

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiffs Juan Campos-Ledezma
4 and Hector Sanchez (together, “Plaintiffs” or “Class Representatives”), individually, and on behalf of
5 all others similarly situated and on behalf of the State of California with respect to aggrieved
6 employees, and Defendant Institute of Environmental Health, Inc. (“Defendant”) (collectively,
7 Plaintiffs and Defendant are referred to as “Parties” and individually as “Party”).

8 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as
9 defined herein), the State of California as to the employment of PAGA Employees (as defined herein),
10 and Defendant, subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On November 14, 2023, Plaintiff Juan Campos-Ledezma filed a Class Action
13 Complaint for Damages in the action entitled *Juan Campos-Ledezma, et al. v. Institute of*
14 *Environmental Health, Inc.*, Stanislaus County Superior Court Case No. CV-23-006693 (the
15 “Action”), thereby commencing a putative class action against Defendant.

16 2. On May 28, 2024, Plaintiff Hector Sanchez provided notice to the Labor and Workforce
17 Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified Mail,
18 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
19 Code alleged to have been violated by Defendant (“PAGA Letter”).

20 3. On February 4, 2025, Plaintiffs filed a First Amended Class and Representative Action
21 Complaint (“Operative Complaint”), which added Plaintiff Hector Sanchez as a named plaintiff and a
22 cause of action under the California Private Attorneys General Act, California Labor Code section
23 2699.3 (“PAGA”).

24 4. The Operative Complaint alleges ten (10) causes of action which include but are not
25 limited to allegations of violations of the California Labor Code for failure to pay minimum wages,
26 failure to pay overtime wages, failure to provide compliant meal periods and premium payments in
27 lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to
28 timely pay wages during employment, failure to provide compliant wage statements, failure to timely

1 pay wages upon termination, and failure to reimburse necessary business expenses, for violations of
2 California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California
3 Labor Code violations, and for civil penalties under PAGA based on the aforementioned California
4 Labor Code violations.

5 5. Defendant denies all material allegations set forth in the Action and any wrongdoing
6 or violations of law and has asserted numerous affirmative defenses. Notwithstanding, in the interest
7 of avoiding further litigation, Defendant desires to fully and finally settle the Action, Released Class
8 Claims (as defined herein), and Released PAGA Claims (as defined herein).

9 6. Class Counsel diligently investigated the class and PAGA claims against Defendant,
10 including any and all applicable defenses and the applicable law. The investigation included, *inter*
11 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
12 The Parties have engaged in sufficient formal and informal discovery and investigation to assess the
13 relative merits of the claims and contentions of the Parties.

14 7. On December 4, 2024, the Parties participated in mediation with Katherine J. Edwards,
15 Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance
16 of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The
17 Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an
18 informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs
19 and risks associated with continued litigation. Based on Class Counsel’s investigation and evaluation,
20 Class Counsel believes that the settlement with Defendant for the consideration and on the terms set
21 forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the
22 Class Members, State of California, and PAGA Employees in light of all known facts and
23 circumstances, including the risk of significant delay and uncertainty associated with litigation and
24 various defenses asserted by Defendant.

25 8. The Parties expressly acknowledge that this Settlement Agreement is entered into
26 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
27 admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is
28 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective

positions.

DEFINITIONS

9. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 12.

b. “Class” or “Class Member(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Karen I. Gold, Marissa A. Mayhood, Alexandra Rose, and Jasmine Y. Kianfard of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) number of Workweeks; (5) number of Pay Periods (if applicable); and (6) amount of their Prior Paid Individual Amount (if applicable).

e. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “**Exhibit A**.”

f. “Class Period” means the period from November 14, 2019 through January 15, 2025.

g. “Class Settlement” means the settlement and resolution of all Released Class Claims.

h. “Court” means the Superior Court of the State of California for the County of Stanislaus.

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i. “Defendant’s Counsel” means Amber A. Eklof and Seth Weisburst of Gordon Rees Scully Mansukhani, LLP.

j. “Dispute” means a letter submitted by a Class Member disputing the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

k. “Effective Date” means the following: (i) if no Settlement Class Member objects to the Class Settlement, then the Effective Date will be the date of Final Approval; or (ii) if any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the day after final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

l. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant in addition to the Gross Settlement Amount.

m. “Enhancement Payment(s)” means the amounts to be paid to Plaintiffs, in recognition of their effort and work in prosecuting the Action on behalf of Class Members and PAGA Employees, and general release of claims, as set forth in Paragraph 13.

n. “Final Approval” means the determination by the Court that the Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

o. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

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1 p. “Final Approval Order and Judgment” means the order granting final approval
2 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
3 Parties, and subject to approval by the Court.

4 q. “Gross Settlement Amount” means the amount of One Million One Hundred
5 Seventy-Six Thousand Four Hundred Twelve Dollars and Zero Cents (\$1,176,412.00) to be paid by
6 Defendant in full satisfaction of the Action, Released Class Claims, and Released PAGA Claims,
7 which includes the Prior Paid Amount, Attorneys’ Fees and Costs, Enhancement Payments, PAGA
8 Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement
9 Class Members. As Defendant has already paid the Prior Paid Amount of One Hundred Twenty-Six
10 Thousand, Four Hundred Twelve Dollars, and Zero Cents (\$126,412.00) to certain Class Members,
11 the maximum amount of additional payment Defendant will pay as part of the Gross Settlement
12 Amount is One Million, Fifty Thousand Dollars, and Zero Cents (\$1,050,000.00), not including
13 Employer Taxes, unless the Escalator Clause is implicated based on the provisions of Paragraph 16.
14 Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount.
15 The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will
16 return to Defendant.

17 r. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
18 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
19 calculated in accordance with Paragraph 18.

20 s. “Individual Settlement Payment” means the net payment of each Settlement
21 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
22 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
23 Paragraph 17.

24 t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
25 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated
26 in accordance with Paragraph 17.

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1 u. “LWDA Payment” means the amount of Seventy-Five Thousand Dollars and
2 Zero Cents (\$75,000.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the
3 LWDA under the PAGA Settlement, as set forth in Paragraph 14.

4 v. “Net Settlement Amount” means the Gross Settlement Amount less the Court-
5 approved Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, and Settlement
6 Administration Costs.

7 w. “Notice of Objection” means a Settlement Class Member’s written objection to
8 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
9 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
10 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
11 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
12 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
13 specified address, postmarked on or before the Response Deadline.

14 x. “PAGA Amount” means the allocation of One Hundred Thousand Dollars and
15 Zero Cents (\$100,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
16 percent (75%) of the PAGA Amount, or \$75,000.00, will be paid to the LWDA (i.e., the LWDA
17 Payment) and the remaining twenty-five percent (25%), or \$25,000.00, will be distributed to the
18 PAGA Employees (i.e., the PAGA Employee Amount).

19 y. “PAGA Employee(s)” means all current and former hourly-paid and/or non-
20 exempt employees who worked for Defendant in the State of California at any time during the PAGA
21 Period.

22 z. “PAGA Employee Amount” means the amount of Twenty-Five Thousand
23 Dollars and Zero Cents (\$25,000.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA
24 Employees on a *pro rata* basis based on their Pay Periods.

25 aa. “PAGA Period” means the period from May 28, 2023 through January 15,
26 2025. “PAGA Settlement” means the settlement and resolution of all Released PAGA Claims.

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1 bb. “Pay Periods” means the number of pay periods each PAGA Employee
2 performed at least some work for Defendant as an hourly-paid and/or non-exempt employee in
3 California during the PAGA Period. Pay Periods will be provided by Defendant to the Settlement
4 Administrator as part of the provided Class List.

5 cc. “Preliminary Approval” means the date on which the Court enters the
6 Preliminary Approval Order.

7 dd. “Preliminary Approval Order” means the order granting preliminary approval
8 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
9 the Court.

10 ee. “Prior Paid Amount” means the amount of One Hundred Twenty-Six Thousand
11 Four Hundred Twelve Dollars and Zero Cents (\$126,412.00) that was already paid to Class Members
12 from the Gross Settlement Amount for *Pick-Up Stix* individual release agreements.

13 ff. “Prior Paid Individual Amount” means the gross amount a Class Member
14 received from the Prior Paid Amount.

15 gg. “Released Class Claims” means any and all claims which were alleged or which
16 could have been alleged based on the factual allegations in the Operative Complaint and/or PAGA
17 Letter, arising during the Class Period, which specifically includes but is not limited to claims for
18 Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest
19 periods and associated premium payments, timely pay wages during employment and upon
20 termination, provide accurate wage statements, and reimburse necessary business-related expenses
21 and/or violation(s) of California Labor Code §§ 98.6, 201, 201.3, 202, 203, 204, 210, 213, 216, 218.5,
22 218.6, 221, 222, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-248.5, 432,
23 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198,
24 1198.5, 1199, 1527, 2800, 2802, 2810.5, 3366, 3457, 6401, 6402, 6403, 8397.4, the applicable
25 Industrial Welfare Commission Wage Order(s), California Business and Professions Code sections
26 16600, 16700, and 17200, *et seq.*, California Civil Code section 1786, *et seq.*, and 15 U.S.C. section
27 1681, *et seq.*, and all the claims, charges, complaints, liens, demands, causes of action, obligations,
28 damages, and liabilities, known or suspected based on the allegations and/or statutes/orders above.

1 hh. “Released PAGA Claims” means any and all claims arising from any of the
2 factual allegations in the Operative Complaint and/or PAGA Letter, arising during the PAGA Period,
3 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections
4 2698 *et seq.*, which specifically includes but is not limited to claims for Defendant’s alleged failure to
5 pay overtime and minimum wages, provide compliant meal and rest periods and associated premium
6 payments, timely pay wages during employment and upon termination, provide compliant wage
7 statements, maintain complete and accurate payroll records, and reimburse necessary business-related
8 expenses and/or violation(s) of California Labor Code §§ 98.6, 201, 201.3, 202, 203, 204, 210, 212,
9 213, 216, 218.5, 218.6, 221, 222, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234,
10 245-248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 11744, 1174.5, 1194, 1194.2,
11 1197, 1197.1, 1198, 1198.5, 1199, 1527, 2800, 2802, 2810.5, 3366, 3457, 6401, 6402, 6403, 8397.4,
12 and the applicable Industrial Welfare Commission Wage Order(s).

13 ii. “Released Parties” means Defendant and its affiliates, parents, and each of their
14 company-sponsored employee benefit plans, and their respective successors and predecessors in
15 interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and
16 agents, and each of their past, present and future officers, directors, shareholders, employees, agents,
17 principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers, and reinsurers.

18 jj. “Request for Exclusion” means a letter submitted by a Class Member indicating
19 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
20 of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and
21 last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class
22 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
23 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

24 kk. “Response Deadline” means the deadline by which Class Members must submit
25 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five
26 (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to
27 Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response
28 Deadline will be extended to the next day on which the United States Postal service is open. The

1 Response Deadline may also be extended by express agreement between Class Counsel and
2 Defendant's Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response
3 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
4 Response Deadline.

5 ll. "Settlement Administrator" means CPT Group, Inc., or any other third-party
6 class action settlement administrator agreed to by the Parties and approved by the Court for purposes
7 of administering the Settlement. The Parties and their counsel each represent that they do not have
8 any financial interest in the Settlement Administrator or otherwise have a relationship with the
9 Settlement Administrator that could create a conflict of interest.

10 mm. "Settlement Administration Costs" means the costs payable from the Gross
11 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
12 Paragraph 15.

13 nn. "Settlement Class" or "Settlement Class Member(s)" means all Class Members
14 who do not submit a timely and valid Request for Exclusion.

15 oo. "Workweeks" means the number of weeks each Class Member performed at
16 least some work for Defendant as an hourly-paid and/or non-exempt employee in California during
17 the Class Period. Workweeks will be provided by Defendant to the Settlement Administrator as part
18 of the provided Class List.

19 **CLASS CERTIFICATION**

20 10. For the purposes of this Settlement only, the Parties stipulate to the certification of the
21 Class.

22 11. The Parties agree that certification for the purpose of settlement is not an admission
23 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
24 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
25 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
26 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
27 non-settlement context.

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1 **TERMS OF THE AGREEMENT**

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

4 12. Attorneys' Fees and Costs. Defendant agrees not to oppose any application or motion
5 by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the Gross
6 Settlement Amount (i.e., \$411,744.20 if the Gross Settlement Amount is \$1,176,412.00) and
7 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
8 of the Action, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00),
9 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all
10 work performed and any and all costs incurred by Class Counsel in connection with the litigation of
11 the Action, including without limitation all work performed and costs incurred to date, and all work
12 to be performed and all costs to be incurred in connection with obtaining the Court's approval of this
13 Settlement Agreement, including any objections raised and any appeals necessitated by those
14 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this
15 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
16 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
17 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
18 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

19 13. Enhancement Payment(s). Defendant agrees not to oppose any application or motion
20 by Plaintiffs for Enhancement Payments in the amounts up to Seven Thousand Five Hundred Dollars
21 and Zero Cents (\$7,500.00) to each Plaintiff (for a total of up to \$15,000.00). The Enhancement
22 Payments, which will be paid from the Gross Settlement Amount, subject to Court approval, will be
23 in addition to any other payments Plaintiffs are entitled to under the Settlement. Plaintiffs shall be
24 solely and legally responsible for correctly characterizing this compensation for tax purposes and for
25 paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form
26 1099 to Plaintiffs for the Enhancement Payments. Any portion of the requested Enhancement
27 Payments that is not awarded by the Court to Plaintiffs shall be reallocated to the Net Settlement
28 Amount for the benefit of the Settlement Class Members.

1 14. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
2 One Hundred Thousand Dollars and Zero Cents (\$100,000.00) shall be allocated from the Gross
3 Settlement Amount as civil penalties under the Private Attorneys General Act, California Labor Code
4 Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$75,000.00,
5 will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$25,000.00,
6 will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based
7 on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e.,
8 the Individual PAGA Payments).

9 15. Settlement Administration Costs. The Settlement Administrator will be paid for the
10 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
11 which is currently estimated not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00).
12 These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will
13 include, *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class
14 Notices and other documents for the Settlement, calculating and distributing payments due under the
15 Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings,
16 and remittances, providing necessary reports and declarations, and other duties and responsibilities set
17 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
18 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
19 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any
20 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not
21 in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement
22 administration duties shall be reallocated to the Net Settlement Amount for the benefit of the
23 Settlement Class Members.

24 16. Escalator Clause. Defendant has represented that the Class Members worked a total of
25 43,452 workweeks during the period November 14, 2019 to December 4, 2024. If it is determined by
26 the Settlement Administrator that the total number of Workweeks worked by the Class Members
27 during the Class Period actually exceeds 43,452 by more than 2.5% (i.e., if the Workweeks exceed
28 44,539), then the Gross Settlement Amount will be increased on a *pro rata* basis equal to the

percentage increase in the number of Workweeks worked by the Class Members above 2.5% (i.e., if the number of Workweeks increases by 7.5%, then the Gross Settlement Amount will increase by 5%).

17. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement. If a Class Member received a Prior Paid Individual Amount, then the amount of the Prior Paid Individual Amount will be deducted from their Individual Settlement Share.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to each Settlement Class Member's final Individual Settlement Share. If a Class Member received a Prior Paid Individual Amount, then the amount of the Prior Paid Individual Amount will be deducted from their Individual Settlement Share.

18. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

19. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages

will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

20. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

21. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

22. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE

1 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS
2 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
3 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
4 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
5 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
6 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
7 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
8 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
9 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
10 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
11 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
12 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
13 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
14 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S
15 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
16 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
17 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
18 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

19 23. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
20 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
21 are issued to the payee. It is expressly understood and agreed that payments made under this
22 Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, and/or any PAGA
23 Employee to additional compensation or benefits under any new or additional compensation or
24 benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the
25 Class Period, nor will it entitle Plaintiffs, Settlement Class Members, and/or any PAGA Employee to
26 any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits
27 (notwithstanding any contrary language or agreement in any benefit or compensation plan document
28 that might have been in effect during the Class Period).

1 24. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

2 Plaintiffs will obtain a hearing date from the Court for Plaintiffs' motion for preliminary approval of
3 the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement
4 Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a
5 draft of the preliminary approval motion before filing it with the Court. Defendant agrees not to
6 oppose the motion for preliminary approval of the Settlement so long as the motion is consistent with
7 this Settlement Agreement. By way of said motion, Plaintiffs will apply for the entry of the
8 Preliminary Approval Order seeking the following:

- 9 a. Conditionally certifying the Class for settlement purposes only;
- 10 b. Granting Preliminary Approval of the Settlement;
- 11 c. Preliminarily appointing Plaintiffs as the representatives of the Class;
- 12 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 13 e. Approving as to form and content, the mutually-agreed upon and proposed
14 Class Notice and directing its mailing by First Class U.S. Mail;
- 15 f. Approving the manner and method for Class Members to request exclusion
16 from or object to the Class Settlement as contained herein and within the Class Notice; and
- 17 g. Scheduling a Final Approval Hearing at which the Court will determine whether
18 Final Approval of the Settlement should be granted.

19 25. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
20 Class Counsel shall notify the LWDA of the Settlement.

21 26. Delivery of Class List. Within fifteen (15) business days of Preliminary Approval,
22 Defendant will provide the Class List to the Settlement Administrator.

23 27. Notice by First-Class U.S. Mail.

- 24 a. Within seven (7) calendar days after receiving the Class List from Defendant,
25 the Settlement Administrator will perform a search based on the National Change of Address Database
26 or any other similar services available, such as provided by Experian, for information to update and
27 correct for any known or identifiable address changes, and will mail a Class Notice in English and
28 Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via

1 First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement
2 Administrator.

3 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
4 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
5 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
6 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
7 attempt to determine the correct address using a skip-trace or other search, using the name, address,
8 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
9 calendar days.

10 c. Compliance with the procedures described herein above shall constitute due and
11 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
12 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
13 provide notice of the Settlement.

14 28. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
15 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
16 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
17 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
18 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
19 has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data
20 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
21 Member, Defendant's records will be presumed to be correct and determinative of the dispute.
22 However, if a Class Member produces information and/or documents to the contrary, the Settlement
23 Administrator will evaluate the materials submitted by the Class Member and the Settlement
24 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
25 the disputing Class Member should be credited with under the Settlement. The Settlement
26 Administrator's decision on such disputes will be final and non-appealable.

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1 29. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
2 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
3 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
5 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
6 Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are
7 submitted, and also identify the individuals who have submitted a timely and valid Request for
8 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
9 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage (directly or
10 indirectly) Class Members to request exclusion from the Class Settlement. Any Class Member who
11 submits a Request for Exclusion is prohibited from making any objection to the Class Settlement.
12 Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the
13 Class Settlement and will not be issued an Individual Settlement Payment. Any Class Member who
14 does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid
15 Request for Exclusion will be bound by all of the terms of the Class Settlement, including and not
16 limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered
17 by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all PAGA
18 Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment,
19 irrespective of whether they submit a Request for Exclusion.

20 30. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
21 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
22 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
23 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
24 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
25 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
26 and complete and which were not), and also attach them to a declaration that is to be filed with the
27 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
28 seek to solicit or otherwise encourage (directly or indirectly) Settlement Class Members to object to

the Class Settlement or appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or through counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a Notice of Objection.

31. Reports by the Settlement Administrator. The Settlement Administrator shall provide weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will provide to counsel for the Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify the Parties when it receives a request from an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a Dispute.

32. Defendant's Right to Rescind. If more than seven and a half percent (7.5%) of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel within ten (10) business days of the Settlement Administrator notifying the Parties of the number of Class Members who have submitted timely and valid Requests for Exclusion following the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date.

33. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

34. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for: (a) Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.

1 Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
2 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
3 before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the Final
4 Approval Order and Judgment, which will provide for, in substantial part, the following:

5 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
6 consummation of its terms and provisions;

7 b. Certification of the Settlement Class;

8 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

9 d. Approval of the application for Enhancement Payments to Plaintiffs;

10 e. Directing Defendant to fund all amounts due under the Settlement Agreement
11 and ordered by the Court; and

12 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in
13 conformity with California Rules of Court 3.769 and the Settlement Agreement.

14 35. Funding of the Gross Settlement Amount. No later than fifteen (15) business days after
15 the Effective Date, Defendant will deposit the Gross Settlement Amount, less the Prior Paid Amount,
16 into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-
17 1, *et seq.*, to be established by the Settlement Administrator. Defendant shall provide all information
18 necessary for the Settlement Administrator to calculate necessary payroll taxes including its official
19 name, 8-digit state unemployment insurance tax ID number, and other information requested by the
20 Settlement Administrator, no later than fifteen (15) business days after the Effective Date.

21 36. Distribution of the Gross Settlement Amount. Within five (5) business days of the
22 funding of the Gross Settlement Amount, less the Prior Paid Amount, the Settlement Administrator
23 will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA
24 Payments to PAGA Employees, LWDA Payment to the LWDA, Enhancement Payments to Plaintiffs,
25 Attorneys' Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The
26 Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes,
27 contributions, and withholding, and timely forward these to the appropriate government authorities.

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1 37. Settlement Checks. The Settlement Administrator will be responsible for undertaking
2 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
3 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
4 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
5 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
6 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
7 Members and PAGA Employees are not required to submit a claim to be issued an Individual
8 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
9 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
10 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
11 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
12 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or
13 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under
14 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to
15 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendant
16 will not be required to pay any interest on such amounts. Should the Court require a *cy pres* recipient,
17 then the Parties shall select a mutually agreeable *cy pres* recipient. The Settlement Administrator shall
18 undertake amended and/or supplemental tax filings and reporting required under applicable local,
19 state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement
20 Payment and/or Individual PAGA Payment checks. Settlement Class Members whose Individual
21 Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and
22 PAGA Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be
23 bound by the PAGA Settlement.

24 38. Class Settlement Release. Upon the Effective Date and full funding of the Gross
25 Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally,
26 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
27 Released Class Claims.

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1 39. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
2 Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all
3 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
4 relinquished, and discharged the Released Parties of all Released PAGA Claims.

5 40. Plaintiffs' General Release. Upon the Effective Date and full funding of the Gross
6 Settlement Amount, Plaintiffs, individually and on their own behalf, will be deemed to have fully,
7 finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties
8 from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys'
9 fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
10 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from their employment
11 and/or separation of employment with Defendant, which Plaintiffs, at any time up until the execution
12 of this Settlement Agreement, had or claimed to have or may have. It is agreed that this is a general
13 release and is to be broadly construed as a release of all claims, provided that, notwithstanding the
14 foregoing, this Paragraph expressly does not include a release of any claims that cannot be released
15 hereunder by law. Any and all rights granted under any state or federal law or regulation limiting the
16 effect of this Settlement Agreement, including the provisions of Section 1542 of the California Civil
17 Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as
18 follows:

19 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR**
20 **OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER**
21 **FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM**
22 **OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH**
23 **THE DEBTOR OR RELEASED PARTY.**

24 41. Final Approval Order and Judgment. The Parties shall provide the Settlement
25 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
26 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
27 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
28 Class will be required.

1 42. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
2 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
3 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
4 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
5 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
6 Settlement Agreement.

7 43. Effects of Termination or Rescission of Settlement. Termination or rescission of the
8 Settlement Agreement shall have the following effects:

9 a. The Settlement Agreement shall be void and shall have no force or effect, and
10 no Party shall be bound by any of its terms;

11 b. In the event the Settlement Agreement is terminated, Defendant shall have no
12 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
13 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
14 Administrator is notified that the Settlement has been terminated;

15 c. The Preliminary Approval Order and Final Approval Order and Judgment,
16 including any order certifying the Class, shall be vacated;

17 d. The Settlement Agreement and all negotiations, statements, and proceedings
18 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
19 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

20 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
21 statements, or filings in furtherance of the Settlement (including all matters associated with the
22 mediation) shall be admissible or offered into evidence in the Action or any other action for any
23 purpose whatsoever; and

24 f. Any documents generated to bring the Settlement into effect, will be null and
25 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
26 likewise be treated as void from the beginning.

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1 44. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
2 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
3 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
4 of action or right herein released and discharged.

5 45. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set
6 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
7 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

8 46. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
9 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
10 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
11 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
12 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
13 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
14 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
15 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
16 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
17 Agreement.

18 47. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
19 the Action (including with respect to California Code of Civil Procedure Section 583.310), except
20 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
21 Approval Hearing to be conducted by the Court.

22 48. Amendment or Modification. Prior to the filing of the motion for preliminary approval
23 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
24 except by written agreement signed by counsel for all Parties. After the filing of the motion for
25 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
26 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
27 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
28 constitute a waiver of any other provision.

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1 49. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
3 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
4 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
5 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
6 full authority to enter into this Settlement Agreement, and further intend that this Settlement
7 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
8 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
9 confidentiality provisions that otherwise might apply under state or federal law.

10 50. Publicity. Plaintiffs and Class Counsel agree not to issue a press release or otherwise
11 notify the media about the terms of the Settlement or advertise or market any terms of the Settlement
12 through written, recorded, or electronic communications. In addition, Class Counsel will not put
13 details about the Settlement on their website(s), unless no reference is made to the case name or
14 Defendant. If Plaintiffs or Class Counsel are contacted regarding this case, they will take reasonable
15 steps to determine whether the contacting party is a member of the Class. If the contacting party is
16 not a Class Member or the legal representative of a Class Member, they will state only that the lawsuit
17 exists and has been resolved. However, this will not prevent Class Counsel from undertaking required
18 submissions and disclosures that are required to obtain approval of the Settlement, and carry out their
19 duties as Class Counsel to communicate with Class Members. Nothing herein will restrict Class
20 Counsel from including publicly available information regarding the Settlement in future judicial
21 submissions regarding Class Counsel's qualifications and experience. Furthermore, Plaintiffs and
22 Class Counsel will undertake any and all disclosures required to be made to the LWDA in conformity
23 with PAGA.

24 51. Signatories. It is agreed that because the members of the Class are so numerous, it is
25 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
26 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
27 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
28 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
the same force and effect as if this Settlement Agreement were executed by each Settlement Class
Member and PAGA Employee.

1 52. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
2 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

3 53. California Law Governs. All terms of this Settlement Agreement and attached exhibits
4 hereto will be governed by and interpreted according to the laws of the State of California.

5 54. Execution and Counterparts. This Settlement Agreement is subject only to the
6 execution of all Parties. However, this Settlement Agreement may be executed in one or more
7 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
8 copies of the signature page, will be deemed to be one and the same instrument.

9 55. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
10 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
11 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into
12 account all relevant factors, present and potential. The Parties further acknowledge that they are each
13 represented by competent counsel and that they have had an opportunity to consult with their counsel
14 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
15 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
16 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
17 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

18 56. Invalidity of Any Provision. Before declaring any provision of this Settlement
19 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
20 possible consistent with applicable precedents so as to define all provisions of this Settlement
21 Agreement valid and enforceable.

22 57. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by
23 signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate
24 to implement the Settlement.

25 58. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
26 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
27 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and
28 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines

1 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
2 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
3 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
4 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
5 construed as an admission or concession by Defendant of any such violations or failures to comply
6 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
7 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
8 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant
9 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
10 federal, state, local, or other applicable law.

11 59. Captions. The captions and paragraph numbers in this Settlement Agreement are
12 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
13 intent of the provisions of this Settlement Agreement.

14 60. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
15 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
16 construed more strictly against one Party than another merely by virtue of the fact that it may have
17 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
18 negotiations between the Parties, all Parties have contributed equally to the preparation of this
19 Settlement Agreement.

20 61. Representation By Counsel. The Parties acknowledge that they have been represented
21 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
22 that this Settlement Agreement has been executed with the consent and advice of counsel, and
23 reviewed in full.

24 62. All Terms Subject to Final Court Approval. All amounts and procedures described in
25 this Settlement Agreement herein will be subject to final Court approval.

26 63. Notices. All notices, demands, and other communications to be provided concerning
27 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
28 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed

as follows:

To Plaintiffs and Class Counsel:

Jonathan M. Genish

jgenish@blackstonepc.com

Karen I. Gold

kgold@blackstonepc.com

Marissa A. Mayhood

mmayhood@blackstonepc.com

Alexandra Rose

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Jasmine Y. Kianfard

jkianfard@blackstonepc.com

BLACKSTONE LAW, APC

8383 Wilshire Boulevard, Suite 745

Beverly Hills, California 90211

Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendant:

Amber A. Eklof

aeklof@grsm.com

Seth Weisburst

sweisburst@grsm.com

GORDON REES SCULLY MANSUKHANI, LLP

315 Pacific Avenue

San Francisco, California 94111

Tel: (415) 986-5900 / Fax: (415) 986-8054

64. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendant:

IT IS SO AGREED.

PLAINTIFF JUAN CAMPOS-LEDEZMA

Dated: 07/22/2025



Plaintiff Juan Campos-Ledezma

PLAINTIFF HECTOR SANCHEZ

*Heber
Sanchez*

Dated: 07/23/2025

Plaintiff Hector Sanchez

**DEFENDANT INSTITUTE FOR
ENVIRONMENTAL HEALTH, INC.**

[Signature]

Dated: August 4, 2025

Full Name: Dalia Alfi

Title: CEO

On behalf of Defendant Institute for
Environmental Health, Inc.

APPROVED AS TO FORM ONLY:

BLACKSTONE LAW, APC

[Signature]

Dated: July 23, 2025

Alexandra Rose

Attorneys for Plaintiffs Juan Campos-Ledezma
and Hector Sanchez and Proposed Class Counsel

**GORDON REES SCULLY MANSUKHANI,
LLP**

[Signature]

Dated: August 21, 2025

Amber A. Eklof

Seth Weisburst

Attorneys for Defendant Institute for
Environmental Health, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Juan Campos-Ledezma, et al. v. Institute of Environmental Health, Inc.
Superior Court of California for the County of Stanislaus, Case No. CV-23-006693

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Juan Campos-Ledezma and Hector Sanchez (together, "Plaintiffs") and Defendant Institute of Environmental Health, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Juan Campos-Ledezma, et al. v. Institute of Environmental Health, Inc.*, Stanislaus County Superior Court, Case No. CV-23-006693 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

"Class Period" means the period from November 14, 2019 through January 15, 2025.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"PAGA Employee(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period.

"PAGA Period" means the period from May 28, 2023 through January 15, 2025.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On November 14, 2023, Plaintiff Juan Campos-Ledezma commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the action entitled *Juan Campos-Ledezma, et al. v. Institute of Environmental Health, Inc.*, Stanislaus County Superior Court Case No. CV-23-006693 (the "Campos Action"). On May 28, 2024, Plaintiff Hector Sanchez provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that were allegedly violated ("PAGA Letter"). On February 4, 2025, Plaintiffs filed a First Amended Class and Representative Action Complaint ("Operative Complaint"), which added Plaintiff Hector Sanchez as a named plaintiff and a cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq.* ("PAGA").

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it engaged in any wrongdoing or violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed CPT Group, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Juan Campos-Ledezma and Hector Sanchez as representatives of the Class (together, “Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Jonathan M. Genish
Karen I. Gold
Marissa A. Mayhood
Alexandra Rose
Jasmine Y. Kianfard
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million One Hundred Seventy-Six Thousand Four Hundred Twelve Dollars and Zero Cents (\$1,176,412.00) (the “Gross Settlement Amount”), which includes the amount of One Hundred Twenty-Six Thousand Four Hundred Twelve Dollars and Zero Cents (\$126,412.00) that was already paid to certain Class Members for individual release agreements (the “Prior Paid Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$411,744.20), and reimbursement of litigation costs and expenses, in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) to Class Counsel; (2) Enhancement Payments in amounts not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each to Plaintiffs (total, \$15,000.00) for their services in the Action; (3) the amount of One Hundred Thousand Dollars and Zero Cents (\$100,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$75,000.00) (“LWDA Payment”) and the remaining 25% (\$25,000.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member performed at least some work

for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). If a Class Member received a payment that constitutes a portion of the Prior Paid Amount (“Prior Paid Individual Amount”), then the gross amount of the Prior Paid Individual Amount will be deducted from their Individual Settlement Share. Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each PAGA Employee performed at least some work for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the “PAGA Pay Period Value,” and multiplied each PAGA Employee’s individual Pay Periods by the Pay Period Value to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- **From November 14, 2019 through January 15, 2025 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From May 28, 2023 through January 15, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Campos-Ledezma v. Institute of Environmental Health, Inc.*, Case No. CV-23-006693); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you. If you received a Prior Paid Individual Amount, then that amount will be deducted from your Individual Settlement Share.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Based on Defendant's records, you already received \$ [REDACTED] for an individual settlement agreement related to the claims asserted in the Action. Accordingly, that amount has been deducted from your Individual Settlement Share above.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims which were alleged or which could have been alleged based on the factual allegations in the Operative Complaint and/or PAGA Letter, arising during the Class Period, which specifically includes but is not limited to claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses and/or violation(s) of California Labor Code §§ 98.6, 201, 201.3, 202, 203, 204, 210, 213, 216, 218.5, 218.6, 221, 222, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 1527, 2800, 2802, 2810.5, 3366, 3457, 6401, 6402, 6403, 8397.4, the applicable Industrial Welfare Commission Wage Order(s), California Business and Professions Code sections 16600, 16700, and 17200, *et seq.*, California Civil Code section 1786, *et seq.*, and 15 U.S.C. section 1681, *et seq.*, and all the claims, charges, complaints, liens, demands, causes of action, obligations, damages, and liabilities, known or suspected based on the allegations and/or statutes/orders above.

"Released PAGA Claims" means any and all claims arising from any of the factual allegations in the Operative Complaint and/or PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, which specifically includes but is not limited to claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses and/or violation(s) of California Labor Code §§ 98.6, 201, 201.3, 202, 203, 204, 210, 212, 213, 216, 218.5, 218.6, 221, 222, 223, 225.5, 226, 226.3, 226.6, 226.7, 227.3, 232, 232.5, 233, 234, 245-248.5, 432, 432.5, 432.7, 510, 512, 558, 558.1, 1024.5, 1102.5, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 1527, 2800, 2802, 2810.5, 3366, 3457, 6401, 6402, 6403, 8397.4, and the applicable Industrial Welfare Commission Wage Order(s).

"Released Parties" means Defendant and its affiliates, parents, and each of their company-sponsored employee benefit plans, and their respective successors and predecessors in interest, all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and agents, and each of their past, present and future officers, directors, shareholders, employees, agents, principals, heirs, representatives, attorneys, accountants, auditors, consultants, insurers, and reinsurers,

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$411,744.20) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each to Plaintiffs (total, \$15,000.00) ("Enhancement Payment(s)"), in recognition of their services in connection with the Action. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to any other payments that are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Fourteen Thousand Dollars and Zero Cents (\$14,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Campos-Ledezma v. Institute of Environmental Health, Inc.*, Case No. CV-23-006693); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or**

before **[Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Campos-Ledezma v. Institute of Environmental Health, Inc.*, Case No. CV-23-006693); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 22 of the Stanislaus County Superior Court, located at 1010 10th Street, Sixth Floor, Modesto, California 95354, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through the Stanislaus Superior Court’s website: <https://www.stanislaus.courts.ca.gov/online-services/remote-appearances>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by visiting <https://stanportal.stanct.org/search> and entering the case number (Case No. CV-23-006693).

You may also visit the Settlement Administrator’s website at **[redacted]** for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**