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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE**

RAPHEAL LEE, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

vs.

AQUAMOR, LLC, a California limited liability
company; and DOES 1 through 100, inclusive;

Defendants.

Case No.: CVRI2305592

CLASS ACTION

Assigned for All Purposes to:
Honorable Harold W. Hopp
Department 1

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT**

Complaint Filed: October 19, 2023
Trial Date: None Set

1 This Joint Stipulation and Settlement Agreement (“Settlement Agreement,” “Settlement,” or
2 “Agreement”) is made and entered between Plaintiffs Rapheal Lee and Cayla Bracy (“Plaintiffs” or
3 “Class Representatives”), on behalf of themselves and all others similarly situated, and Defendant
4 Aquamor, LLC, a California limited liability company (“Defendant”).

5 DEFINITIONS

6 The following definitions are applicable to this Settlement Agreement.

7 Definitions contained elsewhere in this Settlement Agreement will also be effective:

8 1. “Action” means *Lee v. Aquamor, LLC*, Riverside County Superior Court Case
9 Number CVRI2305592.

10 2. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the Court
11 for Class Counsel’s litigation and resolution of this Action.

12 3. “Class Counsel” means Justice Law Corporation.

13 4. “Class List” means a complete list of all Class Members that Defendant will
14 diligently and in good faith compile from their records and provide to the Settlement Administrator
15 within twenty-one (21) calendar days after Preliminary Approval of this Settlement. The Class List
16 will be formatted in Microsoft Office Excel and will include each Class Member’s: (a) full name;
17 (b) last-known mailing address; (c) Social Security number; and (d) dates of employment and
18 Workweeks worked as an hourly-paid, non-exempt employee in the State of California during the
19 Class Period.

20 5. “Class Member(s)” or “Class” means all individuals who worked for Defendant as
21 hourly-paid, non-exempt employees in the State of California at any time between October 19, 2019
22 and May 22, 2024. “Class Members” shall not include any person who submits a timely and valid
23 Request for Exclusion Form. There are approximately 997 persons answering to this definition who
24 worked about 38,227 Workweeks during the Class Period.

25 6. “Class Period” means any time between October 19, 2019 and May 22, 2024.

26 7. “Class Representative Enhancement Payments” means the amount approved by the
27 Court to be paid to Plaintiffs in recognition of their contributions to the Action on behalf of Class
28 Members and Eligible Aggrieved Employees, to be paid from the Maximum Settlement Amount.

1 8. “Court” means the Superior Court of California, County of Riverside.

2 9. “Defendant” means Aquamor, LLC.

3 10. “Effective Date” means thirty (30) calendar days after the Court grants Final
4 Approval. It is the intention of the Parties the Settlement shall not become effective until the Court’s
5 Order Granting Final Approval has become completely final, Judgment has been entered in
6 accordance with the terms of the Settlement, and no timely recourse remains for an appellant or
7 objector to contest the Settlement.

8 11. “Eligible Aggrieved Employees” means all individuals who worked for Defendant
9 as hourly-paid, non-exempt employees in the State of California at any time between October 19,
10 2022 and May 22, 2024. There are approximately 280 persons answering to this definition who
11 worked about 7,583 pay periods during the PAGA Period.

12 12. “Final Approval” means the Court order granting final approval of the Agreement.

13 13. “Individual PAGA Payments” means each Eligible Aggrieved Employee’s share of
14 twenty-five percent (25%) of the PAGA Payment. Eligible Aggrieved Employees will automatically
15 receive their Individual PAGA Payments even if they opt out of the Settlement.

16 14. “Individual Settlement Payment” means each Class Member’s share of the Net
17 Settlement Amount. Class Members will automatically receive their Individual Settlement Payments
18 unless they opt out of the Settlement. Class Members are not required to submit claim forms to
19 receive their share of the Individual Settlement Payments.

20 15. “Maximum Settlement Amount” means the sum of \$800,000, which is the maximum
21 amount to be paid by Defendant pursuant to this Agreement. The Maximum Settlement Amount
22 includes Individual Settlement Payments, Class Representative Enhancement Payments, Attorneys’
23 Fees and Costs, Settlement Administration Costs, and PAGA Payment as specified herein.

24 a. Defendant shall pay the employer’s share of applicable payroll taxes due on
25 the portion of Individual Settlement Payments allocated to wages separately
26 and in addition to the Maximum Settlement Amount. Defendant will have no
27 obligation to pay any amount in connection with this Settlement Agreement
28 apart from the Maximum Settlement Amount and employer’s share of

1 applicable payroll taxes due on the portion of Individual Settlement Payments
2 allocated to wages.

3 b. No portion of the Maximum Settlement Amount will revert to Defendant.

4 16. "Net Settlement Amount" means the Maximum Settlement Amount less the Class
5 Representative Enhancement Payments, Attorneys' Fees and Costs, Settlement Administration
6 Costs, and PAGA Payment as specified in this Agreement.

7 17. "Notice of Class Action Settlement" means the notice of settlement, attached hereto
8 as **Exhibit A**, to be mailed to all Class Members upon Preliminary Approval.

9 18. "Notice Packet" means the Notice of Class Action Settlement, Objection Form, and
10 Request For Exclusion Form that will be mailed to all Class Members upon Preliminary Approval.

11 19. "Objection" means any written objection to this Settlement sent by a Class Member
12 to the Settlement Administrator as specified herein and in the Notice of Class Action Settlement. An
13 Objection to Settlement must be sent to the Settlement Administrator within the time limitations set
14 forth in this Agreement. Class Members and Eligible Aggrieved Employees can object to the class
15 action portion of the Settlement but cannot object to the PAGA portion of the Settlement.

16 20. "Objection Form" means the form Class Members can use to submit Objections
17 regarding this Settlement to the Settlement Administrator that must be postmarked on or before the
18 Response Deadline. The Objection Form must state the: (a) case name and number; (b) name of the
19 Class Member; (c) address and telephone number of the Class Member; (e) last four digits of the
20 Class Member's Social Security number; and (f) basis for the Objection. Class Members and Eligible
21 Aggrieved Employees cannot use the Objection Form to object to the PAGA portion of the
22 Settlement. The Objection Form is attached hereto as **Exhibit B**, to be mailed to all Class Members
23 upon Preliminary Approval.

24 21. "PAGA" means the Labor Code Private Attorneys General Act of 2004.

25 22. "PAGA Payment" means the payment made hereunder to the California Labor and
26 Workforce Development Agency ("LWDA") and the Eligible Aggrieved Employees for settlement
27 of claims for civil penalties under PAGA. Eligible Aggrieved Employees will still receive their share
28 of the PAGA Payment even if they submit valid and timely Request for Exclusion Forms.

- 1 23. “PAGA Period” means any time between October 19, 2022 and May 22, 2024.
- 2 24. “Parties” means Plaintiffs and Defendant collectively.
- 3 25. “Plaintiffs” means Rapheal Lee and Cayla Bracy.
- 4 26. “Preliminary Approval” means the Court order granting preliminary approval of the
- 5 Agreement.
- 6 27. “Released Claims” means all causes of action and factual or legal theories stated in
- 7 the operative complaints and those based solely upon the facts alleged in the operative complaints.
- 8 This includes all of the following claims for relief: (a) failure to pay all regular wages, minimum
- 9 wages, overtime wages, and sick leave due; (b) failure to provide proper meal and rest breaks and to
- 10 properly provide premium pay in lieu thereof; (c) failure to provide complete, accurate, or properly
- 11 formatted wage statements and payroll records; (d) failure to reimburse necessary business
- 12 expenditures; (e) failure to pay waiting time penalties; (f) failure to timely pay wages during
- 13 employment and after employment; (g) engaging in unfair business practices that could have been
- 14 premised on the claims, causes of action or legal theories of relief described above or any of the
- 15 claims, causes of action or legal theories of relief pleaded in the operative complaints; (h) all claims
- 16 under PAGA, which shall only bind Plaintiffs and State of California, that were described in Plaintiff
- 17 Bracy’s notice letter sent to the LWDA and only to the extent these claims were alleged in the
- 18 operative complaints; and (i) all damages, penalties, interest, and other amounts recoverable under
- 19 said claims, causes of action or legal theories of relief. The period of the Released Claims shall
- 20 extend to the limits of the Class Period.
- 21 a. Eligible Aggrieved Employees do not release their claims for wages except as
- 22 otherwise provided by the preceding paragraph.
- 23 b. Class Members will not release their claims for wages if they submit valid
- 24 and timely Request for Exclusion Forms.
- 25 c. Defendant shall be entitled to a release of the Released Claims occurring
- 26 during the Class Period only and during such time Class Members were
- 27 classified as hourly-paid, non-exempt employees.
- 28 ///

d. The Released Claims exclude claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, and workers' compensation.

28. "Released Parties" means Defendant together with each of its former, present, and future officers, directors, employees, agents, and Infinium Staffing, Inc.

29. "Request for Exclusion Form" means a timely written request by a Class Member to be excluded from the Settlement. The Request for Exclusion Form must: (a) set forth the name, address, telephone number and last four digits of the Social Security number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator; (d) clearly state the Class Member does not wish to be included in the Settlement; and (e) be postmarked on or before the Response Deadline. Class Members and Eligible Aggrieved Employees cannot use the Request for Exclusion Form to exclude themselves from the PAGA portion of the Settlement. The Request for Exclusion Form is attached hereto as **Exhibit C**, to be mailed to all Class Members upon Preliminary Approval.

30. "Response Deadline" means the deadline by which Class Members must postmark to the Settlement Administrator Request for Exclusion Forms or Objection Forms to the Settlement. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator. If the sixtieth (60th) day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

31. "Settlement Administrator" means CPT Group, Inc. that will work with the Parties to administer this Settlement. The Parties each represent they do not have a financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

32. "Settlement Administration Costs" includes all costs payable to the Settlement Administrator for administering this Settlement. This includes, but is not limited to: (a) translating, printing, distributing, remailing (if necessary), and tracking notice and other documents (e.g., Objection Forms, Request for Exclusion Forms received) for this Settlement; (b) calculating and distributing all payments to be made pursuant to this Settlement; (c) sending Class Members and

1 Eligible Aggrieved Employees reminder postcards for uncashed settlement checks; (d) setting up the
2 interest-bearing Qualified Settlement Fund (“QSF”); (e) providing any funds remaining in the QSF
3 as a result of uncashed settlement checks to the State Controller’s Unclaimed Property Fund; (f) tax
4 reporting; and (g) providing necessary reports and declarations as requested by the Parties.

5 33. “Workweek(s)” means the number of calendar weeks the Class Member and Eligible
6 Aggrieved Employee worked as a non-exempt or hourly-paid employee in the State of California
7 during the Class Period and PAGA Period respectively. Workweeks will be based on hire dates, last
8 dates worked or separation dates (as applicable) and rehire dates (as applicable).

9 34. “Workweek Value for Class Members” means the value of each compensable
10 Workweek by Class Members, as determined by the formula set forth in herein below.

11 35. “Workweek Value for Eligible Aggrieved Employees” means the value of each
12 compensable Workweek by Eligible Aggrieved Employees, as determined by the formula set forth
13 herein below.

14 TERMS OF AGREEMENT

15 Plaintiffs, on behalf of themselves and the Class, and Defendant agree as follows:

16 36. Maximum Settlement Amount. On the Effective Date, Defendant will make a single
17 payment of \$800,000 into the QSF, which the Settlement Administrator will manage and establish.
18 The Maximum Settlement Amount will be used to pay the: (a) Individual Settlement Payments; (b)
19 Class Representative Enhancement Payments; (c) Attorneys’ Fees and Costs; (d) PAGA Payment;
20 and (e) Settlement Administration Costs.

21 37. Attorneys’ Fees and Costs. Class Counsel will seek an award of Attorneys’ Fees and
22 Costs of no more than \$280,000 in attorney’s fees (35% of the Maximum Settlement Amount) and
23 no more than \$25,000 in attorneys’ costs, and Defendant agrees not to oppose such application. All
24 Attorneys’ Fees and Costs will be paid from the Maximum Settlement Amount. Plaintiffs and Class
25 Counsel will not have the right to revoke this Settlement if the Court fails to approve the sum of
26 Attorneys’ Fees and Costs sought by Class Counsel. Any portion of the Attorneys’ Fees and Costs
27 not awarded to Class Counsel will be added to the Net Settlement Amount.

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1 38. Class Representative Enhancement Payments. Plaintiffs will each apply to the Court
2 for the Class Representative Enhancement Payments of no more than \$10,000 (totaling \$20,000) for
3 the efforts and work in prosecuting the Action on behalf of Class Members and Eligible Aggrieved
4 Employees, and Defendant agrees not to oppose such application. The Class Representative
5 Enhancement Payments, which will be paid from the Maximum Settlement Amount, will be in
6 addition to Plaintiffs' right to the Individual Settlement Payments pursuant to this Settlement.
7 Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the Class
8 Representative Enhancement Payments and will hold Defendant harmless from any claim or liability
9 for taxes, penalties, or interest arising from this payment. Plaintiffs will not have the right to revoke
10 this Settlement if the Court fails to approve the amount sought by Plaintiffs as the Class
11 Representative Enhancement Payments. Any portion of the Class Representative Enhancement
12 Payments not awarded to Plaintiffs will be added to the Net Settlement Amount.

13 39. Settlement Administration Costs. The Settlement Administrator will be paid for the
14 reasonable costs of administration of the Settlement and distribution of payments. These costs, which
15 will be paid from the Maximum Settlement Amount, will include, *inter alia*: (a) translating,
16 printing, distributing, remailing (if necessary), and tracking the Notice Packets and other
17 documents (*e.g.*, Objection Forms, Request for Exclusion Forms received) for this Settlement;
18 (b) calculating and distributing all payments to be made pursuant to this Settlement; (c) sending
19 Class Members and Eligible Aggrieved Employees reminder postcards for uncashed settlement
20 checks; (d) setting up the interest-bearing QSF; (e) providing any funds remaining in the QSF
21 as a result of uncashed settlement checks to the State Controller's Unclaimed Property Fund;
22 (f) tax reporting; and (g) providing necessary reports and declarations as requested by the
23 Parties. The Settlement Administration Costs will not exceed \$20,000. All the Settlement
24 Administration Costs shall be paid from the Maximum Settlement Amount upon completion of all
25 duties required to be performed by the Settlement Administrator under the terms of this Settlement
26 or required by the Court. Any portion of the Settlement Administration Costs not awarded to the
27 Settlement Administrator will be added to the Net Settlement Amount.

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1 40. PAGA Payment. \$50,000 shall be allocated from the Maximum Settlement Amount
2 for settlement of claims for civil penalties under PAGA. The Settlement Administrator shall pay
3 seventy-five percent (75%) the PAGA Payment (\$37,500) to the LWDA and twenty-five percent
4 (25%) of the PAGA Payment (\$12,500) to Eligible Aggrieved Employees, on a pro rata basis, as
5 described in this Agreement. Each Eligible Aggrieved Employee's portion of the PAGA Payment
6 will be part of his or her Individual PAGA Payment. Eligible Aggrieved Employees will receive their
7 portion of the PAGA Payment even if they submit valid and timely Request for Exclusion Forms.

8 41. Individual Settlement Payment Calculations. Individual Settlement Payments to
9 Class Members will be calculated and apportioned from the Net Settlement Amount based on the
10 number of Workweeks a Class Member worked during the Class Period as an hourly-paid, non-
11 exempt employee in the State of California. Such calculations will be made as follows:

- 12 a. The Settlement Administrator will calculate the total number of Workweeks
13 worked by each Class Member as an hourly-paid, non-exempt employee in
14 the State of California during the Class Period and the aggregate total
15 Workweeks worked by all Class Members as hourly-paid, non-exempt
16 employees in the State of California during the Class Period.
- 17 b. To determine the estimated Individual Settlement Payments, the Settlement
18 Administrator will use the following formula: Net Settlement Amount will be
19 divided by the aggregate total number of Workweeks worked by all Class
20 Members during the Class Period, resulting in the Workweek Value for Class
21 Members. Each Class Member's Individual Settlement Payment will then be
22 calculated by multiplying each individual Class Member's total number of
23 Workweeks worked by the Workweek Value for Class Members.
- 24 c. The entire Net Settlement Amount will be disbursed as Individual Settlement
25 Payments to Class. If there are any valid and timely Request for Exclusion
26 Forms from Class Members, the Settlement Administrator shall
27 proportionately increase the Individual Settlement Payment for each Class
28 Member according to the number of Workweeks worked so that the amount

distributed to the Class equals one hundred percent (100%) of the Net Settlement Amount. All interest accrued from Defendant's payment into the QSF during the funding process and through distribution will be added to the Net Settlement Amount, and the Individual Settlement Payments will be proportionally increased on a pro rata basis.

42. Individual PAGA Payment Calculations. Individual PAGA Payments to Eligible Aggrieved Employees will be calculated and apportioned from the twenty-five percent (25%) of the PAGA Payment (\$12,500) based on the number of Workweeks an Eligible Aggrieved Employee worked during the PAGA Period as an hourly-paid, non-exempt employee in the State of California. Such calculations will be made as such:

- a. The Settlement Administrator will calculate the total number of Workweeks worked by each Eligible Aggrieved Employees as an hourly-paid, non-exempt employee in the State of California during the PAGA Period and the aggregate total number of Workweeks worked by all Eligible Aggrieved Employees as hourly-paid, non-exempt employees in the State of California during PAGA Period.
- b. To determine the estimated Individual PAGA Payments, the Settlement Administrator will use the following formula: twenty-five percent (25%) of the PAGA Payment (\$12,500) will be divided by the aggregate total number of Workweeks worked by all Eligible Aggrieved Employees during the PAGA Period, resulting in the Workweek Value for Eligible Aggrieved Employees. Each Eligible Aggrieved Employee's Individual PAGA Payment will be then calculated by multiplying each individual Eligible Aggrieved Employee's total number of Workweeks worked by the Workweek Value for Eligible Aggrieved Employees.

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1 43. No Credit Toward Benefit Plans. The Individual Settlement Payments made to Class
2 Members under this Settlement, as well as any other payments made pursuant to this Settlement,
3 will not be utilized to calculate any additional benefits under any benefit plans to which any Class
4 Members may be eligible. This includes but is not limited to: (a) profit-sharing plans; (b) bonus
5 plans; (c) 401(k) plans; (d) stock purchase plans; (e) vacation plans; (f) sick leave plans; (g) PTO
6 plans; and (h) any other benefit plan.

7 44. Settlement Administration Process. The Parties agree to cooperate in the
8 administration of the settlement and to make all reasonable efforts to control and minimize the costs
9 and expenses incurred in administration of the Settlement. Defendant agrees to fund the QSF by
10 making the above-described payment through the Settlement Administrator.

11 45. Delivery of the Class List. Within twenty-one (21) calendar days of entry of the
12 Court's Order Granting Preliminary Approval, Defendant will provide the Class List to the
13 Settlement Administrator.

14 46. Confirmation of Contact Information in the Class List and Undeliverable Notices.
15 Prior to mailing, the Settlement Administrator will perform a search based on the National Change
16 of Address Database for information to update and correct for any known or identifiable address
17 changes. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or
18 before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the
19 forwarding address affixed thereto, and the Settlement Administrator will indicate the date of such
20 remailing on the Notice Packet. If no forwarding address is provided, the Settlement Administrator
21 will promptly attempt to determine the correct address using an Accurint search/skip-trace and will
22 perform a single remailing.

23 47. Notice by First-Class U.S. Mail. Within ten (10) calendar days after the Settlement
24 Administrator receives the Class List from Defendant, the Settlement Administrator will mail a
25 Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current, known
26 mailing addresses identified in the Class List.

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1 48. Notice Packets. All Class Members will be mailed a Notice Packet, comprised of the
2 Notice of Class Action Settlement, Objection Form, and Request For Exclusion Form in the forms
3 attached as **Exhibits A, B, and C** respectively or as provided by Court order.

4 49. Disputed Information in the Notice Packets. Class Members will have an opportunity
5 to dispute the information provided in their Notice Packets. If Class Members dispute their
6 employment dates or the number of Workweeks worked, they can produce evidence to the Settlement
7 Administrator showing such information is inaccurate. The Settlement Administrator will advise the
8 Parties of such dispute, allow Defendant five (5) business days to respond with any additional
9 information or records, and then decide the dispute. Defendant's records will be presumed correct,
10 but the Settlement Administrator will evaluate the evidence submitted by the Class Member and
11 Defendant. The Settlement Administrator will make the final decision as to the merits of the dispute.

12 50. Request for Exclusion Forms. Any Class Member wishing to opt-out from the
13 Settlement must sign and postmark a valid and timely written Request for Exclusion Form to the
14 Settlement Administrator within the Response Deadline (no less than 60 calendar days from the
15 initial mailing of the Notice Packet by the Settlement Administrator). The postmark date will be the
16 exclusive means to determine whether a Request for Exclusion Form has been timely submitted. The
17 Parties and their counsel will not solicit or encourage any Class Member, directly or indirectly, to
18 opt out of the Settlement. A Class Member who properly submits a valid and timely request to be
19 excluded from the Action will not receive an Individual Settlement Payment, will not be bound by
20 the class action releases of the Settlement, and will not have standing to object to the Settlement. A
21 Request for Exclusion Form must be mailed to the Settlement Administrator at the address to be
22 provided in the Notice Packet. The Settlement Administrator will promptly transmit the Request for
23 Exclusion Forms to the Parties' counsel. Class Counsel will include all Request for Exclusion Forms
24 received with the motion for Final Approval of the Settlement.

- 25 a. PAGA Portion of the Settlement. A Class Member who properly submits a
26 valid and timely request to be excluded from the Action will still receive his
27 or her Individual PAGA Payment if he or she is also an Eligible Aggrieved
28 Employee. In other words, a Class Member will still be bound by the PAGA

1 portion of this Settlement even if he or she submits a valid and timely request
2 to be excluded.

3 b. Defective Submissions. If a Class Member's Request for Exclusion Form is
4 defective as to the requirements listed herein, that Class Member will be given
5 an opportunity to cure the defect(s). The Settlement Administrator will mail
6 the Class Member a curative letter within three (3) business days of receiving
7 the defective submission to advise the Class Member his or her submission is
8 defective and that the defect must be cured to render the Request for
9 Exclusion Form valid. The Class Member will have until the later of: (i) the
10 Response Deadline; or (ii) fifteen (15) calendar days from the date of the
11 curative letter, whichever date is later, to postmark a revised Request for
12 Exclusion Form. If the revised Request for Exclusion Form is not postmarked
13 within that period, it will be deemed untimely.

14 c. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
15 Member who does not affirmatively opt out of the Settlement by submitting
16 a timely and valid Request for Exclusion Form will be bound by all its terms,
17 including those pertaining to the Released Claims, as well as any Judgment
18 that may be entered by the Court if it grants Final Approval.

19 51. Objection Procedures. The Notice Packet shall state Class Members who wish to
20 object to the Settlement may do so by submitting an Objection Form to the Settlement Administrator
21 by the Response Deadline (no less than 60 calendar days from the initial mailing of the Notice Packet
22 by the Settlement Administrator). The postmark date of the filing and service will be deemed the
23 exclusive means for determining whether the Objection is timely. The Settlement Administrator will
24 promptly provide any Objection Forms to the Parties' counsel upon receiving them. Class Counsel
25 will include all Objections received and the response(s) with the motion for Final Approval of the
26 Settlement. Class Members have the right to have their Objections heard at the Final Approval
27 Hearing. However, Class Members are not required to appear at the Final Approval Hearing to have
28 their Objections considered. Class Counsel will not represent any Class Members with respect to

1 any such Objections to this Settlement. Any Class Members who request exclusion from the
2 Settlement will not have standing to object to the Settlement. If a Class Member objects to the
3 Settlement, the Class Member will remain a member of the Class. By extension, if the Court
4 approves this Settlement, the objecting Class Member will be deemed a Class Member and be bound
5 by the terms of the Settlement and Final Approval Hearing in the same way and to the same extent
6 as a Class Member who did not object.

7 e. PAGA Portion of the Settlement. Class Members and Eligible Aggrieved
8 Employees cannot object to the PAGA portion of the Settlement.

9 52. Settlement Administrator Reports. The Settlement Administrator will provide the
10 Parties' counsel a weekly report of the number of Class Members who have submitted valid Request
11 for Exclusion Forms, Objection Forms, and disputes regarding Workweeks worked calculations. The
12 Settlement Administrator will also provide the Parties' counsel any updated reports regarding the
13 administration of the Settlement Agreement as needed or requested.

14 53. Funding of the Maximum Settlement Amount. To facilitate the funding of the
15 Maximum Settlement Amount for distribution as detailed above, Defendant will make a single
16 payment of \$800,000 into the QSF on the Effective Date. The Settlement Administrator will notify
17 Defendant's counsel of the account information to which Defendant will wire the Maximum
18 Settlement Amount into the QSF. Upon establishing the QSF, the Settlement Administrator will
19 maintain the fund through preliminary approval, the settlement administration, and approval process.

20 54. Distribution and Timing of Payments: Within twenty-one (21) calendar days of
21 Defendant funding the Maximum Settlement Amount, the Settlement Administrator will issue
22 payments to: (a) all Class Members who have not submitted a valid and timely Request for Exclusion
23 Form, including any Class Member whose notice was returned as undeliverable; (b) Eligible
24 Aggrieved Employees; (c) Plaintiffs; (d) Class Counsel; and (e) LWDA. The Settlement
25 Administrator will also issue a payment to itself for Court-approved services performed in
26 connection with the Settlement. The Settlement Administrator will pay Individual Settlement
27 Payments from the Net Settlement Amount to all Class Members who do not timely request
28 exclusion. The Settlement Administrator will also pay Individual PAGA Payments from the twenty-

1 five percent (25%) portion of the PAGA Payment to all Eligible Aggrieved Employees. The
2 Settlement Administrator will submit these payments by sending a check in the appropriate amount
3 to the Class Members at the address indicated in the Class List provided by Defendant, or as later
4 determined by the Settlement Administrator to be correct.

5 55. Uncashed Settlement Checks. Class Members will receive checks for their
6 Individual Settlement Payments and Individual PAGA Payments. Checks will remain negotiable for
7 one hundred eighty (180) calendar days. Any check not cashed within one hundred eighty (180)
8 calendar days will be void. The funds from the uncashed checks shall be distributed by the Settlement
9 Administrator to the State Controller's Unclaimed Property Fund. The Settlement Administrator
10 shall provide the Parties' counsel a declaration of deposit with the State Controller's Unclaimed
11 Property Fund. Any costs associated with administering the remaining funds under this paragraph
12 (e.g., bank stop-payment charges, settlement administration costs associated with any reserve
13 amount) or payments to the State Controller's Unclaimed Property Fund will be deducted before the
14 deposit into the State Controller's Unclaimed Property Fund.

15 56. Certification of Completion. Upon completion of administration of the Settlement,
16 the Settlement Administrator will provide a written declaration under oath to certify such completion
17 to the Court and the Parties' counsel.

18 57. Allocation of Individual Settlement Payments. All Individual Settlement Payments
19 will be allocated as follows: (a) twenty percent (20%) as wages; and (b) eighty percent (80%) as
20 interest and penalties. All interest accrued from Defendant's payment into the QSF during the
21 funding process and through distribution will be added to the Net Settlement Amount, and Individual
22 Settlement Payments will be proportionally increased on a pro rata basis. The Settlement
23 Administrator will be responsible for issuing to Class Members an IRS Form W-2 for amounts
24 deemed wages and an IRS Form 1099 for the portions allocated to interest and penalties.

25 58. Allocation of Individual PAGA Payments. All Individual PAGA Payments will be
26 allocated as one hundred percent (100%) penalties. The Settlement Administrator will be responsible
27 for issuing Eligible Aggrieved Employees an IRS Form 1099 if the Eligible Aggrieved Employee's
28 Individual PAGA Payment exceeds \$600.

1 59. Administration of Taxes by Settlement Administrator. The Settlement Administrator
2 will be responsible for issuing to Plaintiffs, Class Members, and Class Counsel tax forms as may be
3 required by law for all amounts paid and will be responsible for forwarding all taxes and penalties
4 to the appropriate government authorities as may be required by law.

5 60. Tax Liability. Defendant makes no representation as to the tax treatment or legal
6 effect of the payments called for hereunder, and Plaintiffs and Class Members are not relying on any
7 statement, representation, or calculation by Defendant or by the Settlement Administrator in this
8 regard. Plaintiffs and Class Members understand and agree they will be solely responsible for the
9 payment of any taxes and penalties assessed on the payments described herein and will defend,
10 indemnify, and hold Defendant free and harmless from and against any claims resulting from
11 treatment of such payments as non-taxable damages.

12 61. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR
13 PURPOSES OF THIS PARAGRAPH, THE “ACKNOWLEDGING PARTY” AND EACH PARTY
14 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER
15 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
16 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
17 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
18 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE
19 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
20 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
21 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
22 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
23 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT
24 ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY
25 OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS
26 NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
27 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
28 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR

1 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
2 THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES
3 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
4 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
5 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
6 CONTEMPLATED BY THIS AGREEMENT.

7 62. No Prior Assignments. The Parties and their counsel represent, covenant, and
8 warrant they have not directly or indirectly assigned, transferred, encumbered, or purported to
9 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand,
10 action, cause of action or right herein released and discharged.

11 63. Nullification of Settlement Agreement. If: (a) the Court does not finally approve the
12 Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then
13 this Settlement Agreement, and any documents generated to bring it into effect, will be null and void.
14 Any order or judgment entered by the Court in furtherance of this Settlement Agreement will
15 likewise be treated as void from the beginning.

16 64. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to
17 request the Preliminary Approval of the Settlement Agreement and the entry of a Preliminary
18 Approval Order for: (a) the conditional certification of the Class for settlement purposes only; (b)
19 preliminary approval of the proposed Settlement Agreement; and (c) setting a date for a Final
20 Approval Hearing. The Preliminary Approval Order will provide for the Notice Packet to be sent to
21 all Class Members as specified herein. In conjunction with the Preliminary Approval Hearing,
22 Plaintiffs will submit this Settlement Agreement, which will include the proposed Notice Packet.

23 65. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the
24 deadlines to postmark Request for Exclusion Forms or Objection Forms to the Settlement
25 Agreement, and with the Court's permission, a Final Approval Hearing will be conducted to
26 determine the Final Approval of the Settlement Agreement along with the amounts properly payable
27 for: (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) Class Representative
28 Enhancement Payments; (d) Attorneys' Fees and Costs; and (e) Settlement Administration Costs.

1 Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval.
2 Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be
3 heard at the Final Approval Hearing. The Final Approval Hearing will not be held earlier than thirty
4 (30) days after the Response Deadline.

5 66. Judgment and Continued Jurisdiction. Upon Final Approval or after the Final
6 Approval Hearing, the Parties will present the Judgment to the Court for its approval. After entry of
7 the Judgment, the Court will have continuing jurisdiction to address: (a) the interpretation and
8 enforcement of the terms of the Settlement; (b) settlement administration matters; and (c) such post-
9 Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

10 67. General Release by Plaintiffs. In consideration for the consideration set forth in this
11 Agreement, Plaintiffs, for themselves and their heirs, successors, and assigns waive, release, acquit,
12 and forever discharges the Released Parties from any and all claims, actions, charges, complaints,
13 grievances, and causes of action, of whatever nature, whether known or unknown, which exist or
14 may exist on Plaintiffs' behalf as of the date of this Agreement. This includes, but is not limited to,
15 any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims,
16 benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims,
17 emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum
18 meruit claims, and any and all claims arising under any federal, state or other governmental statute,
19 law, regulation or ordinance, including any claims arising under the Fair Employment and Housing
20 Act, Labor Code, Wage Orders of California's Industrial Welfare Commission, other state wage and
21 hour laws, Americans with Disabilities Act, Age Discrimination in Employment Act, Employee
22 Retirement Income Security Act, Title VII of the Civil Rights Act of 1964, Fair Employment and
23 Housing Act, Family Rights Act, Family Medical Leave Act, Whistleblower Protection Act,
24 Business & Professions Code sections 17200, *et seq.*, and any and all claims arising under any
25 federal, state or other governmental statute, law, regulation or ordinance. Plaintiffs also expressly
26 waive and relinquish any and all claims, rights or benefits they may have under Civil Code section
27 1542, which provides as follows:

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A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS 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 PARTIES.

Plaintiffs may hereafter discover claims or facts in addition to, or different from, those which they now know or believe to exist. But Plaintiffs expressly agree to fully, finally, and forever settle and release any and all claims against the Released Parties, known or unknown, suspected or unsuspected, which exist or may exist against Released Parties at the time of execution of this Agreement. This includes, but is not limited to, any and all claims relating to or arising from Plaintiffs' employment with Defendant. The Parties further acknowledge, understand, and agree this representation and commitment is essential to the Agreement and that this Agreement would not have been entered were it not for this representation and commitment.

68. Release by All Class Members. Plaintiffs and all Class Members who do not submit a valid and timely Request for Exclusion Form, on behalf of himself or herself, his or her heirs, descendants, dependents, executors, administrators, assigns, and successors, fully and finally release and discharge the Released Parties from any and all of the Released Claims within the Class Period. This waiver and release will be final and binding on the Effective Date and will have every preclusive effect permitted by law. Plaintiffs and the Class Members may hereafter discover facts or legal arguments in addition to or different from those they now know or currently believe to be true with respect to the Released Claims. The discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Claims. By virtue of this Agreement, Plaintiffs and the Class Members shall be deemed to have, and by operation of the final judgment approved by the Court shall have, fully, finally, and forever settled and released all of the Released Claims. The Parties understand and agree the scope of the release described in this paragraph: (a) is a material part of the consideration for this Agreement; (b) was critical in justifying the agreed upon economic value of this settlement and without it Defendant would not have agreed to the consideration provided; and (c) is narrowly drafted and necessary to ensure Defendant is obtaining peace of mind regarding the resolution of claims that were or could have been alleged based on the facts, causes of action, and legal theories contained in the operative complaints in the Action.

1 69. Exhibits Incorporated by Reference. The terms of this Settlement include the terms
2 set forth in any attached exhibits, which are incorporated by reference as though fully set forth
3 herein. Any exhibits to this Settlement are an integral part of the Settlement.

4 70. Publicity Agreement. Prior to preliminary approval, Plaintiffs and Class Counsel
5 agree not to disclose or publicize the Settlement, including the fact of the Settlement, its terms or
6 contents, and the negotiations underlying the Settlement, in any manner or form, directly or
7 indirectly, to any person or entity, except potential class members and as shall be contractually
8 required to effectuate the terms of the Settlement. For the avoidance of doubt, this paragraph means
9 that prior to preliminary approval, Plaintiffs and Class Counsel agree not to issue press releases,
10 communicate with, or respond to any media or publication entities, publish information in manner
11 or form, whether printed or electronic, on any medium or otherwise communicate, whether by print,
12 video, recording or any other medium, with any person or entity concerning the Settlement,
13 including the fact of the Settlement, its terms or contents and the negotiations underlying the
14 Settlement, except as shall be contractually required to effectuate the terms of the Settlement. But
15 for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions,
16 Class Counsel may disclose the name of the Parties and the venue/case number of this Action (but
17 not any other settlement details).

18 71. No Unalleged Claims. Plaintiffs and Class Counsel represent they are not currently
19 aware of any: (a) unalleged claims in addition to, or different from, those which are finally and
20 forever settled and released against the Released Parties by this Settlement; and (b) unalleged facts
21 or legal theories upon which any claims or causes of action could be brought against Defendant,
22 except such facts and theories alleged in the operative complaints in this Action. Plaintiffs and Class
23 Counsel further represent, other than the instant Action, they have no current intention of asserting
24 any other claims against Defendant in any judicial or administrative forum. Plaintiffs and Class
25 Counsel represent they do not currently know of or represent any persons who have expressed any
26 interest in pursuing litigation or seeking any recovery against Defendant. The Parties acknowledge,
27 understand, and agree the representations described in this paragraph are essential to the Settlement
28 and that this Settlement would not have been entered were it not for this representation.

1 72. Entire Agreement. This Agreement and any attached exhibits constitute the entirety
2 of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may
3 be deemed binding on the Parties. This provision has no application or impact on any arbitration
4 agreements, confidentiality agreements, employee handbooks or policies executed by a Class
5 Member during his or her employment with Defendant, which remain in full force and effect.

6 73. Amendment or Modification. This Settlement Agreement may be amended or
7 modified only by a written instrument signed by the Parties' counsel or their successors-in-interest.

8 74. Authorization to Enter the Settlement Agreement. The Parties' counsel warrant and
9 represent they are expressly authorized by the Parties whom they represent to negotiate this
10 Settlement and to take all appropriate action required or permitted to be taken by such Parties
11 pursuant to this Settlement to effectuate its terms and to execute any other documents required to
12 effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other
13 and use their best efforts to affect the implementation of the Settlement. If the Parties are unable to
14 reach agreement on the form or content of any document needed to implement the Settlement, or on
15 any supplemental provisions that may become necessary to effectuate the terms of this Settlement,
16 the Parties shall refer the matter to the mediator for resolution.

17 75. Binding on Successors and Assigns. This Agreement will be binding upon, and inure
18 to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

19 76. California Law Governs. All terms of this Settlement Agreement and exhibits hereto
20 will be governed by and interpreted according to the laws of the State of California.

21 77. Execution and Counterparts. This Settlement Agreement is subject only to the
22 execution of all Parties. However, the Settlement may be executed in one or more counterparts. All
23 executed counterparts and each of them, including facsimile and scanned copies of the signature
24 page, will be deemed to be one and the same instrument if the Parties' counsel will exchange among
25 themselves original signed counterparts.

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1 78. Acknowledgement the Settlement Agreement is Fair and Reasonable. The Parties
2 believe this Settlement is a fair, adequate, and reasonable settlement and have arrived at this
3 Settlement after arm's-length negotiations and in the context of adversarial litigation. The Parties
4 further acknowledge they are each represented by competent counsel and that they have had an
5 opportunity to consult with their counsel regarding the fairness and reasonableness of this
6 Settlement. In addition, the mediator may execute a declaration supporting the Settlement and the
7 reasonableness of the Settlement. The Court may, in its discretion, contact the mediator to discuss
8 the Settlement and whether the Settlement is objectively fair and reasonable.

9 79. Invalidity of Any Provision. Before declaring any provision of this Settlement
10 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
11 possible consistent with applicable precedents so as to define all provisions of this Settlement
12 Agreement valid and enforceable.

13 80. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to
14 class certification for purposes of this Settlement only. Plaintiffs or Class Counsel may appeal any
15 reduction in Attorneys' Fees and Costs below the amount they request from the Court, and either
16 Party may appeal any court order that materially alters the Settlement Agreement's terms.

17 81. Non-Admission of Liability. The Parties enter this Settlement to resolve the dispute
18 that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In
19 entering this Settlement, Defendant does not admit, and specifically denies, it: (a) violated any
20 federal, state, or local law; (b) violated any regulations or guidelines promulgated pursuant to any
21 statute or any other applicable laws, regulations, or legal requirements; (c) breached any contract;
22 (d) violated or breached any duty; (e) engaged in any misrepresentation or deception; or (f) engaged
23 in any other unlawful conduct with respect to their employees. Except as necessary in a proceeding
24 to enforce the terms of this Settlement, this Settlement and its terms and provisions will not be
25 offered or received as evidence in any action or proceeding to establish any liability or admission on
26 the part of Defendant or to establish the existence of any condition constituting a violation of, or a
27 non-compliance with, federal, state, local or other applicable law.

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1 82. Waiver. No waiver of any condition or covenant contained in this Settlement or
2 failure to exercise a right or remedy by any of the Parties will be considered to imply or constitute a
3 further waiver by the Parties of the same or any other condition, covenant, right, or remedy.

4 83. Enforcement Action. If one or more of the Parties institutes any legal action or other
5 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare
6 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to
7 recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert
8 witness fees incurred in connection with any enforcement actions.

9 84. Mutual Preparation. The Parties had a full opportunity to negotiate the terms and
10 conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against
11 one Party than another merely by virtue of the fact it may have been prepared by counsel for one of
12 the Parties. It is recognized that, because of the arm's-length negotiations between the Parties, all
13 Parties have contributed to the preparation of this Settlement.

14 85. Representation By Counsel. The Parties acknowledge they have been represented by
15 counsel throughout all negotiations that preceded the execution of this Settlement and that this
16 Settlement has been executed with the consent and advice of counsel. Furthermore, Plaintiffs and
17 Class Counsel warrant and represent there are no liens on the Settlement.

18 86. All Terms Subject to Final Court Approval. All amounts and procedures described
19 in this Settlement Agreement herein will be subject to final Court approval.

20 87. Cooperation and Execution of Necessary Documents. All Parties will cooperate in
21 good faith and execute all documents to the extent reasonably necessary to effectuate the terms of
22 this Settlement Agreement.

23 88. Binding Agreement. The Parties warrant they understand and have full authority to
24 enter this Settlement and further intend this Settlement will be fully enforceable and binding on all
25 Parties. The Parties also agree this Settlement will be admissible and subject to disclosure in any
26 proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
27 otherwise might apply under federal or state law.

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1 89. Escalator Clause. It is estimated there are approximately 38,227 Workweeks during
2 the Class Period. If the number of Workweeks within the Class Period exceeds 38,227 by ten percent
3 (10%) or more (*i.e.*, if there are 42,050 or more Workweeks), then the Parties agree that Defendant
4 will increase the Maximum Settlement Amount on a proportional basis equal to the percentage
5 increase in the number of Workweeks above the ten percent (10%) mark (*e.g.*, if there was a 11%
6 increase in the number of workweeks, Defendant would agree to increase the Maximum Settlement
7 Amount by 1%).

8 90. Defendant's Option to Terminate. If the number of timely and valid Requests for
9 Exclusion Forms identified by the Settlement Administrator is ten percent (10%) or more of the total
10 of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement.
11 The Parties agree if Defendant withdraws, the Settlement shall be void ab initio, have no force or
12 effect whatsoever and that neither Party will have any further obligation to perform under this
13 Settlement provided that Defendant will remain responsible for paying all settlement administration
14 costs incurred to that point. Defendant must notify Class Counsel and the Court of its selection to
15 withdraw no later than thirty (30) calendar days after the expiration of the Response Deadline.
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SO AGREED AND STIPULATED.

PLAINTIFF

DATED: 07/16/2024



Rapheal Lee

PLAINTIFF

DATED: 07/16/2024



Cayla Bracy

DEFENDANT

DATED: _____

Aquamor, LLC
By:
Title:

JUSTICE LAW CORPORATION

DATED: July 18, 2024



Douglas Han
Shunt Tatavos-Gharajeh
Talia Lux
Attorneys for Plaintiffs

O'HAGAN MEYER LLP

DATED: _____

Katherine C. Ben Bleyker
Anne Osborn
Attorneys for Defendant

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SO AGREED AND STIPULATED.

PLAINTIFF

DATED: _____
Raphael Lee

PLAINTIFF

DATED: _____
Cayla Bracy

DEFENDANT

DATED: _____

Aquamor, LLC
By: Michael T. Baird
Title: President

JUSTICE LAW CORPORATION

DATED: _____
Douglas Han
Shunt Tatavos-Gharajeh
Talia Lux
Attorneys for Plaintiffs

O'HAGAN MEYER LLP

DATED: 7/30/2024

Katherine C. Ben Bleyker
Anne Osborn
Attorneys for Defendant

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY RIVERSIDE

NOTICE OF CLASS ACTION SETTLEMENT

PLEASE READ CAREFULLY AS
THIS NOTICE MAY AFFECT YOUR RIGHTS

RAPHEAL LEE, individually, and on behalf of other
members of the general public similarly situated;

Plaintiff,

vs.

AQUAMOR, LLC, a California limited liability
company; and DOES 1 through 100, inclusive;

Defendants.

Case No.: CVRI2305592

Assigned for All Purposes to:
Honorable Harold W. Hopp
Department 1

NOTICE OF CLASS ACTION SETTLEMENT

I. WHY DID I GET THIS NOTICE?

This notice explains the settlement that has been reached in the case entitled *Lee v. Aquamor, LLC* (Case No. CVRI2305592) (“Action”).

You are receiving this notice (along with the Objection Form and Request for Exclusion Form mailed alongside this notice) because the records of Defendant Aquamor, LLC (“Defendant”) indicate you are an individual who worked for Defendant as an hourly-paid, non-exempt employee in the State of California at any time between October 19, 2019 and May 22, 2024 (“Class,” “Class Member” and “Class Period”). You are eligible to receive a portion of the settlement amount.

This is **not** a notice of a lawsuit against you. **You are not being sued.** Your participation in the settlement will not affect your employment with Defendant in any way whatsoever.

The Court has ordered this notice be sent to you because Defendant’s records indicate you are or were employed by Defendant as a Class Member. The purpose of this notice is to inform you of the proposed settlement of the Action. The notice is intended to: (1) describe the settlement, including how the settlement funds will be allocated and how the settlement may affect you; and (2) advise you of your rights and options with respect to the settlement.

II. WHAT IS THE CLASS ACTION LAWSUIT ABOUT?

On October 19, 2023, Plaintiff Rapheal Lee (“Plaintiff Lee”), a former employee of Defendant, filed a wage-and-hour class action lawsuit in the Superior Court of California, County of Riverside, alleging violations of: (1) Labor Code sections 510 and 1198 (unpaid overtime); (2) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Labor Code section 226.7 (unpaid rest period premiums); (4) Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) Labor Code sections 201 and 202 (final wages not timely paid); (6) Labor Code section 226(a) (non-compliant wage statements); (7) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (8) Business & Professions Code section 17200.

After engaging in discovery, investigations, and negotiation, the Parties remotely attended mediation with the mediator Lisa Klerman on May 22, 2024 but were unable to reach a settlement at the time.

On May 22, 2024, Plaintiff Cayla Bracy (“Plaintiff Bracy”), another former employee of Defendant, provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the Labor Code she contends were violated and the theories supporting her contentions.

After continued negotiations, the Parties were able to reach a tentative settlement on June 3, 2024. In line with the settlement, Plaintiff Lee filed an amended complaint adjusting the “class” definition, adding Plaintiff Bracy as a named plaintiff, adding a cause of action for violation of Labor Code section 2698 (Private Attorneys General Act of 2004 (“PAGA”)), and updating the factual allegations underlying the causes of action.

Defendant denies it violated the law in any way and further denies the Action is appropriate for class treatment for any purpose other than this settlement. Nothing in this Notice of Class Action Settlement, or the settlement itself, or any actions to carry out the terms of the settlement, means Defendant admits any fault, guilt, negligence, wrongdoing, or liability whatsoever.

The Court has not ruled on whether the allegations have any merit. By granting preliminary approval of the settlement, the Court has only determined there is sufficient evidence to suggest the proposed settlement might be fair, adequate, and reasonable, and any final determination of these issues will be made at the Final Approval Hearing. To avoid the time and expense of further litigation, the ultimate outcome of which is uncertain, and to provide a fair and reasonable resolution of this legal dispute, the Parties have agreed to resolve this matter. Class Members who do not exclude themselves from the settlement are entitled to receive a portion of this amount. This settlement is not an admission by Defendant of any liability.

III. WHO IS INCLUDED IN THIS CLASS ACTION?

The “Class” and “Class Members” are defined as all individuals who worked for Defendant as hourly-paid, non-exempt employees in the State of California at any time between October 19, 2019 and May 22, 2024. A “non-exempt employee” means an employee who is entitled to minimum wage and overtime wage pay if the employee worked more than eight (8) hours in a day or more than forty (40) hours in a week.

IV. WHAT DOES THE PROPOSED SETTLEMENT OFFER?

The following will occur when the settlement administration is completed, and the Court grants final approval to the settlement:

A. Defendant will pay \$800,000 to settle the claims of all Class Members (“Maximum Settlement Amount”). Defendant will make a single payment of \$800,000 into an interest-bearing Qualified Settlement Fund, which the Settlement Administrator will manage and establish, on the Effective Date.

1) The “Effective Date” means thirty (30) calendar days after the Court grants Final Approval.

B. A Settlement Administrator has been appointed by the Court to administer the settlement. The Settlement Administrator will pay the following out of the Maximum Settlement Amount:

1) Class Counsel’s attorneys’ fees of up to \$280,000;

2) Class Counsel’s attorneys’ costs as reimbursement for litigation costs and expenses incurred of up to \$25,000;

- 3) Class Representative Enhancement Payments of up to \$10,000 to each Plaintiff (totaling \$20,000);
- 4) Settlement Administration Costs to the Settlement Administrator of up to \$20,000; and
- 5) PAGA Payment of \$50,000 to resolve claims under PAGA, seventy-five percent (75%) of which (\$37,500) will be paid to the LWDA and twenty-five percent (25%) of which (\$12,500) will be distributed to the Eligible Aggrieved Employees, on a pro rata basis, discussed below.

C. The Net Settlement Amount refers to the Maximum Settlement Amount less the above-mentioned Attorneys' Fees and Costs, Class Representative Enhancement Payments, Settlement Administration Costs, and PAGA Payment. The Net Settlement Amount will be distributed in its entirety through the Individual Settlement Payments that will be sent to the Class Members, described in detail below.

V. INDIVIDUAL SETTLEMENT PAYMENTS

Individual Settlement Payments to Class Members will be calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class Member worked during the Class Period as an hourly-paid, non-exempt employee in the State of California.

The Settlement Administrator will calculate the total number of Workweeks worked by each Class Member as an hourly-paid, non-exempt employee in the State of California during the Class Period and the aggregate total Workweeks worked by all Class Members as hourly-paid, non-exempt employees in the State of California during the Class Period.

Next, to determine the estimated Individual Settlement Payments, the Settlement Administrator will use the following formula: Net Settlement Amount will be divided by the aggregate total number of Workweeks worked by all Class Members during the Class Period, resulting in the Workweek Value for Class Members. Each Class Member's Individual Settlement Payment will then be calculated by multiplying each individual Class Member's total number of Workweeks worked by the Workweek Value for Class Members.

If you do not opt out of the settlement, you will be eligible to receive an Individual Settlement Payment, less applicable taxes. **It has been determined the number of Workweeks you worked for Defendant as a Class Member during the Class Period is: [REDACTED]. Your estimated Individual Settlement Payment is: \$ [REDACTED].**

The estimated range of the Individual Settlement Payments is \$ [REDACTED] on the low end and \$ [REDACTED] on the high end.

VI. WHAT IS A REPRESENTATIVE PAGA ACTION?

A representative PAGA action is a type of representative lawsuit authorized by the Labor Code section 2698 (PAGA), which allows aggrieved employees to file lawsuits to recover civil penalties on behalf of themselves, other employees, and the State of California for violations of the Labor Code. An aggrieved employee is any person who was employed by the subject employer, and against whom one or more of the alleged Labor Code violations was committed. An employee who files a representative PAGA action is acting as an agent of California's labor law enforcement agencies, who have the power to initiate an enforcement action directly.

A representative PAGA action is different from a class action in that an employee filing a representative PAGA action is not resolving the claims of other similarly situated employees. Instead, the employee is acting as an agent of the State of California to obtain penalties for themselves and aggrieved employees for Labor Code violations allegedly committed against those employees pursuant to PAGA. Penalties awarded in a representative PAGA

action are measured by the number of Labor Code violations committed by the employer, a portion of which (75%) must be paid to the State of California.

Members of a class action have the right to opt out of, or exclude themselves from, the class action. Class members who opt out will not be bound by the terms of any judgment issued by the Court in the class action. Class members who do not opt out will be bound by the terms of any judgment issued and will be precluded from bringing any claims that were or that could have been brought against the employer in the lawsuit in which the individual was a class member. Conversely, aggrieved employees do not have the right to opt out of (or object to) a representative PAGA action. However, aggrieved employees retain the right to pursue the class claims if they timely opt out of the settlement as further discussed in Section IX of this notice.

VII. ELIGIBLE AGGRIEVED EMPLOYEES AND INDIVIDUAL PAGA PAYMENTS

“Eligible Aggrieved Employees” mean all individuals who worked for Defendant as hourly-paid, non-exempt employees in the State of California at any time between October 19, 2022 and May 22, 2024 (“Eligible Aggrieved Employees” and “PAGA Period”).

As stated above, twenty-five percent (25%) of the PAGA Payment (\$12,500) will be distributed to Eligible Aggrieved Employees, on a pro rata basis, which will be known as their Individual PAGA Payments. An Eligible Aggrieved Employee’s Individual PAGA Payment will be based on the number of Workweeks an Eligible Aggrieved Employee worked during the PAGA Period as an hourly-paid, non-exempt employee in the State of California.

The Settlement Administrator will calculate the total number of Workweeks worked by each Eligible Aggrieved Employees as an hourly-paid, non-exempt employee in the State of California during the PAGA Period and the aggregate total number of Workweeks worked by all Eligible Aggrieved Employees as hourly-paid, non-exempt employees in the State of California during PAGA Period.

Next, to determine the estimated Individual PAGA Payments, the Settlement Administrator will use the following formula: twenty-five percent (25%) of the PAGA Payment (\$12,500) will be divided by the aggregate total number of Workweeks worked by all Eligible Aggrieved Employees during the PAGA Period, resulting in the Workweek Value for Eligible Aggrieved Employees. Each Eligible Aggrieved Employee’s Individual PAGA Payment will be then calculated by multiplying each individual Eligible Aggrieved Employee’s total number of Workweeks worked by the Workweek Value for Eligible Aggrieved Employees.

Eligible Aggrieved Employees will receive their Individual PAGA Payments even if they opt out of the class action portion of the settlement. In other words, Class Members and Eligible Aggrieved Employees cannot exclude themselves from or object to the PAGA portion of the settlement.

It has been determined the number of Workweeks you worked for Defendant as an Eligible Aggrieved Employee during the PAGA Period is: [REDACTED]. Your estimated Individual PAGA Payment is: \$[REDACTED].

VIII. RELEASED CLAIMS

If the Court grants final approval of the settlement and you do not opt out of the settlement, then you will release the Released Parties from all causes of action and factual or legal theories stated in the operative complaints and those based solely upon the facts alleged in the operative complaints. This includes all of the following claims for relief: (1) failure to pay all regular wages, minimum wages, overtime wages, and sick leave due; (2) failure to provide proper meal and rest breaks and to properly provide premium pay in lieu thereof; (3) failure to provide complete, accurate, or properly formatted wage statements and payroll records; (4) failure to reimburse necessary

business expenditures; (5) failure to pay waiting time penalties; (6) failure to timely pay wages during employment and after employment; (7) engaging in unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaints; (8) all claims under PAGA, which shall only bind Plaintiffs and State of California, that were described in Plaintiff Bracy's notice letter sent to the LWDA and only to the extent these claims were alleged in the operative complaints; and (i) all damages, penalties, interest, and other amounts recoverable under said claims, causes of action or legal theories of relief. The period of the Released Claims shall extend to the limits of the Class Period ("Released Claims").

The parties that will be released of the Released Claims include Defendant together with each of its former, present, and future officers, directors, employees, agents, and Infinium Staffing, Inc. ("Released Parties").

IX. WHAT ARE MY OPTIONS?

A. *You may accept your share of the Maximum Settlement Amount and be bound by the release of all claims described above.* Settlement awards will be paid by check after the settlement is given final approval by the Court. The checks will be mailed to you by the Settlement Administrator. Your check will remain valid and negotiable for one hundred eighty (180) calendar days from the date on which it is issued. After the one hundred eighty (180) calendar days expire, the check will become void and the funds from the uncashed checks shall be distributed by the Settlement Administrator to the State Controller's Unclaimed Property Fund; or

B. *You may exclude yourself from the settlement, in which case you will not receive your Individual Settlement Payment, and you will not be bound by the class action portion of the settlement.* If you choose to be excluded from the class action portion of the settlement by no later than [REDACTED] (within 60 calendar days after the initial mailing of this Notice Packet), you must complete the Request for Exclusion Form included in this Notice Packet and mail the Request for Exclusion Form to the Settlement Administrator located at [REDACTED]. To be valid, your exclusion request must include the information contained within the Request for Exclusion Form. Class Members and Eligible Aggrieved Employees cannot opt out of the PAGA portion of the settlement, meaning they will still receive their Individual PAGA Payments even if they submit valid and timely Request for Exclusion Forms; or

C. *You may object to the class action portion of the settlement.* The procedures for objecting to the class action portion of the settlement are included in the Objection Form included in this Notice Packet. Class Members and Eligible Aggrieved Employees cannot object to the PAGA portion of the settlement. A more detailed explanation on the Objection Form and how to object is provided below under Section XI of this notice.

X. WHAT ARE THE PROCEDURES FOR PAYMENT?

A. The Settlement Administrator will calculate your share of the settlement and will issue you a settlement check. Your portion of the Individual Settlement Payment under the Net Settlement Amount and Individual PAGA Payment as a portion of the PAGA Payment (if you are also an Eligible Aggrieved Employee) will be paid out in a single payment.

B. All Individual Settlement Payments will be allocated as follows: (1) twenty percent (20%) as wages; and (2) eighty percent (80%) as interest and penalties. The Settlement Administrator will be responsible for issuing to Class Members an IRS Form W-2 for amounts deemed wages and an IRS Form 1099 for the portions allocated to interest and penalties. You are responsible for paying the correct amount of taxes on each portion of your share of the settlement.

C. All Individual PAGA Payments will be allocated as one hundred percent (100%) penalties. The Settlement Administrator will be responsible for issuing Eligible Aggrieved Employees an IRS Form 1099 if the Eligible Aggrieved Employee's Individual PAGA Payment exceeds \$600.

D. While the Settlement Administrator will make its best effort to ensure you receive your Individual Settlement Payment under the Net Settlement Amount and Individual PAGA Payment, you are encouraged to notify either the Settlement Administrator, Class Counsel, or Defendant's counsel regarding any changes to your contact information.

E. It is important for the Parties to have your current address to be able to send you other mailings regarding the Action. You should contact the Settlement Administrator to report any change of your address after you receive this notice. Failure to report a change of address may result in you not receiving your share of the settlement money.

XI. PROCEDURES FOR OBJECTING TO SETTLEMENT

If you believe the settlement is unfair, and you want to tell the Court and the proponents of the settlement why you oppose it, you have a right to object to the settlement and tell the Court the reasons why you do not agree with the settlement. When you object to the settlement, you have an opportunity to explain to the judge why you believe the settlement is unfair and should not be approved. These procedures are your only opportunity to object to the settlement and ask the Court to listen to your point of view.

To object, you must fill out the Objection Form included in this Notice Packet. You must also explain your reasoning under the "I object to the class action portion of the Settlement for the following reasons" portion of the Objection Form. If you object to the settlement, you will also have the right to appear at the Final Approval Hearing. However, you are not required to appear at the Final Approval Hearing to have your objection considered. You may appear at the Final Approval Hearing even if you do not submit an Objection Form. You must mail the Objection Form to the Settlement Administrator located at [REDACTED]. The Objection Form must be postmarked by [REDACTED] (within 60 calendar days after the initial mailing of this Notice Packet).

XII. HEARING ON PROPOSED SETTLEMENT

A Final Approval Hearing will be held before the Court on [REDACTED] at [REDACTED], in Department 1 of the Riverside Superior Court located at the 4050 Main Street, Riverside, California 92501 to decide whether the proposed settlement is fair, reasonable, and adequate. The Settlement Administrator will give notice to Class Members of any continuance of the Final Approval Hearing by mail. You are not required to attend the Final Approval Hearing. But you are welcome to attend the Final Approval Hearing at your own expense.

XIII. EXAMINATION OF COURT PAPERS AND QUESTIONS

This notice summarizes the settlement. For more detailed information, you may view a complete copy of the settlement and any papers filed in the Action, which are on file with the Clerk of the Court, Case Number CVRI2305592. The pleadings and all other records from this litigation may be examined by inspecting the Court file at the clerk's office of the Riverside Superior Court located at 4050 Main Street, Riverside, California 92501. You can also find the settlement ("Joint Stipulation and Settlement Agreement") by accessing the Court's website at <https://epublic-access.riverside.courts.ca.gov/public-portal/>. The most recent version of the settlement was attached to the [REDACTED] as Exhibit [REDACTED] that was filed with the Court on [REDACTED].

If you have any questions, you can call the Settlement Administrator at [REDACTED] or the Parties' counsel (see below for phone numbers, email information, and physical mailing address.)

ATTORNEYS REPRESENTING PLAINTIFFS AND THE CLASS

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PLEASE DO NOT CALL THE COURT REGARDING THIS SETTLEMENT

EXHIBIT B

OBJECTION FORM

Lee v. Aquamor, LLC
Case No. CVRI2305592

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be included in the Settlement, receive your share of the Settlement, and no action is required.
EXCLUDE YOURSELF	<u>Get no payment for the class portion of the Settlement.</u> You will not receive any share of the class portion of the Settlement and will not release the class released claims as described in Section VIII of the accompanying notice.
OBJECT	If you so choose, you may object to the class action portion of the Settlement.

TO OBJECT TO THE CLASS ACTION PORTION OF THE SETTLEMENT, YOU MUST FILL OUT, SIGN, AND RETURN THIS FORM POSTMARKED ON OR BEFORE [RESPONSE DEADLINE] TO [SETTLEMENT ADMINISTRATOR] AT [SETTLEMENT ADMINISTRATOR'S ADDRESS].

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any): _____

[LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER] _____

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

[TELEPHONE NUMBER] _____

**THIS FORM IS TO BE USED ONLY IF YOU WANT TO OBJECT TO THE CLASS
ACTION PORTION OF THE SETTLEMENT.**

I object to the class action portion of the Settlement for the following reasons:

(Attach additional pages if necessary.)

Signed on _____

Signature: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

Lee v. Aquamor, LLC
Case No. CVRI2305592

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be included in the Settlement, receive your share of the Settlement, and no action is required.
EXCLUDE YOURSELF	<u>Get no payment for the class portion of the Settlement.</u> You will not receive any share of the class portion of the Settlement and will not release the class released claims as described in Section VIII of the accompanying notice.
OBJECT	If you so choose, you may object to the class action portion of the Settlement.

TO EXCLUDE YOURSELF FROM THE CLASS ACTION PORTION OF THE SETTLEMENT YOU MUST FILL OUT, SIGN, AND RETURN THIS FORM POSTMARKED ON OR BEFORE [RESPONSE DEADLINE] TO [SETTLEMENT ADMINISTRATOR] AT [SETTLEMENT ADMINISTRATOR'S ADDRESS].

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any): _____

[LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER] _____

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

[TELEPHONE NUMBER] _____

THIS FORM IS TO BE USED ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE CLASS ACTION PORTION OF THE SETTLEMENT. IF YOU WANT TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT, DO NOT SUBMIT THIS FORM.

I UNDERSTAND THAT IF I SUBMIT THIS REQUEST FOR EXCLUSION FORM, IT WILL ONLY RESULT IN MY EXCLUSION FROM THE CLASS ACTION PORTION OF THE SETTLEMENT. IN OTHER WORDS, I WILL STILL BE BOUND TO THE PAGA PORTION OF THE SETTLEMENT AND WILL STILL RECEIVE MY INDIVIDUAL PAGA PAYMENT EVEN IF I SUBMIT THIS REQUEST FOR EXCLUSION FORM.

By signing and completing the below, I agree to the following:

I do not want to participate in the class action portion of the Settlement in *Lee v. Aquamor, LLC*, Case No. CVRI2305592. I understand that by not participating and excluding myself from the class action portion of the Settlement, I will not receive an Individual Settlement Payment. I also understand that even if I submit this form, I will still be bound by the PAGA portion of the Settlement and receive my Individual PAGA Payment.

Signed on _____

Signature: _____

