wages for all hours worked, including minimum

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wages and overtime wages, failure to provide accurate itemized wage statements, failure to maintain records, failure to timely pay all wages owed during employment, failure to timely pay all wages owed upon termination of employment, unlawful collection of wages from an employee, secret payment of wages at a rate lower than designated by statute, unlawful demand, exact, or acceptance of a bond, and violations of California Labor Code Sections 98.6, 201-203, 204, 218, 218.6, 221-223, 226, 226.2, 226.3, 226.7, 400-410, 500, 510, 512, 558, 1174, 1174.5, 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, *et seq.*, 2699.3, 2699.5, 2775, *et seq.*, 2802-2804; all claims for declaratory relief; all applicable IWC Wage Orders; as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letter that Plaintiff sent to the LWDA ("Covered Claims"). This release shall extend to all such claims arising from or relating to any and all acts, events and omissions that occurred and/or accrued during the Covered Period.

B. Release by Plaintiff Eudier Leaño

61. Upon final approval of the Settlement Agreement, Plaintiff Eudier Leaño, for himself, his successors, assigns, agents, executors, heirs and personal representatives, spouse and attorneys, and any and all of them, voluntarily and with the advice of counsel, waives and releases any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against any of the Released Parties of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any and all acts, events and omissions occurring prior to the date of final approval of this Settlement Agreement including, but not limited to, all claims which relate in any way to his alleged employment with any of the Released Parties, as well as all claims which were or could have been brought in connection with the Civil Action and the PAGA Letter against any of the Released Parties. Plaintiff further releases all unknown claims against any of the Released Parties, covered by California Civil Code Section 1542, which states: **"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,**

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if known by him or her, would have materially affected his or her settlement with the debtor or released party."

C. Release by Defendant and Cross-Complainant Ryder Last Mile, Inc.

62. Upon final approval of the Settlement Agreement, Ryder does hereby absolutely, fully and forever release, relieve, waive, relinquish, remise, acquit, satisfy and discharge SLG from any and all claims, obligations, demands, actions, rights, causes of action, and liabilities of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, relating to the Civil Action and the Cross-Complaint for breach of contract against SLG or in any way related to Plaintiff's or SLG's relationship with Ryder. Ryder further releases all unknown claims against SLG, covered by California Civil Code Section 1542, which states: **"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."** Excepted from this release, however, are any claims by Ryder and/or the Released Parties against SLG for indemnity, contribution, breach of contract, or other claims related to a potential third-party claim in any way related to Plaintiff's or SLG's relationship with Ryder. This includes, but is not limited to, a discrimination claim made by an individual allegedly employed by SLG against Ryder and/or SLG.

D. Release by Cross-Defendant SLG, LLC

63. Upon final approval of the Settlement Agreement, SLG and its respective current, former and future affiliates, subsidiaries, parent corporations, divisions, subdivisions, departments, nominees and vendors, each of their respective officers (whether acting in such capacity or individually), past, present and future directors, shareholders, members, owners, partners, joint venturers, principals, trustees, creditors, agents, servants, managers, insurers, representatives, predecessors, successors, assigns and assignees, attorneys or any agent acting or purporting to act for them or on their behalf, and each of them respectively, voluntarily and with the advice of counsel, waives and releases any and all claims, obligations, demands, actions, rights, causes of action, and

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liabilities against any of the Released Parties of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, constitution, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all claims arising from or relating to any and all acts, events and omissions occurring prior to the date of final approval of this Settlement Agreement including, but not limited to, all claims which relate in any way to its contractual relationship with Ryder and/or any of the Released Parties, as well as all claims which were or could have been brought in connection with the Civil Action and the PAGA Letter against any of the Released Parties. SLG further releases all unknown claims against any of the Released Parties, covered by California Civil Code Section 1542, which states: **"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."**

V. ENHANCEMENT AND CONSIDERATION

64. As part of the Settlement, Plaintiff shall request that the Court award Fifty Thousand Dollars and No Cents ($50,000.00) from the Gross Settlement Amount, which Ryder shall not oppose. The Enhancement Award is to compensate the Plaintiff for the risk, time, and expense of his involvement in the Civil Action and securing the benefits of this Settlement Agreement for Carrier-Owner Driver Group Members, and as consideration in exchange for the general release in Paragraph 61. The Enhancement Award is in addition to the Individual Settlement Payment that Plaintiff would otherwise be due under the Settlement Agreement as a Carrier-Owner Driver Group Member.

VI. DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

65. Plaintiff will schedule a hearing before the Court and file and serve a Motion to Approve PAGA Settlement. PAGA Counsel will be responsible for drafting all documents necessary to obtain approval of the Settlement Agreement, subject to reasonable approval by Ryder. Plaintiff shall provide a draft of the Motion to Approve PAGA Settlement to Counsel for Ryder at least fourteen (14) working days prior to the filing deadline. Ryder and SLG agree not to challenge or otherwise oppose Plaintiff's Motion to Approve PAGA Settlement. PAGA Counsel agrees to submit Plaintiff's

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Motion to Approve PAGA Settlement, all accompanying papers, and this Settlement Agreement to the LWDA at the time that it is submitted to the Court for approval.

66. Plaintiff shall file and serve a Proposed Order to Approve PAGA Settlement and a Proposed Judgment concurrently with the Motion to Approve PAGA Settlement in the forms attached hereto as **Exhibit B** and **Exhibit C**, respectively.

67. Because this Settlement Agreement must be approved by the Court, Plaintiff, SLG, and Ryder enter into this Settlement Agreement on a conditional basis. If the Court, or any other court, agency or tribunal taking jurisdiction over this matter, does not approve all material aspects of the Settlement Agreement or makes any ruling substantially altering the material terms of the Settlement Agreement, the Settlement Agreement shall be voidable and unenforceable as to Plaintiff, SLG, and Ryder, at the option of any Party. Under these circumstances only, any Party may exercise his or its option to void this Settlement Agreement by giving notice, in writing, to the other Parties and to the Court at any time before approval by the Court of this Settlement. The request for attorneys' fees and costs shall not be considered material term(s) of this Settlement Agreement. In the event that the Effective Date does not occur: (i) this Settlement Agreement shall be considered null and void; (ii) neither this Settlement Agreement nor any of the related negotiations or proceedings shall be of any force or effect nor shall they be referred to or utilized for any purpose; and (iii) all Parties to this Settlement Agreement shall stand in the same position, without prejudice, as if the Settlement Agreement had been neither entered into nor filed with the Court.

VII. DUTIES AFTER COURT APPROVAL AND ADMINISTRATION OF THE SETTLEMENT

68. Within sixty-five (65) calendar days after the Court enters the Order and Judgment, Ryder will send the Carrier-Owner Driver Group Member List to the Settlement Administrator, containing each Carrier-Owner Driver Group Member's: (1) full name; (2) last known address; (3) total number of Qualifying Weeks; and (4) social security number, if known. Ryder shall transmit the Carrier-Owner Driver Group Member List in Microsoft Office Excel format to the Settlement Administrator. This data shall only be used by the Settlement Administrator for the purpose of calculating the Individual Settlement Payments and notifying the Carrier-Owner Driver Group

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Members of the Settlement. This data shall not be disclosed to PAGA Counsel, the Plaintiff, or any other Carrier-Owner Driver Group Members without the written consent of Ryder or order by the Court. The Settlement Administrator shall be responsible for following all privacy laws and taking appropriate steps to ensure that Carrier-Owner Driver Group Member's personal information is safeguarded and protected from improper disclosure or use.

69. Within seventy (70) calendar days after the Court enters the Order and Judgment, the Settlement Administrator shall send an email to the Parties confirming receipt of the Carrier-Owner Driver Group Member list.

70. Within seventy-five (75) calendar days after the Court enters the Order and Judgment, the Settlement Administrator shall cross-reference all the addresses provided in the Carrier-Owner Driver Group Member List with the United States Postal Service NCOA database (which provides updated addresses for any individual who has moved in the previous four years who has notified the U.S. Postal Service of a forwarding address) to obtain current address information.

71. Within ninety (90) calendar days after the Court enters the Order and Judgment, the Settlement Administrator shall mail a letter approved by the Parties and the Court to the Carrier-Owner Driver Group Members. The letter, which will be substantially in the form of **Exhibit A** hereto, will explain the terms of the Settlement Agreement, and will notify each Carrier-Owner Driver Group Member of the binding nature of the release and of the number of Qualifying Weeks that Ryder's records show for the Carrier-Owner Driver Group Member during the Covered Period. Carrier-Owner Driver Group Members may dispute their number of Qualifying Weeks during the Covered Period by notifying the Settlement Administrator of their dispute in writing, signed under penalty of perjury, and by providing any evidence supporting their dispute in a written statement postmarked within twenty (20) calendar days of the date of mailing of the letter. The Settlement Administrator will notify Counsel for Ryder and PAGA Counsel of any dispute raised by any Carrier-Owner Driver Group Member, or any claim by anyone purporting to be a Carrier-Owner Driver Group Member, no later than two (2) business days after receiving notice of the dispute. In the case of a dispute, Ryder's records shall be presumed accurate unless clear and compelling documentary evidence is provided by the Carrier-Owner Driver Group Member to the Settlement Administrator that establishes that a

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mistake was made by Ryder. The Settlement Administrator shall investigate the dispute, and make the final determination of whether any additional amount is owed within ten (10) calendar days of receiving the dispute. In no case shall a dispute result in payment by Ryder in excess of the Gross Settlement Amount. The Settlement Administrator shall promptly notify Counsel for Ryder and PAGA Counsel via email once all disputes regarding the Carrier-Owner Driver Group Members' Qualifying Weeks, if any, have been resolved.

72. Within forty-five (45) calendar days after the Effective Date, Ryder shall transmit the Gross Settlement Amount due under this Settlement Agreement to the Settlement Administrator.

73. Within seventy-five (75) calendar days after the Effective Date, the Settlement Administrator shall transmit 75% of the Net Settlement Amount to the LWDA and shall transmit attorneys' fees and costs to PAGA Counsel.

74. Within seventy-five (75) calendar days after the Effective Date, the Settlement Administrator shall mail via U.S. First Class mail each Individual Settlement Payment to each Carrier-Owner Driver Group Member's last known address with directions to the Postmaster to deliver the checks to any applicable forwarding address and to return all undeliverable checks to the Settlement Administrator. It will be conclusively presumed that a Carrier-Owner Driver Group Member's Individual Settlement Payment was received if the check has not been returned within thirty (30) calendar days of the original mailing of the check. The date of the initial mailing of the check shall be conclusively determined according to the records of the Settlement Administrator.

75. Any Individual Settlement Payment that remains uncashed after one hundred and eighty (180) days of disbursement shall be void. The Parties agree that this disposition results in no "unpaid cash residue," or "unclaimed or abandoned funds" under California Code of Civil Procedure section 384, as amended effective June 27, 2018, as the entire Net Settlement Amount will be paid out to the Carrier-Owner Driver Group Members, whether or not they cash their payment checks. The entire amount of each Carrier-Owner Driver Group Member's uncashed settlement check(s) shall be turned over to the California State Controller's Office in the name of the individual Carrier-Owner Driver Group Member. The Parties acknowledge that California Civil Procedure Code section 384 and the Doctrine of Cy Pres are not applicable to this Settlement Agreement because the terms of the

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Settlement Agreement expressly provide for the disposition of the entire Net Settlement Amount, whether claimed or unclaimed. None of the settlement funds will revert back to Ryder. Ryder shall not be liable for any additional amount due to this subsequent distribution. In any event, the Carrier-Owner Driver Group Members nonetheless shall be bound by the release of Covered Claims and the terms of this Settlement Agreement.

76. Upon completion of administration of the Settlement Agreement, the Settlement Administrator will provide a written declaration under oath to certify such completion to counsel for all Parties.

VIII. SUFFICIENT NOTICE

77. The Parties agree that compliance with the procedures described in this Settlement Agreement constitutes due and sufficient notice to the Carrier-Owner Driver Group Members of this Settlement, and satisfies the requirements of due process, and that nothing else shall be required to provide notice of this Settlement Agreement to the Carrier-Owner Driver Group Members.

IX. PARTIES' AUTHORITY

78. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

X. MUTUAL FULL COOPERATION

79. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, PAGA Counsel shall, with the assistance and cooperation of Ryder and its counsel, take all necessary steps to secure the approval of this Settlement from the Court.

XI. NO PRIOR ASSIGNMENTS

80. The Parties hereto represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any

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person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged except as set forth herein.

XII. NO ADMISSION

81. Nothing contained herein shall be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of any of the Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience and expenses.

XIII. NON-EVIDENTIARY USE

82. Whether or not the Effective Date occurs, neither this Settlement Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Civil Action, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Settlement Agreement or for Ryder to establish that a Carrier-Owner Driver Group Member has resolved any of his/her claims released through this Settlement Agreement.

XIV. ATTORNEYS' FEES, COSTS AND EXPENSES

83. No Party shall be considered a prevailing party for any purpose. Except as specifically set forth herein, each Party shall bear its/her own attorneys' fees, costs and expenses, taxable or otherwise, incurred by him/it arising out of the Civil Action, and shall not seek reimbursement thereof from any other Party to this Settlement Agreement.

XV. CONSTRUCTION

84. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Settlement Agreement constitutes the entire agreement between the Parties regarding actual or potential claims asserted by Plaintiff against the Released Parties and/or Ryder against SLG in the Civil Action. This

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Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Settlement Agreement.

XVI. CALIFORNIA LAW

85. All terms of this Settlement Agreement and its exhibits shall be governed and interpreted by and according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

XVII. CAPTIONS AND INTERPRETATIONS

86. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

XVIII. MODIFICATION

87. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

XIX. NO INDUCEMENTS

88. Plaintiff, SLG, and Ryder acknowledge that they are entering into this Settlement Agreement as a free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever, and that neither Plaintiff, SLG, nor Ryder have relied on any promises, representations or warranties regarding the subject matter hereof other than as set forth in this Settlement Agreement.

XX. INTEGRATION CLAUSE

89. This Settlement Agreement contains the entire agreement between the Parties relating to the Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

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XXI. BINDING ON ASSIGNS

90. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

XXII. COUNTERPARTS

91. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and effective as to all Parties. The counterparts may be transmitted electronically by Portable Document Format (.pdf) ("PDF") or by facsimile, and facsimile or PDF signatures shall be valid as original signatures.

XXIII. ENFORCEABILITY

92. The Parties agree that upon approval by the Court, this Settlement Agreement shall be enforceable by the Court, and the Court shall retain jurisdiction over the Civil Action and Parties for purposes of enforcing the Settlement Agreement and resolving any disputes relating to the Settlement Agreement.

XXIV. SUBMISSION OF COURT'S JUDGMENT OR ORDERS TO LWDA

93. PAGA Counsel agrees to submit Plaintiff's Motion for Approval of PAGA Settlement, including this Settlement Agreement and all accompanying papers in support thereof, to the LWDA at the time that it is submitted to the Court for approval pursuant to the applicable provision of PAGA. PAGA Counsel shall also submit a copy of the Court's Order and Judgment to the LWDA within ten (10) days after entry of the Order and Judgment in accordance with the applicable provision of PAGA. In the event that the Settlement is not approved by the Court, PAGA Counsel will make all required submissions to the LWDA in accordance with the applicable provision of PAGA. PAGA Counsel further agrees to submit a copy of the Court's judgment in this action and any other order in this action that either provides for or denies an award of civil penalties within 10 days after entry of the judgment or order.

XXV. ADMINISTRATIVE COSTS IF SETTLEMENT FAILS

94. If the Settlement is not approved by the Court, voided or rescinded, any costs incurred

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by the Settlement Administrator shall be paid: (1) in the event that a Party voids or rescinds the Settlement Agreement, by the Party voiding or rescinding the Settlement; or (2) in the event not approved by the Court or otherwise voided or rescinded, equally by the Parties (one-half by Plaintiff/SLG and/or PAGA Counsel and the other half by Ryder).

XXVI. ORDER AND JUDGMENT

95. Upon approval of the Settlement Agreement, an Order and Judgment shall be entered by the Court, which shall, among other things:

i. Grant approval to the Settlement as fair, reasonable, adequate, in good faith, and in the best interests of the Carrier-Owner Driver Group Members as a whole, and order the Parties to carry out the provisions of this Settlement Agreement.

ii. Adjudge that the Carrier-Owner Driver Group Members and the LWDA are conclusively deemed to have released the Covered Claims, as more specifically set forth above.

iii. Prohibit and permanently enjoin each Carrier-Owner Driver Group Member, and the LWDA from pursuing in any fashion against any of the Released Parties any and all of the Covered Claims.

iv. Reserve continuing jurisdiction as provided herein.

XXVII. LIMITATIONS ON DISCLOSURE

96. Plaintiff, Ryder, and SLG, and their respective counsel agree that (except for purposes of enforcement) they shall not issue, post, or otherwise publish or cause to be published any press, internet, or other media (including social media) release regarding this Settlement. Plaintiff, Ryder, SLG, and their respective counsel agree that they shall not respond substantively to any press or other media inquiry or otherwise communicate with the press or media regarding this Settlement, nor utilize it in any way in their marketing or advertising materials or website. Notwithstanding the above, PAGA Counsel and Counsel for Ryder may communicate to any court, tribunal, or administrative agency, including the LWDA, the terms of the Settlement Agreement for purposes of approval of this Settlement and/or for purposes of enforcement of the Settlement.

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Exhibit 1

97. This Settlement Agreement, the Settlement, and any proceedings or actions or negotiations in connection therewith shall be deemed settlement communications covered by California Evidence Code Sections 1115-1128, 1152-1154, Federal Rule of Evidence 408, and any other similar provisions or law, and shall not be construed as an admission of truth of any allegation or the validity of any cause of action or claim asserted or of any liability therein.

I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: 9/29/2026

DocuSigned by:
D1C364BDC23E334EE...
Plaintiff Eudier Leaño for himself and Cross-Defendant SLG, LLC

DATED: _____

RYDER LAST MILE, INC.

_____
Heather Gatley
VP & Deputy General Counsel, Global Labor & Employment, Ryder System, Inc.
On Behalf of Defendant Ryder Last Mile, Inc.

APPROVED AS TO FORM AND CONTENT:

Dated: 09/29/26

DESAI LAW FIRM, PLLC

By: _____
Aashish V. Desai
Adrianne De Castro
Attorneys for Plaintiff Eudier Leaño and Cross-Defendant SLG, LLC

Dated: _____

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Docusign Envelope ID: 6B4C107D-02FC-8367-80A1-353D4841658A

Exhibit 1

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I HAVE READ THE FOREGOING SETTLEMENT AND RELEASE. I ACCEPT AND AGREE TO THE PROVISIONS IT CONTAINS, AND HEREBY EXECUTE IT VOLUNTARILY WITH FULL UNDERSTANDING OF ITS CONSEQUENCES.

DATED: _____

_____
Plaintiff Eudier Leaño for himself and
Cross-Defendant SLG, LLC

DATED: 9/25/2026 | 6:36:08 PM PDT

RYDER LAST MILE, INC.

DocuSigned by:
_____
FA2FF970136140B...
Heather Gatley
VP & Deputy General Counsel, Global Labor & Employment, Ryder System, Inc.
On Behalf of Defendant Ryder Last Mile, Inc.

APPROVED AS TO FORM AND CONTENT:

Dated: _____

DESAI LAW FIRM, PLLC

By:_____
Aashish Y. Desai
Adrianne De Castro
Attorneys for Plaintiff Eudier Leaño and Cross-Defendant SLG, LLC

Dated: 9/25/2026 | 3:16:31 PM PDT

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Docusign Envelope ID: 6B4C107D-02FC-8367-80A1-353D4841658A

Exhibit 1

By: DocuSigned by: Mara D. Curtis 3520B57EE40A4B0...

Mara D. Curtis
Tanner J. Hendershot
Attorneys for Defendant and Cross-Complainant
RYDER LAST MILE, INC.

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EXHIBIT "A"

Docusign Envelope ID: 6B4C107D-02FC-8367-80A1-353D4841658A

Exhibit 1

[Mailing Date]

NOTICE OF SETTLEMENT

Re: *Eudier Leaño v. Ryder Last Mile, Inc.*
Orange County Superior Court Case No. 30-2024-01405201-CU-OE-CXC

[Simpluris, Inc.'s contact information]

Dear [Carrier-Owner Driver Group Member]:

You are receiving this Notice because Ryder Last Mile, Inc.'s ("Ryder") records indicate that you are/were a California-based individual who: (1) owned, were managing members, or were partners in a motor carrier company or partnership that had a contract with Ryder in California; and (2) actually drove at least one route providing services to Ryder, at any time during the time period from April 2, 2023 to _____ ("Covered Period").

A settlement has been reached in a representative action lawsuit brought by Plaintiff Eudier Leaño ("Plaintiff") against Ryder entitled *Eudier Leaño v. Ryder Last Mile, Inc.*, Orange County Superior Court Case No. 30-2024-01405201-CU-OE-CXC (the "Civil Action"). In the Civil Action, Plaintiff alleged claims under the California Labor Code Private Attorneys General Act, Labor Code Section 2698, *et seq*., ("PAGA") against Ryder alleging: (1) misclassification as independent contractors, (2) failure to reimburse necessary business expenses, (3) failure to provide meal periods and/or pay premium pay in lieu thereof, (4) failure to provide rest periods and/or pay premium pay in lieu thereof, (5) failure to pay wages for all hours worked, including minimum wages and overtime wages, (6) failure to provide accurate itemized wage statements, (7) failure to maintain records, (8) failure to timely pay all wages owed during employment, (9) failure to timely pay all wages owed upon termination of employment, (10) unlawful collection of wages from an employee, (11) secret payment of wages at a rate lower than designated by statute, (12) unlawful demand, exact, or acceptance of a bond; (13) retaliation; and (14) declaratory relief. In connection with the Civil Action, Ryder also filed a cross-complaint against SLG, LLC for breach of contract. In connection with the Civil Action, Plaintiff caused to be sent to the LWDA and Ryder a letter stating his intent to pursue a representative action pursuant to PAGA on behalf of himself and the State of California as well as on behalf of a proposed group of other Carrier-Owner Driver Group Members on April 2, 2024.

Ryder denies all liability in the Civil Action and believes that it has strong legal and factual defenses to the claims, but it recognizes the risks, distractions, and costs associated with the litigation. Ryder contends that its conduct is and has been lawful at all times relevant and that Plaintiff's claims do not have merit and do not meet the requirements to maintain a representative action. The Court has not ruled on the merits of Plaintiff's claims, Ryder's claims, Ryder's defenses, or SLG's defenses.

On XXXX, the Court issued an order approving the settlement. You may be eligible to receive benefits under the settlement.

The Carrier-Owner Driver Group Members eligible to receive a payment under this settlement are defined as California-based individuals who: (1) owned, were managing members, or were partners in a motor carrier company or partnership that had a contract with Ryder in California; and (2) actually drove at least one route providing services to Ryder, at any time during the Covered Period ("Carrier-Owner Driver Group Members"). According to Ryder's records, you are an Carrier-Owner Driver Group Member.

Ryder has agreed to pay a Gross Settlement Amount of $725,000.00, which is inclusive of all Individual Settlement Payments to the Carrier-Owner Driver Group Members, all attorneys' fees and

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costs, settlement administration costs and expenses, the Enhancement Award to Plaintiff, and all payments to the State of California Labor & Workforce Development Agency ("LWDA") for PAGA penalties. After accounting for Court-approved deductions from the Gross Settlement Amount for: (1) attorneys' fees estimated in the amount of **$217,500.00** and costs in the amount of **$25,000.00**; (2) administration costs of the settlement in the amount of approximately **$5,000.00**, and (3) the Enhancement Award and consideration to Plaintiff of **$50,000.00**, the remainder is estimated to be **$427,500.00**, of which is referred to hereinafter as the Net Settlement Amount. Of the remainder, the law requires that 75% be allocated and paid to the LWDA and 25% be allocated and paid to the Carrier-Owner Driver Group Members. Therefore, the State of California is estimated to receive **$320,625.00** (75% of the Net Settlement Amount) and the Carrier-Owner Driver Group Members will each receive a pro-rata share of the remaining **$106,875.00** (25% of the Net Settlement Amount).

The calculation of your pro-rata share of the Net Settlement Amount is based on the following formula: 25% of the Net Settlement Amount **($106,875.00)** was divided by the total number of Qualifying Weeks for all Carrier-Owner Driver Group Members. The result of this division yields a Week Value. The gross amount of your Individual Settlement Payments was calculated by multiplying the number of Qualifying Weeks you worked by the Week Value.

Qualifying Weeks is the total number of weeks in which Ryder's records show that the Carrier-Owner Driver Group Member actually drove a route during the Covered Period. According to Ryder's records, you have ____ Qualifying Weeks during the Covered Period. If you disagree with the number of Qualifying Weeks listed above, please write to the Settlement Administrator at the address listed below explaining the reason for your disagreement, the number of Qualifying Weeks you believe you should have, and attach any documents that you have to support your position. Your written statement must be signed by you under the penalty of perjury and must be postmarked by [20 calendar days after mailing]. Please be advised that the number of Qualifying Weeks listed above will be deemed correct unless you submit clear and compelling documentation to establish that Ryder's records are wrong.

Your settlement check will be mailed to you on [insert date]. You may deposit or cash the check without any further obligation on your part, and there is no need for you to contact the Settlement Administrator, the parties, or the Court. Your check is valid for 180 days from the date of issuance. If you fail to cash your check within this time period, the funds represented by such uncashed check will be sent to the California State Controller's Office in [your name]. You are bound to the release of the Covered Claims for the Covered Period, as defined below, regardless of whether you cash your check.

Pursuant to the Settlement Agreement and Judgment in the Civil Action, you, individually and on behalf of all your respective affiliated business entity (if any), successors, assigns, agents, attorneys, executors, heirs and personal representatives, fully release and forever discharge Ryder Last Mile, Inc., Ryder System, Inc., Ryder Integrated Logistics, Inc., Ryder Truck Rental, Inc., Ryder Last Mile, Inc., Ryder Transportation Solutions, LLC, TPE Acquisition, LLC, and each of their present and former parents, subsidiaries, divisions, affiliates, acquired companies, and each of their respective present and former officers, directors, employees, partners, shareholders, agents, trustees, representatives, attorneys, insurers, predecessors, successors, assigns, affiliated companies and entities, and any individual or entity that could be jointly liable with any of the foregoing (together, the "Released Parties") from any and all claims, causes of action, demands, rights, liabilities, penalties, attorneys' fees, costs, damages, interest, restitution, and/or liability of any kind under PAGA, whether known or unknown, that were or could have been asserted against any of the Released Parties in the Civil Action or PAGA Letter or based on any facts discovered in the course of the litigation of the Civil Action. This includes, but may not be limited to, claims for penalties based upon alleged misclassification as independent contractors, failure to reimburse necessary business expenses, failure to provide meal periods and/or pay premium pay in lieu thereof, failure to provide rest periods and/or pay premium pay in lieu thereof, failure to pay wages for all hours worked, including minimum wages and overtime wages, failure to provide accurate itemized wage statements, failure to maintain records, failure to timely pay all wages owed during employment, failure to timely pay all wages owed upon

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Exhibit 1

termination of employment, unlawful collection of wages from an employee, secret payment of wages at a rate lower than designated by statute, unlawful demand, exact, or acceptance of a bond, and violations of California Labor Code Sections 98.6, 201-203, 204, 218, 218.6, 221-223, 226, 226.2, 226.3, 226.7, 400-410, 500, 510, 512, 558, 1174, 1174.5, 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, *et seq.*, 2699.3, 2699.5, 2775, *et seq.*, 2802-2804; all claims for declaratory relief; all applicable IWC Wage Orders; as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letter that Plaintiff sent to the LWDA ("Covered Claims"). This release shall extend to all such claims arising from or relating to any and all acts, events and omissions that occurred and/or accrued during the Covered Period.

You are responsible for paying any federal, state or local taxes owed as a result of this payment.

This Notice only summarizes the Civil Action, the Settlement Agreement, and related matters. For more information, you may contact PAGA Counsel, Aashish Y. Desai and Adrianne De Castro of Desai Law Firm, PLLC, at 949-614-5830, or the Settlement Administrator, Simpluris, Inc., at XXXX.

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Exhibit "B"

Exhibit 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE - CIVIL COMPLEX CENTER

EUDIER LEAÑO on behalf of himself and all others similarly situated,

PLAINTIFFS,

v.

RYDER LAST MILE, INC., a Florida Company, and DOES 1-10, inclusive,

DEFENDANTS.

RYDER LAST MILE, INC., a California Corporation,

CROSS-COMPLAINANT,

v.

SLG, LLC, a Limited Liability Company, and DOES 1 – 250, inclusive,

CROSS-DEFENDANTS.

Case No.: 30-2024-01405201-CU-OE-CXC

[Assigned for all purposes to the Honorable Melissa R. McCormick, Department CX105]

[PROPOSED] ORDER GRANTING PLAINTIFF'S MOTION FOR APPROVAL OF PAGA SETTLEMENT

Date:	TBD
Time	TBD
Dept.	CX105
Complaint Filed:	June 6, 2024
FAC Filed;	December 9, 2024
Cross-Complaint Filed:	August 4, 2025
Trial Date:	None

The Court, having reviewed and considered Plaintiff Eudier Leaño's ("Plaintiff") Motion for Approval of Private Attorneys' General Act ("PAGA") Settlement, the Settlement Agreement entered into by and between Plaintiff, Defendant and Cross-Complainant Ryder Last Mile, Inc. ("Ryder"), and Cross-Defendant SLG, LLC ("SLG") (Plaintiff, Ryder, and SLG together, hereinafter, the "Parties"), and all documents submitted in support of the motion, HEREBY ORDERS AS FOLLOWS:

1. All terms used herein shall have the same meaning as defined in the Settlement Agreement (hereinafter "Settlement Agreement") attached to the Declaration of [PAGA Counsel] as **Exhibit 1**.

2. The Court hereby approves the terms set forth in the Settlement Agreement and finds that the Settlement Agreement is, in all respects, fair, adequate, and reasonable and directs the Parties to effectuate the Settlement Agreement according to its terms. The Court finds that the Settlement Agreement has been reached as a result of informed and non-collusive arm's-length negotiations. The Court further finds that the Parties were able to reasonably evaluate their respective positions. The Court also finds that settlement now will avoid additional and potentially substantial litigation costs, as well as delay and risks if the Parties were to continue to litigate the case. The Court has reviewed the monetary recovery being provided as part of the settlement and recognizes the significant value accorded to the State of California and the Carrier-Owner Driver Group Members. The Court finds that the Settlement Agreement meets all of the requirements for approval of a settlement under PAGA, including the notice of the Settlement Agreement having been properly provided to the California Labor and Workforce Development Agency ("LWDA"). The Court finds the LWDA has not objected to, and is therefore deemed to have approved, the terms of the Settlement Agreement.

3. The Settlement Agreement is not an admission by Ryder or by any other of the Released Parties in any respect, nor is this Order a finding of the validity of any allegations or of any wrongdoing by Ryder or any of the other Released Parties. Neither this Order, the Settlement Agreement, nor any document referred to herein, nor any action taken to carry out the Settlement Agreement, may be construed as, or may be used as, an admission of any fault, wrongdoing, omission, concession, or liability whatsoever by or against Ryder or any of the other Released Parties.

4. The entire Net Settlement Amount (the remainder of the Gross Settlement Amount after deducting PAGA Counsel's fees [$217,500.00] and costs [$25,000.00], the costs of administration [approximately $5,000] and the Enhancement Award and consideration to Plaintiff in exchange for a general release [$50,000.00], from the $725,000.00 Gross Settlement Amount) shall be allocated for payment of civil penalties and shall be distributed 75% to the LWDA and 25% to the Carrier-Owner Driver Group Members.[1]

5. The 25% of the Net Settlement Amount for the Carrier-Owner Driver Group Members shall be distributed to the Carrier-Owner Driver Group Members pro rata based on the number of Qualifying Weeks of each Carrier-Owner Driver Group Member during the Covered Period. "Carrier-Owner Driver Group Members" means all California-based individuals who: (1) owned, were managing members, or were partners in a motor carrier company or partnership that had a contract with Ryder in California; and (2) actually drove at least one route providing services to Ryder, at any time during the Covered Period. The "Covered Period" refers to the period from April 2, 2023 to the date of this Order approving the Settlement Agreement.

6. Ryder shall pay the Carrier-Owner Driver Group Members pursuant to the procedure described in the Settlement Agreement. Ryder shall have no further liability for costs, expenses, interest, attorneys' fees, or for any other charge, expense, or liability except as provided for in the Settlement Agreement.

7. The Court hereby confirms Aashish Y. Desai and Adrianne De Castro of Desai Law Firm, PLLC, as PAGA Counsel.

8. The Court hereby confirms Simpluris, Inc. as the Settlement Administrator and confirms that costs in the amount of approximately $5,000.00 for administration of the settlement are reasonable.

9. The Court hereby awards attorneys' fees in the amount of 30% of the Settlement Amount, which is $217,500.00 in attorneys' fees and $25,000.00 in costs. The payment of fees to

[1]Plaintiff's PAGA Letter was submitted to the LWDA on April 2, 2024. Under the operative version of PAGA at that time, any settlement reached required 75% of the proceeds to be provided to the LWDA and the remaining 25% to the Carrier-Owner Driver Group Members. *See* Cal. Lab. Code § 2699(i) (2024).

PAGA Counsel shall be made in accordance with the terms of the Settlement Agreement.

10. The Court hereby approves payment to Plaintiff in the amount of $50,000.00 as an Enhancement Award and in exchange for the general release of claims as provided for in the Settlement Agreement.

11. The Court approves the Notice of Settlement attached as Exhibit A to the Settlement Agreement.

12. Within sixty-five (65) calendar days after the Court enters the Order and Judgment, Ryder will send the Carrier-Owner Driver Group Member List to the Settlement Administrator, containing each Carrier-Owner Driver Group Member's: (1) full name; (2) last known address; (3) total number of Qualifying Weeks; and (4) social security number, if known. Ryder shall transmit the Carrier-Owner Driver Group Member List in Microsoft Office Excel format to the Settlement Administrator. This data shall only be used by the Settlement Administrator for the purpose of calculating the Individual Settlement Payments and notifying the Carrier-Owner Driver Group Members of the Settlement. This data shall not be disclosed to PAGA Counsel, the Plaintiff, or any other Carrier-Owner Driver Group Members without the written consent of Ryder or order by the Court. The Settlement Administrator shall be responsible for following all privacy laws and taking appropriate steps to ensure that Carrier-Owner Driver Group Member's personal information is safeguarded and protected from improper disclosure or use.

13. Within ninety (90) calendar days after the Court enters the Order and Judgment, the Settlement Administrator shall mail a letter approved by the Parties and the Court to the Carrier-Owner Driver Group Members. The letter, which will be substantially in the form of Exhibit A to the Settlement Agreement, will explain the terms of the Settlement Agreement, and will notify each Carrier-Owner Driver Group Member of the binding nature of the release and of the number of Qualifying Weeks that Ryder's records show for the Carrier-Owner Driver Group Member during the Covered Period. Carrier-Owner Driver Group Members may dispute their number of Qualifying Weeks during the Covered Period by notifying the Settlement Administrator of their dispute in writing, signed under penalty of perjury, and by providing any evidence supporting their dispute in a written

statement postmarked within twenty (20) calendar days of the date of mailing of the letter. The Settlement Administrator will notify Counsel for Ryder and PAGA Counsel of any dispute raised by any Carrier-Owner Driver Group Member, or any claim by anyone purporting to be a Carrier-Owner Driver Group Member, no later than two (2) business days after receiving notice of the dispute. In the case of a dispute, Ryder's records shall be presumed accurate unless clear and compelling documentary evidence is provided by the Carrier-Owner Driver Group Member to the Settlement Administrator that establishes that a mistake was made by Ryder. The Settlement Administrator shall investigate the dispute, and make the final determination of whether any additional amount is owed within ten (10) calendar days of receiving the dispute. In no case shall a dispute result in payment by Ryder in excess of the Gross Settlement Amount. The Settlement Administrator shall promptly notify Counsel for Ryder and PAGA Counsel via email once all disputes regarding the Carrier-Owner Driver Group Members' Qualifying Weeks, if any, have been resolved.

14. Within seventy-five (75) calendar days after the Effective Date, the Settlement Administrator shall mail via U.S. First Class mail each Individual Settlement Payment to each Carrier-Owner Driver Group Member's last known address with directions to the Postmaster to deliver the checks to any applicable forwarding address and to return all undeliverable checks to the Settlement Administrator. It will be conclusively presumed that a Carrier-Owner Driver Group Member's Individual Settlement Payment was received if the check has not been returned within thirty (30) calendar days of the original mailing of the check. The date of the initial mailing of the check shall be conclusively determined according to the records of the Settlement Administrator.

15. Any Individual Settlement Payment that remains uncashed after one hundred and eighty (180) days of disbursement shall be void. The Parties agree that this disposition results in no "unpaid cash residue," or "unclaimed or abandoned funds" under California Code of Civil Procedure section 384, as amended effective June 27, 2018, as the entire Net Settlement Amount will be paid out to the Carrier-Owner Driver Group Members, whether or not they cash their payment checks. The entire amount of each Carrier-Owner Driver Group Member's uncashed settlement check(s) shall be turned over to the California State Controller's Office in the name of the individual Carrier-Owner Driver

Group Member. The Parties acknowledge that California Civil Procedure Code section 384 and the Doctrine of Cy Pres are not applicable to this Settlement Agreement because the terms of the Settlement Agreement expressly provide for the disposition of the entire Net Settlement Amount, whether claimed or unclaimed. None of the settlement funds will revert back to Ryder. Ryder shall not be liable for any additional amount due to this subsequent distribution. In any event, the Carrier-Owner Driver Group Members nonetheless shall be bound by the release of Covered Claims and the terms of this Settlement Agreement.

16. As of the Effective Date, as defined in the Settlement Agreement, each of the Carrier-Owner Driver Group Members (including Plaintiff on behalf of himself, the State of California, and all Carrier-Owner Driver Group Members), individually and on behalf of all their respective affiliated business entities (if any), successors, assigns, agents, attorneys, executors, heirs and personal representatives, shall fully release and forever discharge the Released Parties from any and all claims, causes of action, demands, rights, liabilities, penalties, attorneys' fees, costs, damages, interest, restitution, and/or liability of any kind under PAGA, whether known or unknown, that were or could have been asserted against any of the Released Parties in the Civil Action or PAGA Letter or based on any facts discovered in the course of the litigation of the Civil Action. This includes, but may not be limited to, claims for penalties based upon alleged misclassification as independent contractors, failure to reimburse necessary business expenses, failure to provide meal periods and/or pay premium pay in lieu thereof, failure to provide rest periods and/or pay premium pay in lieu thereof, failure to pay wages for all hours worked, including minimum wages and overtime wages, failure to provide accurate itemized wage statements, failure to maintain records, failure to timely pay all wages owed during employment, failure to timely pay all wages owed upon termination of employment, unlawful collection of wages from an employee, secret payment of wages at a rate lower than designated by statute, unlawful demand, exact, or acceptance of a bond, and violations of California Labor Code Sections 98.6, 201-203, 204, 218, 218.6, 221-223, 226, 226.2, 226.3, 226.7, 400-410, 500, 510, 512, 558, 1174, 1174.5, 1182.11, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698, 2699, *et seq.*, 2699.3, 2699.5, 2775, *et seq.*, 2802-2804; all claims for declaratory relief; all applicable IWC Wage Orders; as

well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Letter that Plaintiff sent to the LWDA ("Covered Claims"). This release shall extend to all such claims arising from or relating to any and all acts, events and omissions that occurred and/or accrued during the Covered Period.

17. The Carrier-Owner Driver Group Members are permanently barred and enjoined from prosecuting against Ryder and the Released Parties any of the claims released in the Settlement Agreement.

18. This Court shall retain jurisdiction with respect to all matters related to the administration and consummation of the settlement, and any and all claims, asserted in, arising out of, or related to the subject matter of the lawsuit, including but not limited to all matters related to the settlement and the determination of all controversies relating thereto.

IT IS HEREBY ORDERED that:

1. Final judgment shall be entered in this case in accordance with the terms of the Settlement Agreement and this Order. This Judgment is intended to be a final disposition of this action in its entirety and is immediately appealable.

2. The Parties shall bear their own costs and attorneys' fees except as otherwise provided by the Settlement Agreement and this Order.

3. PAGA Counsel shall submit a copy of this Order and the Judgment to the LWDA in the manner required by PAGA.

Date: _____

_____
Melissa R. McCormick
JUDGE OF THE SUPERIOR COURT

Exhibit "C"

Exhibit 1

REED SMITH LLP
A limited liability partnership formed in the State of Delaware

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE - CIVIL COMPLEX CENTER

EUDIER LEAÑO on behalf of himself and all others similarly situated,

PLAINTIFFS,

v.

RYDER LAST MILE, INC., a Florida Company, and DOES 1-10, inclusive,

DEFENDANTS.

RYDER LAST MILE, INC., a California Corporation,

CROSS-COMPLAINANT,

v.

SLG, LLC, a Limited Liability Company, and DOES 1 – 250, inclusive,

CROSS-DEFENDANTS.

Case No.: 30-2024-01405201-CU-OE-CXC

[Assigned for all purposes to the Honorable Melissa R. McCormick, Department CX105]

[PROPOSED] ORDER ENTERING JUDGMENT

Complaint Filed:	June 6, 2024
FAC Filed;	December 9, 2024
Cross-Complaint Filed:	August 4, 2025
Trial Date:	None

Exhibit 1

Judgment is hereby entered in accordance with the Court's [ ] Order Granting Plaintiff Eudier Leaño's Motion for Approval of PAGA Settlement.

IT IS SO ORDERED.

Dated:

Melissa R. McCormick
JUDGE OF THE SUPERIOR COURT

REED SMITH LLP
A limited liability partnership formed in the State of Delaware

EXHIBIT 2

Exhibit 2

simpluris

Reference No. 20260918-PJI-05

September 24, 2026

Adrianne De Castro, Esq.
Desai Law Firm PC
3200 Bristol Street, Suite 650
Costa Mesa, CA 92626

RE: ***200 Class Members***

Dear Adrianne,

Thank you for this opportunity to provide an updated quote for your PAGA settlement. Using the parameters you described, Simpluris' total estimated cost is $4,986. As a courtesy, we are offering a $1,000 discount, for a discounted total of $3,986.

Please let me know if you have questions. I look forward to this opportunity to work together.

Sincerely yours,

PATRICK J. IVIE
Chief Revenue Officer

m: 310-995-6455
o: 714-975-5260
e: pivie@simpluris.com

Exhibit 2

3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104
www.simpluris.com

Estimate Number:	20260918-PJI-05	Prepared By:	Patrick Ivie
Estimate Date:	9/24/2026	Telephone Number (mobile):	310.995.6455
Estimate Expiration Date:	12/23/2026	Email:	pivie@simpluris.com

Primary Contact		Opposing Counsel Contact	
Attorney:	**Adrianne De Castro, Esq.**	Attorney:	
Firm:	Desai Law Firm PC	Firm:	
Email:	adrianne@desai-law.com	Email:	

Case Name: ***200 Class Members PAGA Settlement***

Assumptions

In addition to the assumptions enumerated below, this estimate assumes that
(1) Simpluris will receive data in a single, complete file; (2) there will be no substantial change to class size or in response rate; (3) administration costs will be paid from the QSF, and (4) Simpluris will submit revisions to this estimate to account for any material changes to scope.

Anticipated Class Size:	200	Undeliverable Rate:	10%
Claims Rate:	n/a	Call Rate:	n/a
Opt-out Rate:	n/a	Average Call Length:	n/a
Language(s) for Communication	EN/SP	Fund Distribution:	Simpluris
Reminder Mailing:	n/a	Number of Distributions:	1
Unclaimed Funds:	TBD	State(s):	CA
Lengths of Administration:	6 Months	Tax Years:	1

Case Setup

- Data compilation: develop case-specific response tracking

Category	Unit Value	# of Units	Total
Project Manager - Case Setup	$135.00	1	$135.00
Database Manager - Initial Data Analysis	$165.00	1	$165.00
		Total:	**$300.00**

Award Disbursement

- Establish 26 CFR § 1.468B-1 compliant Qualified Settlement Fund ("QSF")
- Spanish translation of the Notice
- Disburse Notice with award payments and tax document
- Conduct regular and annual IRS-mandated QSF reporting and reconciliation (one per calendar year)
- Complete all required filings with state and federal tax authorities

Category	Unit Value	# of Units	Total
Disbursement Data Preparation	$125.00	2	$250.00
Disbursement Manager - Data Validation	$90.00	1	$90.00
Setup Banking Account/QSF	$675.00	1	$675.00
QSF Monthly Maintenance	$125.00	6	$750.00
Spanish Translation (assuming 900 words)	$0.25	900	$225.00
NCOA/CASS/LACS	$0.14	200	$28.00
Print & Mail Notice, Check and Tax Documents	$2.20	200	$440.00
Postage	$0.76	200	$152.00
Process Returned Checks	$0.20	20	$4.00
Skip Trace Search Undeliverable Checks	$0.12	20	$2.40
Remail Checks (Includes Postage)	$3.00	20	$60.00
QSF Reporting and Final Declaration	$500.00	1	$500.00
Reissue Checks / Mailing	$2.50	3	$7.50
Reissue 1099s	$2.50	3	$7.50
Responding to IRS/State/Agency Inquiries	$75.00	1	$75.00
QSF Annual Tax Reporting and Reconciliation	$850.00	1	$850.00
Distribution Manager	$90.00	2	$180.00
		Total:	**$4,296.40**

Exhibit 2

Case Completion

- Final audit and review
- Send final declaration and reporting to counsel

Category	Unit Value	# of Units	Total
Data Manager-Final Reporting	$165.00	1	$165.00
Clerical-Clean Up Any Misc.	$45.00	2	$90.00
Project Manager-Wrap-up Final Issues	$135.00	1	$135.00
		Total:	**$390.00**

Total Estimated Cost of Administration:	**$4,986**
Less Client Courtesy Discount:	**-$1,000**
Discounted Total:	**$3,986**

Terms and Conditions

Exhibit 2

All settlement administration, notice, claims processing, and other services ("Services") provided by Simpluris, Inc. or any of its Affiliates ("Simpluris") for Client are provided subject and pursuant to the following terms and conditions, which govern Simpluris' provision of Services (the "Terms"):

1. **Services**: Simpluris agrees to provide Client those Services set forth in the proposal provided by Simpluris and accepted by Client or a Client Party, and to which these Terms are attached (the "Proposal"), and any additional Services Simpluris performs at a Client Party's request or instruction during Client's engagement of Simpluris' Services. Simpluris' Services do not include, and shall not be construed or interpreted as, legal advice. Simpluris may use vendors, contractors, and third-party technologies ordinarily used by Simpluris in its operations to enable, facilitate, or support its performance of Services without additional consent or permission from Client. As consideration for such Services, Client agrees to pay, or cause to be paid, to Simpluris the fees for Services performed, as outlined in the Proposal, and which may be updated by Simpluris to reflect fees incurred for Services performed. Due to the nature of the Services, the parties acknowledge that Client may often delegate Client's representatives (including its attorneys), employees, agents, and/or professionals (the "Client Parties", or each a "Client Party") to engage Simpluris, or provide direction to Simpluris on its behalf with respect to the Services, including by accepting a Proposal or procuring Services on Client's behalf. Client agree that Simpluris may rely upon, and Client agrees to be bound by, any direction, consent, advice, or other information provided by the Client Parties to the same extent as if provided by Client.
2. **Fee Estimates Not Binding; Client's Assurances**: Client acknowledges that it is difficult to determine all necessary work and costs or expenses required for the administration or settlement of particular matters, and that while Simpluris endeavors to provide estimates and budgets of fees associated with its Services in a Proposal, such fees set forth in a Proposal represent an estimate of the Simpluris' Service fees based on the scope of Services and assumptions contemplated and agreed to by the parties at the time of Client's engagement of Simpluris' Services, but that such amounts are not intended to be binding, are subject to unforeseen or variable circumstances (including Client's further needs and instructions during the term of engagement), and are by their nature are inexact. As such, Client acknowledges and agrees that the actual fees charged by Simpluris for its Services may be greater or less than such estimate based on Services performed, and that Client will be responsible for the payment of all such fees charged by Simpluris for its Services. For clarity, Client agrees that, to the extent Client instructs or requires Simpluris to perform Services beyond those identified in the Proposal accepted by Client as of the commencement of the Services (including re-performance or alternate performance of certain tasks, or additional performance of tasks to comply with Client or Client Parties' requests or instructions), Client shall be responsible for any additional fees and expenses incurred for Simpluris' Services in connection therewith. In addition, Client agrees that (a) it will use its best efforts to include provisions reasonably acceptable to Simpluris in any relevant court order, settlement agreement, or similar document governing the matter for which Simpluris' Services are engaged to provide for the payment of Simpluris' fees and expenses hereunder, and (b) no agreement to which Simpluris is not a party shall reduce or limit Client's obligations to make the full and prompt payment of Simpluris' fees and expenses as set forth herein and in the Proposal.
3. **Billing and Payment**: Depending on the arrangement agreed to between the parties or approved by a court, Simpluris may deduct its fees from the Qualified Settlement Fund ("QSF") associated with the matter for which Services are performed, or invoice Client (or a Client Party) on a regular basis unless a specific timeframe is otherwise set forth in the Proposal. Fees invoiced shall be paid within thirty (30) days the date of receipt. Fees unpaid thereafter are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis, and Client shall remain liable to Simpluris for all fees due to Simpluris for Services performed, regardless of any circumstance that impacts the outcome of Client's matter, including but not limited to, court decisions, actions by the parties, or a failure to consummate a settlement.
4. **Use of Technology; Rights of Ownership**: In provision or performance of the Services, Simpluris may use certain proprietary or third party licensed software, applications, tools, programs, websites, equipment, and other technologies or other materials, including those that may be developed by Simpluris or its contractors/subcontractors prior to or during the course of the performance of Services (together, "Simpluris Technologies") to enable its operations and facilitate provision of Services, and may provide or furnish to Client or its end users such Simpluris Technologies in connection with Services provided. Client understands and agrees that, as between the parties, the Simpluris Technologies, and all data, learnings, or output derived therefrom, are the sole property of Simpluris, and may be used at its sole discretion. By engaging or accepting Simpluris' Services, Client agrees not to copy, or permit others to copy, the source code from any Simpluris Technologies or any other programs, content, or materials furnished to Client or its users, and Client consents to Simpluris' use of Simpluris Technologies, which may utilize artificial intelligence tools or programs. Fees paid by Client do not vest in Client any rights in such Simpluris property; it being understood that such property, including any Simpluris Technologies or other materials provided or used, are licensed, and are only made available to Client (or its users) in connection with the Services, subject to these Terms. Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the Simpluris Technologies, programs, system data, or materials provided or used by Simpluris in the performance of the Services. As used in these Terms, the term "programs" shall include, without limitation, data processing programs, specifications, applications, routines, and any related documentation or background technology; and the term "Affiliates" shall mean a legal entity that owns, is owned by, or is under common ownership with Simpluris, Inc., where "ownership" means, direct or indirect control of more than a fifty percent (50%) interest in the voting securities of an entity.
5. **Bank Accounts**: Where applicable or reasonably necessary to perform Services for an engagement, Simpluris will establish a QSF, demand deposit checking account, or other distribution account for funds received related to a settlement distribution or the engagement with a suitable financial institution that support such accounts, unless directed otherwise in writing by a Client Party or the settlement agreement or legal document governing administration of the applicable matter stipulates otherwise. Simpluris may derive financial benefits from financial institutions in connection with its deposit or maintenance of such settlement funds in accounts supported by these institutions, and such amounts may be retained by Simpluris as a financial benefit and to offset administration costs, including FDIC deposit insurance recordkeeping. The funds and amounts held pursuant to these Terms are at the sole risk of Client, and, without limiting the generality of the foregoing, Simpluris shall have no responsibility or liability for any diminution of the fund that may result from any deposit made with a financial institution, including any losses resulting from a default by such institution or other credit losses. It is acknowledged and agreed that Simpluris will have acted prudently in depositing the fund at such institution.
6. **Confidentiality**: Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services, including any Client Materials. If, pursuant to a court order or other proceeding, a third-party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law or the applicable court order. Client will then have the option to provide Simpluris with qualified legal representation at Client's sole expense and to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation or these Terms.
7. **Retention of Documents & Data**: Unless otherwise required by a court order or agreed between the parties in writing, (a) all returned/undeliverable physical documents will be securely shredded or destroyed after the data has been confirmed uploaded to Simpluris' systems or equipment; and (b) Simpluris will adhere to its data deletion policies and will, following conclusion of the Services, destroy all remaining project or engagement-related information from its systems 3 years after the conclusion of the project for which Client engaged Simpluris' Services, which shall typically mean 3 years after the applicable final check cashing deadline. Simpluris will retain bank and tax documents for such period as it determines is required to maintain compliance with various federal and state law requirements. Storage or retention of data beyond 3 years is available upon request, provided that Client understands and agrees fees associated with such storage will be billed as incurred and Client shall be responsible for such additional fees.
8. **Client Materials; Database Administration**: To the extent Client or Client Parties provide Simpluris with any data, information, or materials related to Client or the matter for which Client has engaged Simpluris' Services, including those that pertain to individuals subject to the matter or Services, such as, but not limited to, contact information or other personal identifiable information of eligible claimants, prospective class members, or other related parties

(together, "Client Materials") to facilitate provision of the Services, Client shall be solely responsible for the Client Materials it provides, and represents and warrants that (a) it has, and will maintain for the duration of the Services, all rights, consents, permissions, and/or licenses necessary to collect, and to provide and transmit to Simpluris, any such Client Materials in connection with the Services and to enable Simpluris to use such Client Materials as contemplated in the Proposal and these Terms (including any consents necessary for transmitting or recording calls on its behalf); (b) Simpluris' use of such Client Materials for performance of Services as agreed between the parties, pursuant to these Terms, or otherwise pursuant to Client's or Client Parties' instructions or specifications, will not violate any applicable laws, regulations, or any intellectual property or other proprietary right of a third party; and (c) Client will indemnify Simpluris from and against third party claims that arise from Client or a Client Party's violation of this Section 8 or Simpluris' use of the Client Materials solely as authorized or instructed by a Client Party or contemplated hereunder. If Client engages Simpluris to operate calls, recordings, or email or SMS text message campaigns as a part of the Services for or on behalf of Client, Client (i) agrees that it will provide Simpluris with instructions or transcripts necessary to operate such services on its behalf, or hereby authorizes Simpluris to operate such services in accordance with its ordinary business practices, including by using its standard or automated templates, transcripts or recordings, if no such materials are provided by a Client Party, provided that the communications shall reflect the appropriate facts of the matters and be made in accordance with applicable law; and (ii) represents and warrants that it has obtained, for all individuals whose contact information Client provides to Simpluris for performance of Services, the necessary consents, licenses, or permissions for Simpluris and its authorized subcontractors to contact such individuals. Simpluris agrees that it will handle Client Materials received from Client with reasonable care and in compliance with applicable law, and that ownership rights in or to the Client Materials provided shall remain with Client, as between the parties. In addition, Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications, and calculate, mail/email, or otherwise process settlement payments. Client understands that such data must be provided in a complete, consistent, standardized electronic format, unless otherwise agreed between the parties. Simpluris' standardized format is Microsoft Excel, but Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis based on Simpluris' standard rates.

9. **Disclaimer of Warranties; Limitation of Liability**: SIMPLURIS REPRESENTS AND WARRANTS THAT IT WILL PERFORM THE SERVICES DILIGENTLY, WITH COMPETENCE AND REASONABLE CARE. IN NO EVENT WILL SIMPLURIS BE LIABLE TO CLIENT OR ANY THIRD PARTY FOR ANY CLAIMS, LOSSES, COSTS, PENALTIES, FINES, JUDGMENTS, TAX ACTIVITIES, LOST PROFITS OR BUSINESS OPPORTUNITIES, BUSINESS INTERRUPTIONS OR DELAY, SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES RELATING TO THE PERFORMANCE OF THE SERVICES, REGARDLESS OF WHETHER CLIENT'S CLAIM IS FOR BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SIMPLURIS' CUMULATIVE LIABILITY FOR DAMAGES TO CLIENT (OR A CLIENT PARTY) IN ANY WAY RELATED TO THIS AGREEMENT OR THE SERVICES WILL BE LIMITED TO THE TOTAL FEES CHARGED OR CHARGEABLE FOR THE PARTICULAR PORTION OF THE SERVICES AFFECTED BY SIMPLURIS' ACT, OMISSION, OR ERROR IN PERFORMANCE. TO THE EXTENT CLIENT ELECTS TO USE ANY SERVICES THAT UTILIZE MACHINE LEARNING OR ARTIFICIALLY INTELLIGENCE BASED TECHNOLOGIES ("AI OFFERINGS"), CLIENT ACKNOWLEDGES THAT, DUE TO THE NATURE OF MACHINE LEARNING AND ARTIFICIAL INTELLIGENCE, (A) OUTPUT GENERATED OR DERIVED THEREFROM MAY NOT BE UNIQUE AND THE AI OFFERINGS MAY GENERATE THE SAME OR SIMILAR OUTPUT FOR CLIENT OR A THIRD PARTY; AND (B) THE AI OFFERINGS MAY IN SOME SITUATIONS PRODUCE OUTPUT THAT IS INACCURATE, INCORRECT, OFFENSIVE OR OTHERWISE UNDESIRABLE. THE ACCURACY, QUALITY, AND COMPLIANCE WITH APPLICABLE LAW OF THE OUTPUT IS DEPENDENT UPON AND COMMENSURATE WITH THAT OF CLIENT MATERIALS INPUTTED AND CLIENT OR ITS USERS' USE OF THE AI OFFERINGS (INCLUDING COMPLIANCE WITH THESE TERMS AND APPLICABLE LAWS), AND, NOTWITHSTANDING ANYTHING ELSE HEREIN, SIMPLURIS WILL NOT HAVE ANY LIABILITY OR RESPONSIBILITY TO CLIENT OR ANOTHER PARTY FOR OR IN CONNECTION WITH ANY CLIENT MATERIALS OR OUTPUT, INCLUDING ANY LOSS, LIABILITY, OR DAMAGES RELATING TO OR ARISING THEREFROM. CLIENT IS SOLELY RESPONSIBLE FOR EVALUATING THE CONTENT, NATURE, TONE AND ACCURACY OF ANY OUTPUT AS APPROPRIATE FOR ITS APPLICABLE USE CASES. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.
10. **Force Majeure**: To the extent Simpluris' ability to perform its obligations hereunder is prevented, interrupted, or delayed by reasons or events beyond Simpluris' reasonable control, including by flood, fire, earthquake, war, terrorism, riot or civil unrest, pandemic or epidemic, national or regional emergency, labor strike or shortage, industrial disturbances, act of government or other public authority (including passage of law or regulation, or imposition an export or import restriction or quota, or other prohibition), complete or partial government shutdown, disturbances to telecommunications or power systems, or other act of god (together, "Force Majeure Event"), then Simpluris' delay or lack of performance shall be excused, and these Terms, at Simpluris' option, be deemed suspended during the duration of the Force Majeure Event and for a reasonable time thereafter.
11. **Indemnification**: Client will indemnify and hold harmless Simpluris and its respective officers, directors, employees, and agents from and against any losses, damages, costs, and expenses incurred or suffered by Simpluris arising out of any claim, action, or proceeding by a third party, including governmental agencies, arising in connection with, or related to (a) any breach of these Terms by Client; or (b) the processing and handling of any payment or funds by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check, or the wrongful dishonor of a check, by Simpluris pursuant to Client's instructions.
12. **Termination; Survival**: Client may terminate the Services with thirty (30) days prior written notice to Simpluris, and Simpluris may terminate these Terms (a) for any reason upon no less than sixty (60) days prior written notice to the Client, or (b) upon fifteen (15) days' prior written notice if the Client is not current in payment of fees. Termination of Services or these Terms by either party shall in no event relieve Client of its obligation make any payment for fees due and payable to Simpluris for Services rendered up to the effective date of termination. The following sections of these Terms will survive any expiration or termination of these Terms: 3, 4, 5, 7, 8, 9, 11, 12, 14, 15, and 16.
13. **Electronic Communications**: During the term of the engagement, the parties may wish to communicate electronically with each other at a business email address. However, the parties acknowledge that the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for commonly known viruses and to check the integrity of data before sending information to the other electronically, and to use, to the extent commercially feasible, industry standard technologies and mechanisms to safeguard the transmission of any sensitive or confidential information. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.
14. **Notices**: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight delivery services or courier, to the address identified by each Party in the Proposal. Notice shall be deemed given when so delivered personally, or, if mailed, five (5) days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notices shall be addressed to an officer, principal/partner, or legal representative of Client and Simpluris, as applicable.
15. **Waiver; Severability**: Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege. If any term, condition, or provisions of these Terms shall be held to be invalid, illegal, unenforceable or in conflict with the law, the validity, legality, and enforceability of the remaining terms shall not in any way be affected or impaired thereby.
16. **Entire Agreement**: These Terms and the Proposal to which these Terms are attached embody the entire agreement between the parties with respect to the Services and subject matter hereof, and shall supersede all contemporaneous or prior negotiations, representations, terms, proposals, orders, and/or agreements related thereto, in any format, except to the extent expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.