

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND RELEASE

Plaintiff Jose L. Hidalgo (“Plaintiff”), individually and on behalf of all others similarly situated (including the “Aggrieved Employees” and “Settlement Class Members,” as defined below) as well as the State of California, on the one hand, and defendant Fabcon, Inc. (“Defendant”), on the other hand, hereby agree to the following binding settlement pursuant to the terms and conditions set forth below. Once approved by the Court, the settlement shall be binding on the Parties, and on the Settlement Class and Aggrieved Employees that Plaintiff represents in this Action as well as the State of California, under the terms stated herein.

I. DEFINED TERMS

As used herein, the following terms are defined as:

A. “Action”

JOSE L HIDALGO as an individual and on behalf of all others similarly situated, Plaintiff, vs. FABCON, INC.; TIDE ROCK HOLDINGS, LLC, and DOES 1 through 50, inclusive; Defendants (San Diego County Superior Court Case No. 24CU002128C)

B. “Agreement”

This document and all of the exhibits hereto. Each such exhibit is incorporated by reference as though fully set forth herein.

C. “Aggrieved Employee Notice”

The Notice of Private Attorneys General Act Settlement that will be sent to Aggrieved Employees (as defined below) who are not also Settlement Class Members (i.e., exempt Aggrieved Employees) substantially in the form attached hereto as Exhibit A. The Aggrieved Employee Notice shall be translated into Spanish, and English and Spanish language versions of

the Aggrieved Employee Notice shall be sent to all Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees).

D. “Aggrieved Employee Notice Packet”

The documents that will be sent via regular mail to all Aggrieved Employees (as defined below) who are not also Settlement Class Members (i.e., exempt Aggrieved Employees), and which shall include the Aggrieved Employee Notice.

E. “Aggrieved Employees”

All current and former employees of Defendant who were directly employed by Defendant in the State of California at any time during the PAGA Period. Aggrieved Employees may not opt out of or requested to be excluded from the settlement of the Released PAGA Claim documented by this Agreement, and such release of the Released Parties, and each of them, by Aggrieved Employees, and each of them, shall be automatic as of the Effective Date. As such, an Aggrieved Employee (that also meets the definition of a Settlement Class Member) who submits a valid request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall remain an Aggrieved Employee and release the Released Parties from the Released PAGA Claim as of the Effective Date (and shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount pursuant to the calculations and formulas set forth herein). Further, Aggrieved Employees (and all Settlement Class Members) shall be barred from objecting to the settlement of the Released PAGA Claim documented by this Agreement.

F. “Attorneys’ Fees and Costs”

The amount authorized by the Court to be paid to Class Counsel for the services they have rendered and expenses they have incurred in prosecuting the Action. Class Counsel shall request, and Defendant will not oppose, Attorneys’ Fees of up to \$152,250.00 (35 percent of the Gross Settlement Amount) and actual Costs in an amount not to exceed \$20,000.00. If the Court awards less than the total amount of Attorney’s Fees and/or Costs requested by Class Counsel, Class Counsel shall not appeal from such order and hereby waives any right to do so. The Attorneys’ Fees and Costs shall be paid from the Gross Settlement Amount.

G. “Claims”

Any and all claims asserted in the Action, as well as any and all claims based on, arising from or related to the facts or claims asserted in the Action, or that could have been asserted in the Action based on the facts set forth in the Action, except for Named Plaintiff’s Individual Claims (as defined below) which are addressed in a separate written agreement between Plaintiff and Defendant entitled “Settlement Agreement and Release of All Claims”.

H. “Class and Aggrieved Employee List”

A list of the (i) names, last known mailing addresses, last known telephone numbers and social security numbers for the Settlement Class Members, as well as the number of Workweeks Settlement Class Members were directly employed by Defendant during the Class Period, and (ii) names, last known mailing addresses, last known telephone numbers and social security numbers for the Aggrieved Employees, as well as the number of Workweeks Aggrieved Employees were directly employed by Defendant during the PAGA Period. Defendant will

diligently and in good faith compile the Class and Aggrieved Employee List from its records and provide it to the Settlement Administrator within thirty-five (35) calendar days after the Court issues its Preliminary Approval Order. The Class and Aggrieved Employee List shall be provided in a computer-readable format.

I. “Class Counsel” and/or “Plaintiff’s Counsel”

Farrah Mirabel of the Law Offices of Farrah Mirabel and Amir Seyedfarshi of Employment Rights Lawyers, APC.

J. “Class Notice”

The Notice(s) of Pendency of Class Action Settlement and Final Approval Hearing that will be sent to Settlement Class Members and Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees) substantially in the form attached hereto as Exhibit B. The Class Notice shall be translated into Spanish, and English and Spanish language versions of the Class Notice shall be sent to all Settlement Class Members and all Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees).

K. “Class Notice Packet”

The documents that will be sent via regular mail to all Settlement Class Members and all Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees), and which shall include the Class Notice.

L. “Class Notice Response Deadline”

The date no later than forty-five (45) calendar days after all Class Notice Packets are mailed to Settlement Class Members and all Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees) by the Settlement Administrator, and is synonymous with the Opt-Out/Objection Deadline, as defined below.

M. “Class Period”

The period from July 19, 2020 to the earlier of the date of the Court’s Preliminary Approval Order or May 16, 2025.

N. “Class Representative Enhancement Payment”

The amount to be paid to Named Plaintiff as consideration for the services he renders to the Settlement Class in this Action, and for the broader release that he is required to provide to Defendant as part of the settlement documented by this Agreement. For sake of clarity, if the Court in its discretion awards less than the amount requested in this Agreement for the Class Representative Enhancement Payment, the lower award amount will not reduce or impact the enforceability of this Agreement in any way (including, but not limited to, Named Plaintiff’s General Release). Further, if the Court awards less than the amount requested in this Agreement for the Class Representative Enhancement Payment, then the difference, if any, between those amounts shall be included in the Net Settlement Amount. The Class Representative Enhancement Payment shall not exceed \$2,500.00.

O. “Court”

The Superior Court for the State of California, for the County of San Diego.

P. “Defendant”

Defendant Fabcon, Inc.

Q. “Defendant’s Counsel”

John Wicker, Esq., Micol Small, Esq. and Connor L. Kridle, Esq., Stradling Yocca Carlson & Rauth LLP, 660 Newport Center Drive, Suite 1600, Newport Beach, California, 92660-6422.

R. “Effective Date”

The latest of the following: (a) if no Settlement Class Member makes an objection to the Agreement, twenty-one (21) calendar days after the date the Court grants final approval to the Agreement and makes its Final Award; (b) if a Settlement Class Member objects to the Agreement, the later of: (i) dismissal or withdrawal of the objection by the Settlement Class Member; (ii) the passage of the date for seeking appellate review of the Court’s final approval of the settlement without a timely request for review; (iii) the date a Settlement Class Member’s appeal from the Court’s final approval of the settlement has been voluntarily dismissed; or (iv) the date an appellate court has rendered a final non-appealable judgment on a Settlement Class Member’s appeal, with no possibility of subsequent appeal or other judicial review, affirming the Court’s final approval of the settlement without material modification. In no event shall the Effective Date occur before the judgment of the Court granting final approval of the settlement documented by this Agreement is final and no longer subject to appeal.

S. “Escalation Requirement”

Defendant estimates that the Settlement Class Members have worked a total of approximately 28,735 Workweeks from the start of the Class Period up to and including January 15, 2025. Should the Class and Aggrieved Employee List, upon delivery to the Settlement Administrator, include more than a ten percent (10%) increase in the total number of Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025 (i.e., more than 10% greater than 28,735 Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025, for a total of 31,609 or more Workweeks worked by Settlement Class Members during the Class Period as of and including January 15, 2025), then there shall be a pro rata adjustment to the Gross Settlement Amount, which shall automatically increase by the same percentage that the actual Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025 exceeds 31,609 Workweeks (for example, if the number of Workweeks worked by Settlement Class Members during the Class Period as of and including January 15, 2025 is 31,926, the Gross Settlement Amount will increase by approximately 1%).

T. “Final Approval Hearing/Settlement Fairness Hearing”

The hearing at which the Court considers whether to finally approve the settlement documented by this Agreement and to enter the Final Award.

U. “Final Award”

The final award confirmed by the Court at the Final Approval Hearing. The Final Award shall include the judgment entered by the Court upon final approval of the settlement documented by this Agreement.

V. “Gross Settlement Amount”

The total amount to be paid by Defendant pursuant to the Agreement. Subject to the potential Escalation Requirement, the Gross Settlement Amount shall equal no more than \$435,000.00 (not including Defendant’s share of employer-side payroll taxes, which are FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) on the amount allocated as wages to be paid to Participating Settlement Class Members), which is a non-reversionary amount. The Gross Settlement Amount shall be delivered by Defendant, as required by this Agreement. All payments associated with this Agreement shall be paid to the Settlement Administrator from the Gross Settlement Amount, including all payments to Participating Settlement Class Members and Aggrieved Employees, the Named Plaintiff, the Class Representative Enhancement Payment, Class Counsel (for Attorneys’ Fees and Costs), the Labor and Workforce Development Agency (“LWDA”) pursuant to Named Plaintiff’s Labor Code Private Attorneys General Act of 2004 claim, including all amendments thereto, California Labor Code § 2698 et seq., all taxes (except Defendant’s share of employer-side payroll taxes, which are FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) on the amount allocated as wages to be paid to Participating Settlement Class Members), and all payments to the Settlement Administrator. For the avoidance of doubt, the Gross Settlement Amount includes the entire PAGA Allocation, including the Net PAGA Distribution Amount. The Gross Settlement Amount does not include Defendant’s share of “employer-side payroll taxes,” which are defined as FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) taxes, on the portion of payments to Participating Settlement Class Members allocated as wages, which Defendant shall be responsible for paying separately.

W. “Individual PAGA Payment”

The amount due to each Aggrieved Employee from the Net PAGA Distribution Amount based on each Aggrieved Employee’s share of the Net PAGA Distribution Amount as per calculations herein, prior to any deductions for employee-side payroll and other applicable taxes (if any).

X. “Individual Settlement Payment”

The amount due to each Participating Settlement Class Member from the Net Settlement Amount based on each Participating Settlement Class Member’s share as per calculations herein, prior to any deductions for employee-side payroll and other applicable taxes.

Y. “Named Plaintiff”

Plaintiff Jose L. Hidalgo

Z. “Named Plaintiff’s Individual Claims”

Named Plaintiff’s individual claims, which are the fifteenth to twenty-first causes of action set forth in the operative complaint for (15) Wrongful Termination in Violation of Public Policy, (16) Unlawful Discrimination Based on California Government Code § 12940, (17) Unlawful Retaliation Based on California Government Code § 12940, (18) Violation of California Government Code § 12940(m) – Wrongful Termination Failure to Accommodate, (19) Violation of California Government Code § 12940(n) – Wrongful Termination Failure to Engage in the Interactive Process, (20) Failure to Allow Medical Leave, Violation of California Family Rights Act (CFRA), and (21) Violation of California Labor Code §§ 3600, 3700 – Failure to

Provide Workers' Compensation Coverage. Named Plaintiff's Individual Claims are addressed in a separate written agreement between Plaintiff and Defendant entitled "Settlement Agreement and Release of All Claims".

AA. "Net PAGA Distribution Amount"

The 25% of the PAGA Allocation (\$6,250) to be distributed to Aggrieved Employees. The Net PAGA Distribution Amount shall be distributed to Aggrieved Employees as Individual PAGA Payments pursuant to the calculations and formulas set forth herein.

BB. "Net Settlement Amount"

The Net Settlement Amount is the amount remaining from the Gross Settlement Amount (from which Individual Settlement Payments are to be made) after payment of all of the following:

1. Attorneys' Fees and Costs, with Attorneys' Fees not to exceed \$152,250.00 (35 percent of the Gross Settlement Amount); and actual Costs incurred in an amount not to exceed \$20,000.00.
2. Settlement Administration Costs, not to exceed \$8,145.75. Ten (10) business days prior to the Final Approval Hearing, the Settlement Administrator shall provide to Defendant's Counsel and Class Counsel a statement detailing the costs of administration of the settlement. A Form 1099 – NEC shall be issued to the Settlement Administrator.
3. The Class Representative Enhancement Payment to the Named Plaintiff Jose L. Hidalgo, not to exceed \$2,500.00. Named Plaintiff will also be entitled to receive an Individual Settlement Payment and Individual PAGA Payment pursuant to this Agreement in addition to the Class

Representative Enhancement Payment.

4. The PAGA Allocation (\$25,000.00), as defined below, which the Parties believe in good faith is a fair and reasonable amount.

CC. “Opt-Out/Objection Deadline”

The date, no later than forty-five (45) calendar days after the date of the mailing of the Class Notice Packet to Settlement Class Members and all Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees), on or before which any written objection or request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement must be signed and submitted in order to be effective.

DD. “Participating Settlement Class Member”

A Settlement Class Member who does not submit a valid request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement. Participating Settlement Class Members will release the Released Parties from the Released Class Claims (as well as the Released PAGA Claim) as of the Effective Date. Settlement Class Members who submit a valid and timely request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall no longer be a member of the Settlement Class (but will remain Aggrieved Employees if employed during the PAGA Period), shall be barred from participating in the settlement of the Released Class Claims documented by this Agreement (but will continue to release the Released PAGA Claim if they meet the definition of an “Aggrieved Employee”), shall be barred from objecting to the settlement of the Released Class Claims documented by this Agreement, and shall receive no

benefit from the settlement of the Released Class Claims documented by this Agreement (but shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount if employed during the PAGA Period, pursuant to the calculations and formulas set forth herein).

EE. “PAGA Allocation”

The total sum of \$25,000.00 allocated from the Gross Settlement Amount to the settlement of the Released PAGA Claim asserted by Named Plaintiff in the Action, which constitutes penalties pursuant to the Labor Code Private Attorneys General Act of 2004, including all amendments thereto, California Labor Code § 2698 et seq. (“PAGA”) and which the Parties believe in good faith is a fair and reasonable amount. The PAGA Allocation will be distributed as follows: 25% to the Aggrieved Employees (\$6,250.00) (the “Net PAGA Distribution Amount”) as Individual PAGA Payments pursuant to the calculations and formulas set forth herein, and 75% to the California Labor and Workforce Development Agency (\$18,750.00) as the Labor and Workforce Development Agency’s share of the settlement of the PAGA penalties and Released PAGA claim.

FF. “PAGA Period”

The period from May 3, 2023 to the earlier of the date of the Court’s Preliminary Approval Order or May 16, 2025.

GG. “Parties”

Defendant and the Named Plaintiff

HH. “Plaintiff’s General Release”

The release set forth herein where the Named Plaintiff, in his individual capacity and on behalf of himself, his heirs, executors, representatives, administrators, agents, insurers, successors, and assigns, agrees to release the Released Parties from any and all claims, obligations, demands, rights, liabilities and causes of action of every nature and description

whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, whether in tort, contract or for violation of any state, federal or other statute, rule or regulation based on, arising out of, relating to or in connection with any act or omission by or on the part of any of the Released Parties committed or omitted at any time up to and including the Effective Date, including a waiver of Civil Code §1542.

As of the Effective Date, Plaintiff fully and finally releases and discharges the Released Parties from any and all claims, obligations, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, including but not limited to claims arising from or related to his employment, or the termination of his employment, with Released Parties, or any of them, and his compensation while an employee of Released Parties, or any of them. Plaintiff's General Release includes, but is not limited to, all claims arising from or related to the Action, or that could have been asserted in the Action based on the facts alleged in the Action. Plaintiff's General Release includes all claims for unpaid wages, including, but not limited to, failure to pay minimum wage, straight time compensation, overtime compensation, and interest; missed meal period and rest-period wages and premiums; paid sick leave violations; reimbursement for all necessary business expenses; confiscation of pay; payment for all hours worked, including off-the-clock work; wage statements; failure to keep accurate records; failure to timely pay wages at termination; penalties under the Private Attorneys' General Act, Labor Code section 2698, *et seq.*; unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. Plaintiff's General Release includes all claims arising under the California Labor Code (including, but not limited to, sections 201, 201.3, 202, 203, 204, 210, 216, 218.6, 221, 222, 225.5, 223, 224, 225, 225.5, 226, 226.7, 227.3, 450, 510, 511, 512, 558, 1174, 1174.5, 118.12, 1194, 1197, 1197.1, 1197.2, 1198, 2698 *et seq.*, and 2802); the Wage Orders of the California Industrial Welfare Commission; the Labor Code Private

Attorneys General Act of 2004, including all amendments thereto, California Labor Code § 2698 et seq. (“PAGA”); California Business and Professions Code section 17200 et seq.; the California Civil Code, to include but not limited to, sections 3336 and 3294; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal or state common law; and the Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff’s General Release also includes all tort claims, all claims for lost wages and benefits, emotional distress, retaliation, discrimination, harassment, punitive damages, and attorneys’ fees and costs, including those arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, as originally enacted and as amended, such as, by way of example only, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Unruh Civil Rights Act, the California Family Rights Act, the Family Medical Leave Act, the Equal Pay Act, the United States and California Constitutions, and the California Fair Employment and Housing Act; and the law of contract and tort. This release covers and releases any and all claims that may be validly released as a matter of law, from the beginning of time up to and including the Effective Date, but excludes any release of claims not permitted by law.

II. “Preliminary Approval Order”

The Order issued by the Court preliminarily approving the terms of the settlement set forth in this Agreement.

JJ. “Released Class Claims”

The claims asserted in the Action (except for the Released PAGA Claim, as well as Named Plaintiff’s Individual Claims to the extent Named Plaintiff’s Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the

Action), as well as any and all claims, obligations, demands, rights, liabilities, complaints, charges, penalties, fines, wages, damages, liquidated damages, losses, restitutionary amounts, interest and/or causes of action of every nature and description whatsoever, known or unknown, suspected or unsuspected, whether in tort, contract or for violation of any state, federal, local or other statute, rule, ordinance or regulation, based on, arising from or related to the facts or claims asserted in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), or that could have been asserted in the Action based on the facts set forth in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), including, but not limited to, claims for (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7 and 516, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, "paid sick leave"

expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement, (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, 1197 and 1197.1 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 432, 1174, 1174.5, 1198.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code

sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; and (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5.

KK. “Released PAGA Claim”

All claims, liabilities and/or causes of action for civil penalties for violations alleged in the Action (including Named Plaintiff’s operative Complaint, and except for Named Plaintiff’s Individual Claims to the extent Named Plaintiff’s Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), Named Plaintiff’s Notice to the California Labor and Workforce Development Agency dated May 3, 2024 (a copy of which is attached hereto as Exhibit C) and/or Named Plaintiff’s Notice to the California Labor and Workforce Development Agency dated July 11, 2024 (a copy of which is attached hereto as Exhibit D) (Named Plaintiff’s Notices to the California Labor and Workforce Development Agency dated May 3, 2024 and July 11, 2024 hereafter collectively referred to as the “LWDA Notices”), or that could have been alleged in the Action (including Named Plaintiff’s operative Complaint) and/or Named Plaintiff’s LWDA Notices based on the facts alleged in the Action (including Named Plaintiff’s operative Complaint, and except for Named Plaintiff’s Individual Claims to the extent Named Plaintiff’s Individual Claims do not overlap

with and/or are not the same as or similar or related to any other claims asserted in the Action) and/or Named Plaintiff's LWDA Notices, or that are related or attributable to, based on, or arise from the facts and/or claims alleged in the Action (including Named Plaintiff's operative Complaint, and except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action) and/or Named Plaintiff's LWDA Notices, occurring during the PAGA Period that Named Plaintiff, the Aggrieved Employees, and/or the State of California may have under the California Labor Code, California Industrial Welfare Commission ("IWC") Wage Orders, California state regulations, local statutes, local ordinances, local orders, local regulations and/or any other provisions of California state and/or local law, whether known or unknown, suspected or unsuspected, including but not limited to those arising from, related to, or attributable to any allegations that Named Plaintiff and/or the Aggrieved Employees suffered California Labor Code, IWC Wage Order and/or other violations of California state and/or local law based on and/or for (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7, 516 and 1198, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections

233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, “paid sick leave” expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement; (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, and 1197-1198 (including, without limitation, section 1197.1) and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 226.3, 432, 1174, 1174.5, 1198.5, 2810.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203 and civil penalties pursuant to Labor Code section 256; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental

paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5; (19) failure to provide recovery periods in violation of California Code of Regulations section 3395 and California Labor Code section 226.7; (20) violation of Labor Code sections 550-556 (including for requiring employees to work seven days in a week, requiring employees to work more than six days in seven and/or not providing one day's rest from labor in seven); (21) failure to provide suitable seating in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (22) failure to pay reporting time pay, including in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (23) violations of California Code of Regulations section 3395; (24) any other violations of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; and (25) any other violations of California Labor Code sections 98.6, 201-205, 205.5, 206.5, 210, 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 233, 234, 245, 246, 246.5, 248.1,

248.2, 248.5, 248.6, 256, 351, 500-556 (including, without limitation 510-512 and 551-552), 558, 558.1, 860, 1102, 1102.5, 1119.5, 1174, 1174.2, 1174.5, 1182.12, 1185, 1193.6, 1194-1197.1, 1194.2, 1197.5, 1198-1199.5, 2698-2699, 2699.3, 2699.5, 2800, 2802, 2810.5, 3073.6, 6310 and/or 6311. For the sake of clarity, and without in any way limiting the foregoing, the “Released PAGA Claim” expressly includes the twenty-second cause of action alleged in Named Plaintiff’s operative Complaint for violation of and penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* Without in any way limiting the foregoing, Named Plaintiff, the Aggrieved Employees and/or the State of California 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 claims, causes of action and legal theories of recovery in the Action which are the subject matter of the Released PAGA Claim. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released PAGA Claim.

For the sake of clarity and avoidance of doubt, Aggrieved Employees may not opt out of or request to be excluded from the settlement of the Released PAGA Claim documented by this Agreement, and such release of the Released Parties, and each of them, by Aggrieved Employees, and each of them, shall be automatic as of the Effective Date. As such, an Aggrieved Employee (that also meets the definition of a Settlement Class Member) who submits a valid request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall remain an Aggrieved Employee and release the Released Parties from the Released PAGA Claim as of the Effective Date (and shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount pursuant to the calculations and formulas set forth herein). Further, Aggrieved Employees (and all Settlement Class Members) shall be barred from objecting to the settlement of the Released PAGA Claim documented by this Agreement.

LL. “Released Parties”

Released Parties means Defendant and each of its former, present and future parent entities (including, without limitation, Tide Rock YieldCo, LLC and Tide Rock Holdings, LLC), subsidiary entities, affiliated entities and related entities, and each of their predecessors, successors and assigns, and each and all of their respective former, present and future agents, managing agents, officers, directors, shareholders, investors, owners, founders, lenders, members, partners, managers, representatives, servants, employees, joint employers, attorneys, consultants, advisors, insurers, subsidiaries and parent entities, and as to any individual their marital community, community property, trustees, trusts, executors, heirs, guardians and registered representatives. Without in any way limiting the foregoing, “Released Parties” expressly includes any individual or entity which could be jointly and/or severally liable with Defendant as to any of the Released Class Claims and/or Released PAGA Claim.

MM. “Settlement Administrator”

ILYM Group Inc.

NN. “Settlement Administration Costs”

All costs incurred in administering the Settlement, in an amount not to exceed \$8,145.75.

OO. “Settlement Class” and “Settlement Class Members”

All current and former non-exempt employees of Defendant who were directly employed by Defendant in the State of California at any time during the Class Period.

PP. “Workweek”

A week during the Class Period, commencing on Sunday at 12:01 a.m. and ending on the following Saturday at 12:00 midnight, in which a Settlement Class Member worked one or more days for Defendant. Defendant estimates that the Settlement Class Members have worked a total of approximately 28,735 Workweeks from the start of the Class Period up to and including January 15, 2025.

II. RECITALS

A. Procedural History. On July 19, 2024, Named Plaintiff filed his Complaint in the Action, which is the operative Complaint, asserting the following twenty-two causes of action: (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7 and 516, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections

233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, “paid sick leave” expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, 1197 and 1197.1 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement, (6) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 432, 1174, 1174.5, 1198.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203; (8) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (9) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (10) failure to pay vacation time in violation of Labor Code section 227.3; (11) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (12) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid

sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (13) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (14) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (15) wrongful termination in violation of public policy; (16) unlawful discrimination based on California Government Code section 12940; (17) unlawful retaliation based on California Government Code section 12940; (18) violation of California Government Code section 12940(m) – wrongful termination failure to accommodate; (19) violation of California Government Code section 12940(n) – wrongful termination failure to engage in the interactive process; (20) failure to allow medical leave, violation of California Family Rights Act (CFRA); (21) violation of California Labor Code sections 3600, 3700 – failure to provide workers’ compensation coverage; and (22) violation of and penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* and California Labor Code sections 558 and 1198.5. The Parties acknowledge and agree that in connection with reaching the settlement documented by this Agreement the Parties considerations included consideration of all of the foregoing causes of action, except for Named Plaintiff’s Individual Claims (the fifteenth to twenty-first causes of action) which are addressed in a separate written agreement between Plaintiff and Defendant entitled “Settlement Agreement and Release of All Claims”.

B. Mediation. On January 15, 2025, Defendant and the Named Plaintiff participated in a full-day mediation with Daniel J. Turner, Esq., an experienced employment law and class action mediator. During the mediation Named Plaintiff and Defendant discussed

and mediated the claims asserted in Named Plaintiff's Complaint, as set forth above, and engaged in extensive arms-length negotiations, but were unable to reach an agreement to resolve the Action. However, with the continued assistance of mediator Daniel J. Turner, Defendant and the Named Plaintiff continued their extensive arms-length negotiations for approximately two (2) additional months following the mediation, and were thereafter able to reach an agreement on the terms of a settlement in accordance with the terms set forth in this Agreement. This settlement is the result of an informed and detailed analysis of the risks facing both Defendant and Named Plaintiff in continuing to litigate the Action, including, but not limited to, careful consideration of the legal and factual obstacles to Named Plaintiff's prospects of obtaining class certification and on the merits, and Defendant's defenses, as well as Defendant's potential exposure and the additional costs of litigating the Action.

C. Conditional Class Certification. The Parties stipulate and agree to the certification of the Settlement Class for purpose of this Agreement only. In the event the settlement documented by this Agreement does not become final for whatever reason, the fact that the Parties were willing to stipulate to class certification as part of the settlement shall have no bearing on, and will not be admissible in connection with, the issue of whether any class should be certified in any subsequent proceeding. The Parties and their counsel further agree that they will not offer or make reference to this provisional stipulation to class certification for purposes of settlement in any subsequent proceeding in this action (except for purposes of having this settlement approved by the Court) or any other action.

D. No Admissions. The Parties understand, acknowledge, and intend that this Agreement and the terms set forth herein represent a compromise of disputed claims, and neither the existence of this Agreement or the conduct of any of the Parties hereto shall constitute or be construed as an admission of any liability or any wrongdoing whatsoever on the part of any of the Parties. Defendant disputes all claims alleged in the Action and does not by this Agreement admit any liability or wrongdoing whatsoever.

E. Settlement in the Interests of the Settlement Class. Defendant has provided Plaintiff with all information requested by Plaintiff in its possession, custody and control in connection with the mediation. Specifically, Defendant provided Plaintiff with information regarding the putative Settlement Class Members and the Aggrieved Employees, including information regarding the total class size, rates of pay and dates of employment of such individuals, as well as daily time punch and payroll records for the Settlement Class Members. Defendant also produced its wage and hour policy and procedure related documents, including its employee handbook, as well as meal period waivers signed by Settlement Class Members and Plaintiff's personnel file. Defendant also produced arbitration agreements signed by Settlement Class Members. Based on Class Counsel's own independent investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendant for the consideration and on the terms set forth in this Agreement is fair, reasonable, and adequate, and is in the best interest of the Settlement Class Members and Aggrieved Employees in light of all known facts and circumstances, including the multiple risks facing Named Plaintiff in continuing to litigate the Action, including, but not limited to, the legal and factual obstacles to Named Plaintiff's prospects of obtaining class certification and on the merits, and Defendant's defenses, as well as the additional costs of litigating the Action and significant delay.

F. Defendant's Reasons for Settlement. Defendant and Defendant's Counsel concur that this Agreement is fair, adequate and in the best interest of the Settlement Class and each Settlement Class Member, as well as the Aggrieved Employees.

G. No Admission of Liability. Defendant disputes all claims alleged in the Action and does not by this Agreement admit any liability or wrongdoing whatsoever.

H. Full Investigation. The Named Plaintiff and Class Counsel fully investigated the factual and legal bases for the causes of action asserted in the Action, as explained above.

NOW, THEREFORE, in consideration of these Recitals, which are incorporated into the Agreement, and the mutual covenants, promises and warranties set forth herein, the Parties

agree, subject to the Court's approval, as follows:

III. TERMS OF THE SETTLEMENT

A. Gross Settlement Amount. In consideration for this Agreement and the release of claims of (i) the Settlement Class and each Settlement Class Member thereof, (ii) the Aggrieved Employees and each Aggrieved Employee, and (iii) the State of California, Defendant shall pay to the Settlement Administrator the Gross Settlement Amount within fourteen (14) calendar days after the Effective Date. All payments Defendant is required to make pursuant to this Agreement shall be made from the Gross Settlement Amount (not including Defendant's share of employer-side payroll taxes, which are FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) on the amount allocated as wages to be paid to Participating Settlement Class Members). The Gross Settlement Amount includes all applicable federal, state and local income and employment taxes (except Defendant's share of employer-side payroll taxes, which are FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) on the amount allocated as wages to be paid to Participating Settlement Class Members), including but not limited to Employment Training Tax, State Disability Insurance, and state and federal personal income taxes (collectively, the "Taxes"). The Parties agree that there shall be no interest due or payable on the Gross Settlement Amount.

The Gross Settlement Amount of \$435,000.00 is non-reversionary.

B. Net Settlement Amount. The Net Settlement Amount shall be used to make Individual Settlement Payments.

Defendant shall not oppose any request submitted by Plaintiff's Counsel or Named Plaintiff for payment or reimbursement of the maximum amounts set forth in this Agreement for Class Counsel's Attorney's Fees and Costs, Settlement Administration Costs, the Class Representative Enhancement Payment and/or the PAGA Allocation, as set forth in the

definition of “Net Settlement Amount” in Section I of this Agreement. If the Court in its discretion awards less than the maximum amounts of such payments as set forth in this Agreement, including, but not limited to, for Attorneys’ Fees and Costs and/or the Class Representative Enhancement Payment, the lower award amount(s) will not reduce or impact the enforceability of this Agreement in any way and the unawarded portions shall be included in the Net Settlement Amount; provided, however, that if the Court awards less than the amount the Parties have agreed to allocate as penalties payable pursuant to the PAGA claims asserted in the Action as provided in Section III(N) of this Agreement, this Agreement will be voidable at the option of Defendant in its sole discretion, as provided in Section IV(F) of this Agreement.

Defendant estimates that the Settlement Class Members have worked a total of approximately 28,735 Workweeks from the start of the Class Period up to and including January 15, 2025. Should the Class and Aggrieved Employee List, upon delivery to the Settlement Administrator, include more than a ten percent (10%) increase in the total number of Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025 (i.e., more than 10% greater than 28,735 Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025, for a total of 31,609 or more Workweeks worked by Settlement Class Members during the Class Period as of and including January 15, 2025), then there shall be a pro rata adjustment to the Gross Settlement Amount, which shall automatically increase by the same percentage that the actual Workweeks worked by Settlement Class Members from the start of the Class Period up to and including January 15, 2025 exceeds 31,609 Workweeks (for example, if the number of Workweeks worked by Settlement Class Members during the Class Period as of and including January 15, 2025 is 31,926, the Gross Settlement Amount will increase by approximately 1%).

C. **Non-Reversionary Settlement.** The Gross Settlement Amount of \$435,000.00 is non-reversionary. To the extent that a check for an Individual Settlement Payment and/or

Individual PAGA Payment is (1) undeliverable or (2) uncashed 180 days after issuance, the Individual Settlement Payment check and/or Individual PAGA Payment check shall be sent to the California Unclaimed Property Fund for the benefit of the Participating Settlement Class Member and/or Aggrieved Employee to whom the Individual Settlement Payment check and/or Individual PAGA Payment check is addressed, pursuant to section III(G) herein, *infra*.

D. Class and Aggrieved Employee List. Defendant will diligently and in good faith compile the Class and Aggrieved Employee List from its records and provide it to the Settlement Administrator within thirty-five (35) calendar days after the Court issues its Preliminary Approval Order.

E. Allocation of the Net Settlement Amount to Settlement Class Members.

The Net Settlement Amount shall be divided among all Participating Settlement Class Members and distributed to Participating Settlement Class Members based on their number of Workweeks directly employed by Defendant during the Class Period. Specifically, the Individual Settlement Payment that each Participating Settlement Class Member is entitled to receive under this Agreement will be determined by dividing the Net Settlement Amount by the total number of Workweeks all Settlement Class Members were directly employed by Defendant during the Class Period to produce the “standard workweek rate.” Each Participating Settlement Class Member shall then receive an Individual Settlement Payment equal to the number of Workweeks that the Participating Settlement Class Member was directly employed by Defendant during the Class Period multiplied by the standard workweek rate. By way of example, and not limitation, if the Net Settlement Amount is \$225,000.00, and the total number of Workweeks all Settlement Class Members were directly employed by Defendant during the Class Period is 30,000, the standard workweek rate would be \$7.50 ($\$225,000 \div 30,000$). If a Participating Settlement Class Member was directly employed by Defendant for 100 Workweeks during the Class Period, the Participating Settlement Class Member would receive an Individual Settlement Payment in the gross

amount of \$750.00 (100 Workweeks X \$7.50 per Workweek). Each Participating Settlement Class Member shall be paid the standard workweek rate, subject to any applicable taxes and tax withholdings, for each Workweek they were directly employed by Defendant during the Class Period as reflected in the records of Defendant.

It is the intent of the Parties that the Net Settlement Amount shall be sufficient to pay all Individual Settlement Payments to Participating Settlement Class Members in accordance with the formula set forth above. In the event that the aggregate amount to be paid to Participating Settlement Class Members exceeds the Net Settlement Amount for any reason, each Participating Settlement Class Member's Individual Settlement Payment shall be reduced on a pro rata basis pursuant to the formula discussed immediately above so that the total amount to be paid to Participating Settlement Class Members does not exceed the Net Settlement Amount. In the event that the aggregate amount to be paid to Participating Settlement Class Members is less than 100% of the Net Settlement Amount, then the remaining residual balance shall be distributed to the Participating Settlement Class Members on a pro-rata basis pursuant to the formula discussed immediately above.

F. Allocation of Individual Settlement Payments between Wages and Non-Wages.

The Parties have agreed that all Individual Settlement Payments to Participating Settlement Class Members will be allocated thirty-three point three percent (33.3%) to wages, thirty-three point four percent (33.4%) to penalties, and thirty-three point three percent (33.3%) to interest. Forms W-2 and Forms 1099-MISC and 1099-INT will be issued to each Participating Settlement Class Member with respect to such payments appropriately reported on each of those forms. Specifically, Form W-2 will be issued for wages, Form 1099-MISC will be issued for penalty payments, and Form 1099-INT will be issued for interest. The Settlement Administrator shall be responsible for calculating, withholding, and reporting all required state and federal taxes and remitting such amounts to the appropriate taxing authorities. However, each Participating Settlement Class Member may have unique tax

considerations, and the Settlement Administrator may not be required to withhold any taxes on certain portions of the Individual Settlement Payments, such as amounts paid as interest and reported on a Form 1099-INT. As such, each Participating Settlement Class Member shall be responsible for remitting to state and/or federal tax authorities all applicable taxes that may be owed on the Individual Settlement Payment they receive. Each Participating Settlement Class Member expressly agrees to indemnify, defend, and hold harmless the Defendant and Released Parties, and each of them, against any claims, payments, fees, penalties, or other consequences that may result from the Participating Settlement Class Member's failure to pay the proper amount of taxes owed on the Individual Settlement Payment received.

G. Time and Manner of Disbursements from Gross Settlement Amount. As set forth above, Defendant shall furnish the Gross Settlement Amount to the Settlement Administrator within fourteen (14) calendar days after the Effective Date. The Settlement Administrator shall make any payment approved by the Court for Class Counsel's Attorneys' Fees and Costs, any payment approved by the Court for Settlement Administration Costs, any payment approved by the Court for the Class Representative Enhancement Payment, the payment to the Labor and Workforce Development Agency ("LWDA") in connection with Plaintiff's PAGA claim as the LWDA's share of the settlement of the PAGA penalties, all Individual Settlement Payments to Participating Settlement Class Members, and all Individual PAGA Payments to Aggrieved Employees, within thirty (30) calendar days of the Effective Date.

Any checks issued to Participating Settlement Class Members for Individual Settlement Payments and/or to Aggrieved Employees as Individual PAGA Payments shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. If a Participating Settlement Class Member's Individual Settlement Payment check is undeliverable, or if a Participating Settlement Class Member does not cash their Individual Settlement Payment check within 180 days from the initial date of issuance, the Individual Settlement Payment check shall be sent to the California Unclaimed Property Fund for the benefit of the Participating

Settlement Class Member to whom the Individual Settlement Payment check is addressed. If an Aggrieved Employee's Individual PAGA Payment check is undeliverable, or if an Aggrieved Employee does not cash their Individual PAGA Payment check within 180 days from the initial date of issuance, the Individual PAGA Payment check shall be sent to the California Unclaimed Property Fund for the benefit of the Aggrieved Employee to whom the Individual PAGA Payment check is addressed. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, because the entire Net Settlement Amount and Net PAGA Distribution Amount will be paid out to Participating Settlement Class Members and Aggrieved Employees respectively, whether or not they all cash their Individual Settlement Payment checks and/or Individual PAGA Payment checks (as applicable). Therefore, unless the Court requires otherwise, Defendant will not be required to pay any interest on funds distributed to the Settlement Administrator.

Within fourteen (14) calendar days after the expiration of the one hundred and eighty (180) day period that checks remain negotiable, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a declaration, to be filed with the Court, detailing the distribution of the Gross Settlement Amount and stating exactly (i) the total amount of Participating Class Members' uncashed Individual Settlement Payment checks and (ii) the total amount of Aggrieved Employee's uncashed Individual PAGA Payment checks. The Parties agree that this can be done by the Court, without a hearing.

H. No Further Consideration Required. Defendant shall have no obligation to pay or provide any further consideration to any Settlement Class Member or Aggrieved Employee by reason of this Agreement or the foregoing payments, including but not limited to contributions to any 401(k) or other retirement or employee benefit plan, vacation or sick pay, or any tax contributions or payments. Any and all amounts owed pursuant to or in relation to this Agreement shall be included in the Gross Settlement Amount, including all Taxes, except for Defendant's share of employer-side payroll taxes, which are FICA (Social Security and Medicare) and unemployment insurance (FUTA and SUTA/SUI) on the amount

allocated as wages to be paid to Participating Settlement Class Members.

I. Release of Released Class Claims by Participating Settlement Class

Members. As of the Effective Date, regardless of whether they actually receive notice of the settlement documented by this Agreement, and regardless of whether they receive any payment pursuant to this Agreement, Named Plaintiff and all Participating Settlement Class Members, and each of them, on behalf of themselves and their heirs, executors, representatives, administrators, agents, insurers, successors and assigns, agree to forever release and discharge the Released Parties from the Released Class Claims from the beginning of time up to and including the final date of the Class Period (the final date of the Class Period shall be the earlier of the date of the Court's Preliminary Approval Order or May 16, 2025). Named Plaintiff and/or Participating Settlement 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 claims, causes of action and legal theories of recovery in this case which are the subject matter of the Released Class Claims. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Class Claims, and by virtue of this Agreement, Named Plaintiff and the Participating Settlement 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 Parties from all of the Released Class Claims as defined in this Agreement as of the Effective Date.

Further, without in any way limiting the foregoing, and for the avoidance of doubt, Named Plaintiff and the Participating Settlement Class Members also release the Released Parties from any and all claims for attorneys' fees and/or costs incurred in connection with the Action or otherwise, including, but not limited to, in connection with prosecuting the Released Class Claims, other than those Attorneys' Fees and Costs set forth in this Agreement that are to be paid from the Gross Settlement Amount to the extent they are approved by the Court.

Further, without in any way limiting the foregoing, Participating Settlement Class Members understand that this Agreement extends to all claims of every nature and kind,

known or unknown, suspected or unsuspected, arising from, related to or attributable to the Released Class Claims. Participating Settlement Class Members hereby expressly waive and relinquish any and all claims, rights or benefits that they may have under California Civil Code § 1542 as to the Released Class Claims, which provides as follows:

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

Participating Settlement Class Members may hereafter discover claims or facts in addition to, or different from, those which they know or believe to exist, but Participating Settlement Class Members 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, arising from, related to or attributable to the Released Class Claims. Participating Settlement Class Members further acknowledge, understand and agree that this Agreement would not have been entered into were it not for this representation and commitment.

J. Named Plaintiff's General Release. As of the Effective Date, in exchange for the consideration set forth in this Agreement, Named Plaintiff, on behalf of himself and his heirs, executors, representatives, administrators, agents, insurers, successors and assigns, agrees to release the Released Parties from any and all claims, obligations, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, whether in tort, contract or for violation of any state or federal statute, rule or regulation based on, arising out of, relating to or in connection with any act or omission by or on the part of any of the Released Parties committed or omitted at any time up to and including the Effective Date, including a waiver of Civil Code §1542.

As of the Effective Date, Named Plaintiff fully and finally releases and discharges the Released Parties from any and all claims, obligations, demands, rights, liabilities and causes of action of every nature and description whatsoever, known or unknown, suspected or unsuspected, asserted or that might have been asserted, under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law, including but not limited to claims arising from or related to his employment, or the termination of his employment, with Released Parties, or any of them, and his compensation while an employee of Released Parties, or any of them. Plaintiff's General Release includes, but is not limited to, all claims arising from or related to the Action, or that could have been asserted in the Action based on the facts alleged in the Action. Plaintiff's General Release includes all claims for unpaid wages, including, but not limited to, failure to pay minimum wage, straight time compensation, overtime compensation, and interest; missed meal period and rest-period wages and premiums; paid sick leave violations; reimbursement for all necessary business expenses; confiscation of pay; payment for all hours worked, including off-the-clock work; wage statements; failure to keep accurate records; failure to timely pay wages at termination; penalties under the Labor Code Private Attorneys General Act of 2004, including all amendments thereto, California Labor Code § 2698 et seq. ("PAGA"); unfair business practices; penalties, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; and attorneys' fees and costs. Plaintiff's General Release includes all claims arising under the California Labor Code (including, but not limited to, sections 201, 201.3, 202, 203, 204, 210, 216, 218.6, 221, 222, 225.5, 223, 224, 225, 225.5, 226, 226.7, 227.3, 450, 510, 511, 512, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1197, 1197.1, 1197.2, 1198, 2698 et seq., and 2802); the Wage Orders of the California Industrial Welfare Commission; the Labor Code Private Attorneys General Act of 2004, including all amendments thereto, California Labor Code § 2698 et seq. ("PAGA"); California Business and Professions Code section 17200 et seq.; the California Civil Code, to include but not limited to, sections 3336 and 3294; the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 et seq.; federal or state common law; and the

Employee Retirement Income Security Act, 29 U.S.C. § 1001, et seq. Plaintiff's General Release also includes all tort claims, all claims for lost wages and benefits, emotional distress, retaliation, discrimination, harassment, punitive damages, and attorneys' fees and costs, including those arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, as originally enacted and as amended, such as, by way of example only, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Unruh Civil Rights Act, the California Family Rights Act, the Family Medical Leave Act, the Equal Pay Act, the United States and California Constitutions, and the California Fair Employment and Housing Act; and the law of contract and tort. This release covers and releases any and all claims that may be validly released as a matter of law, from the beginning of time up to and including the Effective Date, but excludes any release of claims not permitted by law.

Named Plaintiff hereby expressly waives and relinquishes any and all claims, rights or benefits that he may have under California Civil Code § 1542, which provides as follows:

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

Named Plaintiff may hereafter discover claims or facts in addition to, or different from, those which he knows or believes to exist, but Named Plaintiff expressly agrees 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 at the time of execution of this Agreement, including, but not limited to, any and all claims relating to or arising from Named Plaintiff's employment with Released Parties, or any of them. The Parties further acknowledge, understand and agree that this Agreement would not have been entered into were it not for this representation and commitment. Without in any

way limiting the foregoing, Named Plaintiff's General Release extends from the beginning of time up to and including the Effective Date.

K. Release of Released PAGA Claim by Aggrieved Employees and State of California. As of the Effective Date, regardless of whether they actually receive notice of the settlement documented by this Agreement, and regardless of whether they receive any payment pursuant to this Agreement, the State of California, Named Plaintiff and all Aggrieved Employees, and each of them, on behalf of themselves and their heirs, executors, representatives, administrators, agents, insurers, successors and assigns, agree to forever release and discharge the Released Parties from the Released PAGA Claim from the beginning of the PAGA Period up to and including the final date of the PAGA Period (the final date of the PAGA Period shall be the earlier of the date of the Court's Preliminary Approval Order or May 16, 2025). The State of California, Named Plaintiff and/or Aggrieved Employees 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 claims and legal theories of recovery in this case which are the subject matter of the Released PAGA Claim. Regardless, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released PAGA Claim, and by virtue of this Agreement, the State of California, Named Plaintiff and the Aggrieved Employees 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 Parties from the Released PAGA Claim as defined in this Agreement as of the Effective Date.

For the sake of clarity and avoidance of doubt, and without in any way limiting the foregoing, Aggrieved Employees may not opt out of or requested to be excluded from the settlement of the Released PAGA Claim documented by this Agreement, and such release of the Released Parties, and each of them, by Aggrieved Employees, and each of them, shall be automatic as of the Effective Date. As such, an Aggrieved Employee (that also meets the definition of a Settlement Class Member) who submits a valid request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall

remain an Aggrieved Employee and release the Released Parties from the Released PAGA Claim as of the Effective Date (and shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount pursuant to the calculations and formulas set forth herein). Further, Aggrieved Employees (and all Settlement Class Members) shall be barred from objecting to the settlement of the Released PAGA Claim documented by this Agreement.

Further, without in any way limiting the foregoing, and for the avoidance of doubt, Named Plaintiff, the Aggrieved Employees and the State of California also release the Released Parties from any and all claims for attorneys' fees and/or costs incurred in connection with the Action or otherwise, including, but not limited to, in connection with prosecuting the Released PAGA Claim, other than those Attorneys' Fees and Costs set forth in this Agreement that are to be paid from the Gross Settlement Amount to the extent they are approved by the Court.

Further, without in any way limiting the foregoing, the Aggrieved Employees and the State of California understand that this Agreement extends to all claims of every nature and kind, known or unknown, suspected or unsuspected, arising from, related to or attributable to the Released PAGA Claim. Aggrieved Employees and the State of California hereby expressly waive and relinquish any and all claims, rights or benefits that they may have under California Civil Code § 1542 as to the Released PAGA Claim, which provides as follows:

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

Aggrieved Employees and/or the State of California may hereafter discover claims or facts in addition to, or different from, those which they know or believe to exist, but Aggrieved Employees and the State of California 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, arising from, related to or attributable to the Released PAGA Claim. Aggrieved Employees and the State of California further acknowledge, understand and agree that this Agreement would not have been entered into were it not for this representation and commitment.

L. Continuing Jurisdiction. The Parties agree that once the Court grants final approval to the Agreement and makes its Final Award, the settlement documented by this Agreement shall be enforceable by the Court pursuant to Code of Civil Procedure § 664.6, and the Court shall retain exclusive and continuing jurisdiction of this action over all Parties, all Settlement Class Members and all Aggrieved Employees to interpret and enforce the terms, conditions, and obligations of this Agreement.

M. Circular 230 Disclaimer

EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO

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

N. LWDA/PAGA Payment, Individual PAGA Payments, Tax Treatment of Individual PAGA Payments. The Parties agree to allocate from the Gross Settlement Amount Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), subject to Court approval, as penalties payable pursuant to the PAGA claims asserted in the Action and in consideration of Named Plaintiff, Aggrieved Employees and the State of California releasing the Released Parties from the Released PAGA Claim as set forth herein. A payment in the amount of Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00) will be paid directly to the LWDA from the Gross Settlement Amount. The remaining Six Thousand Two Hundred Fifty Dollars and Zero Cents (\$6,250.00) (the "Net PAGA Distribution Amount") shall be distributed to the Aggrieved Employees from the Gross Settlement Amount as Individual PAGA Payments according to the formula described immediately below in this Section of the Agreement.

The Net PAGA Distribution Amount shall be divided among all Aggrieved Employees and distributed to Aggrieved Employees based on their number of Workweeks directly employed by Defendant during the PAGA Period. Specifically, the Individual PAGA Payment that each Aggrieved Employee is entitled to receive under this Agreement will be determined by dividing the Net PAGA Distribution Amount by the total number of Workweeks all Aggrieved Employees were directly employed by Defendant during the PAGA Period to produce the "standard PAGA workweek rate." Each Aggrieved Employee shall then receive an Individual PAGA Payment equal to the number of Workweeks that the Aggrieved Employee was directly employed by Defendant during the PAGA Period multiplied by the standard PAGA workweek rate. By way of example, and not limitation, if the Net PAGA Distribution Amount is \$6,250.00,

and the total number of Workweeks all Aggrieved Employees were directly employed by Defendant during the PAGA Period is 10,000, the standard PAGA workweek rate would be \$0.625 ($\$6,250 \div 10,000$). If an Aggrieved Employee was directly employed by Defendant for 20 Workweeks during the PAGA Period, the Aggrieved Employee would receive an Individual PAGA Payment in the gross amount of \$12.50 (20 Workweeks X \$0.625 per Workweek). Each Aggrieved Employee shall be paid the standard PAGA workweek rate, subject to any applicable taxes and tax withholdings (if any), for each Workweek they were directly employed by Defendant during the PAGA Period as reflected in the records of Defendant.

It is the intent of the Parties that the Net PAGA Distribution Amount shall be sufficient to pay all Individual PAGA Payments to Aggrieved Employees in accordance with the formula set forth above. In the event that the aggregate amount to be paid to Aggrieved Employees in the form of Individual PAGA Payments exceeds the Net PAGA Distribution Amount for any reason, each Aggrieved Employee's Individual PAGA Payment shall be reduced on a pro rata basis pursuant to the formula discussed immediately above so that the total amount to be paid to Aggrieved Employees in the form of Individual PAGA Payments does not exceed the Net PAGA Distribution Amount. In the event that the aggregate amount to be paid to Aggrieved Employees in the form of Individual PAGA Payments is less than 100% of the Net PAGA Distribution Amount, then the remaining residual balance shall be distributed to the Aggrieved Employees on a pro-rata basis pursuant to the formula discussed immediately above.

The Parties have agreed that all Individual PAGA Payments to Aggrieved Employees will be allocated one hundred percent (100%) to penalties. Form 1099-MISC will be issued to each Aggrieved Employee with respect to each Aggrieved Employee's Individual PAGA Payment. The Settlement Administrator shall be responsible for calculating, withholding, and reporting all required state and federal taxes (if any) and remitting such amounts to the appropriate taxing authorities in connection with each Aggrieved Employee's receipt of an Individual PAGA Payment. However, each Aggrieved Employee may have unique tax considerations, and the Settlement Administrator may not be required to withhold any taxes on

each Aggrieved Employee's Individual PAGA Payment. As such, each Aggrieved Employee shall be responsible for remitting to state and/or federal tax authorities all applicable taxes that may be owed on the Individual PAGA Payment they receive. Each Aggrieved Employee expressly agrees to indemnify, defend, and hold harmless the Defendant and Released Parties, and each of them, against any claims, payments, fees, penalties, or other consequences that may result from the Aggrieved Employee's failure to pay the proper amount of taxes owed on the Individual PAGA Payment received.

IV. SETTLEMENT ADMINISTRATION

A. Appointment of Administrator and Duties. The Parties agree to the appointment of ILYM Group Inc. (the "Settlement Administrator") to perform the duties of a Settlement Administrator for the purpose of mailing the Class Notice Packets and Aggrieved Employee Notice Packets, which shall include verifying the Workweeks of Settlement Class Members and Aggrieved Employees and amounts due to them as set forth in this Agreement.

The Settlement Administrator is responsible for printing and mailing the Class Notice Packets and Aggrieved Employee Notice Packets, receiving and reporting the opt-out and objections submitted by Settlement Class Members to the settlement of the Released Class Claims; the distributions pursuant to this Agreement and final order(s) of the Court of Individual Settlement Payments and Individual PAGA Payments, W-2 forms, and 1099 forms to Participating Settlement Class Members and Aggrieved Employees receiving a settlement payment; issuing the PAGA payment to the LWDA; calculating, withholding and remitting all required state and federal taxes; calculating Defendant's employer-side payroll taxes (FICA (Social Security and Medicare), and unemployment insurance (FUTA and SUTA/SUI)) on the amount allocated as wages to be paid to Participating Settlement Class Members); reporting and filing all tax-related information and the sums withheld with state

and federal agencies; and informing the Parties and the Court of its fulfillment of the duties imposed by this Agreement. Upon completion of its review, the Settlement Administrator shall provide the Parties with a report stating the amount of all payments made to each Participating Settlement Class Member and Aggrieved Employee. The Settlement Administrator shall establish a settlement payment center address, telephone number, and facsimile number to receive: (i) Settlement Class Members' inquiries about the Class Notice Packet, requests to be excluded from the settlement of Released Class Claims documented by this Agreement, objections, and inquiries regarding Individual Settlement Payments, and (ii) Aggrieved Employees' inquiries regarding the Aggrieved Employee Notice Packet and settlement of the Released PAGA Claim documented by this agreement. The Settlement Administrator shall also be responsible for any other tasks that the Parties mutually agree or the Court orders the Settlement Administrator to perform.

The Parties represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

B. Notices to Class Members/Non-Exempt Aggrieved Employees. Notice of the Agreement shall be provided to all Settlement Class Members (including all Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) using the following procedures: Within ten (10) calendar days of the receipt of the Class and Aggrieved Employee List, the Settlement Administrator shall mail, by first-class mail, to each Settlement Class Member (including all Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) at his or her last known postal address a Class Notice Packet, in both English and Spanish. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct for any known or identifiable address changes. If a new address is obtained by way of a returned Class Notice Packet, then the Settlement Administrator shall promptly forward the original Class Notice Packet to the updated address via first-class regular U.S.

Mail. The Class Notice Packet upon which the Parties' agree is attached hereto as Exhibit B.

For any Settlement Class Members (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) for whom the mailing is returned as undeliverable, the Settlement Administrator shall seek to locate the Settlement Class Member(s) (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) through reasonable and customary efforts used in the administration of such settlements. This will require the Settlement Administrator to perform a standard skip trace effort to attempt to obtain a current mailing address for that Settlement Class Member (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) and to re-mail any returned mail to a current postal address. The Settlement Administrator is not required to conduct more than one skip trace report for a Settlement Class Member (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees), and need only do so for mail returned as undeliverable. Consistent with the California Code of Civil Procedure, it will be conclusively established that if an envelope has not been returned within forty-five (45) days of the mailing, that the Settlement Class Member (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) received the Class Notice Packet. In the event that the procedures in this section are followed and the intended recipient of the Class Notice Packet still does not receive the Class Notice Packet, the Settlement Class Member (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees) shall be bound by all terms of the Agreement and any Final Award entered and approved by the Court.

The Settlement Administrator also will supply Defendant's Counsel with an updated address list for the Settlement Class Members (including Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees), reflecting any corrections or updates made by the Settlement Administrator in the course of administering Class Notice to Settlement Class Members (including Aggrieved Employees who are also Settlement Class

Members, i.e., non-exempt Aggrieved Employees).

C. **Notices to Exempt Aggrieved Employees.** Notice of the Agreement shall be provided to all Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees) using the following procedures: At the same time the Settlement Administrator makes Individual PAGA Payments to Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees), the Settlement Administrator shall mail, by first-class mail, to each Aggrieved Employee who is not also Settlement Class Members (i.e., exempt Aggrieved Employees) at his or her last known postal address an Aggrieved Employee Notice Packet, in both English and Spanish, together with the check for their Individual PAGA Payment. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct for any known or identifiable address changes. If a new address is obtained by way of a returned Aggrieved Employee Notice Packet, then the Settlement Administrator shall promptly forward the original Aggrieved Employee Notice Packet, together with the check for their Individual PAGA Payment, to the updated address via first-class regular U.S. Mail. The Aggrieved Employee Notice Packet upon which the Parties' agree is attached hereto as Exhibit A.

For any Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employees) for whom the mailing is returned as undeliverable, the Settlement Administrator shall seek to locate the Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employees) through reasonable and customary efforts used in the administration of such settlements. This will require the Settlement Administrator to perform a standard skip trace effort to attempt to obtain a current mailing address for that Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employee) and to re-mail any returned mail to a current postal address. The Settlement Administrator is not required to conduct more than one skip trace report for an Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employee), and need only do so for mail returned as undeliverable. Consistent with the California Code of

Civil Procedure, it will be conclusively established that if an envelope has not been returned within forty-five (45) days of the mailing, that the Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employee) received the Aggrieved Employee Notice Packet, together with the check for their Individual PAGA Payment. In the event that the procedures in this section are followed and the intended recipient of the Aggrieved Employee Notice Packet still does not receive the Aggrieved Employee Notice Packet (and/or the check for their Individual PAGA Payment), the Aggrieved Employee who is not also a Settlement Class Member (i.e., exempt Aggrieved Employee) shall be bound by all terms of the Agreement and any Final Award entered and approved by the Court.

The Settlement Administrator also will supply Defendant's Counsel with an updated address list for the Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees), reflecting any corrections or updates made by the Settlement Administrator in the course of administering Aggrieved Employee Notice to Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees).

D. Objection, Dispute and Exclusion Process.

1. Any Settlement Class Member, except Named Plaintiff, who wishes to object to the settlement of the Released Class Claims documented by this Agreement and/or dispute any of the data used to calculate their Individual Settlement Payment shall be allowed to indicate and explain such disagreement. Any such dispute or objection must be in writing and must be mailed or faxed to the Settlement Administrator no later than the Opt-Out/Objection Deadline. The date of the postmark on the return envelope or date of facsimile transmission, as applicable, shall be the exclusive means used to determine whether a Settlement Class Member's objection or dispute as to the calculation or application of the formula for determining their Individual Settlement Payment is "timely."

Any written objection to the settlement of the Released Class Claims documented by this Agreement must be in writing and must state each specific objection

with legal and factual support for each objection, and must state the Settlement Class Member's full name, address, last four digits of their Social Security Number and the dates of their employment by Defendant. Objecting Settlement Class Members must also make themselves available for reasonable discovery by Plaintiff's and/or Defendant's Counsel between the time the objections are filed and the date of the Final Approval Hearing. Any timely objections received prior to the filing of Plaintiff's motion for final approval of the settlement documented by this Agreement will be filed by Plaintiff along with such motion and Plaintiff's motion may include any responses to such objections. Any timely objections received on or after the filing of the motion for final approval will be filed with the Court by Plaintiff, along with the parties' response(s) thereto, at the earliest practicable time prior to the Final Approval Hearing. Settlement Class Members who fail to make an objection in the manner specified above shall be deemed to have waived any objection and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Agreement.

To the extent that there is a dispute as to the data used to calculate a Settlement Class Member's Individual Settlement Payment, the Settlement Administrator shall resolve the disagreement with the Settlement Class Member using the employee records provided by Defendant and the Settlement Class Member. Any such written dispute by a Settlement Class Member must specifically explain the Settlement Class Member's disagreement, and must include the Settlement Class Member's full name, address, telephone number, last four digits of their Social Security Number and dates of employment by Defendant, and shall be signed and dated by the Settlement Class Member. In assessing any such Settlement Class Member disputes, the Settlement Administrator will give due consideration to any documents provided by the Settlement Class Member and Defendant. The Settlement Administrator shall have authority to make final decisions as to dates of employment and claim amounts, subject only to final review by the Court.

2. Settlement Class Members, except Named Plaintiff, may opt out of the

settlement of the Released Class Claims documented by this Agreement by mailing or faxing a completed written request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement to the Settlement Administrator no later than the Opt-Out/Objection Deadline indicating they have received the Class Notice, decided not to participate in the Settlement of the Released Class Claims documented by this Agreement, and desire to be excluded from the Settlement of the Released Class Claims documented by this Agreement, as set forth in the Class Notice. The request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement must be postmarked or, if sent by fax, received, no later than the Opt-Out/Objection Deadline, and must also set forth the particular Settlement Class Member's name, address, telephone number and last four digits of their Social Security Number, and also be signed and dated by the Settlement Class Member. Any Settlement Class Member, except Named Plaintiff, who submits a valid and timely request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall no longer be a member of the Settlement Class (but will remain an Aggrieved Employee if employed during the PAGA Period), shall be barred from participating in the settlement of the Released Class Claims documented by this Agreement (but will continue to release the Released PAGA Claim if they meet the definition of an "Aggrieved Employee"), shall be barred from objecting to the settlement of the Released Class Claims documented by this Agreement, shall be barred from receiving an Individual Settlement Payment, and shall receive no benefit from the settlement of the Released Class Claims documented by this Agreement (but shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount if employed during the PAGA Period, pursuant to the calculations and formulas set forth herein). However, Settlement Class Members shall be permitted to rescind their request for exclusion

from participating in the settlement of the Released Class Claims documented by this Agreement in writing by submitting a written rescission statement to the Settlement Administrator no later than one (1) business day before the Final Approval Hearing by either fax or U.S. Mail, orally at the Final Approval Hearing, or as otherwise ordered by the Court, as set forth in the Class Notice. If the rescission statement is in writing, it must include the particular Settlement Class Member's name, address, telephone number and last four digits of their Social Security Number and be signed and dated by the Settlement Class Member, as provided in the Class Notice. Any Settlement Class Member who does not timely and validly submit a request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement will automatically become a Participating Settlement Class Member and be bound by all terms and conditions of this Agreement, including, but not limited to, its release of the Released Class Claims, if the Agreement is approved by the Court, and be bound by the Final Award, regardless of whether they have objected to this Agreement, regardless of whether they actually receive notice of the settlement documented by this Agreement, and/or regardless of whether they receive any payment pursuant to this Agreement.

3. Named Plaintiff agrees to sign this Agreement and, by signing this Agreement: (1) agrees to be bound by the terms of this Agreement, (2) agrees not to request to be excluded from the Settlement Class or to opt-out of the settlement of the Released Class Claims documented by this Agreement, and (3) represents that he has no objection to any of the terms of this Agreement. Non-compliance by Named Plaintiff with this paragraph shall be void and of no force or effect. Any such request for exclusion, to opt-out, or objection by Named Plaintiff shall therefore be void and of no force or effect.

4. Named Plaintiff and Defendant agree that neither they nor their counsel shall solicit or otherwise encourage, directly or indirectly, Settlement Class

Members to request exclusion from the Settlement Class, object to this Agreement, dispute this Agreement, challenge this Agreement, or appeal the Final Award.

5. A Settlement Class Member who properly and timely submits a request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement will not become a Participating Settlement Class Member, will not be bound by the Released Class Claims documented by this Agreement, and is not entitled to any Individual Settlement Payment.

6. For the sake of clarity and avoidance of doubt, Aggrieved Employees may not opt out of or requested to be excluded from the settlement of the Released PAGA Claim documented by this Agreement, and such release of the Released Parties, and each of them, by Aggrieved Employees, and each of them, shall be automatic as of the Effective Date. As such, an Aggrieved Employee (that also meets the definition of a Settlement Class Member) who submits a valid request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement shall remain an Aggrieved Employee and release the Released Parties from the Released PAGA Claim as of the Effective Date (and shall still receive an Individual PAGA Payment from the Net PAGA Distribution Amount pursuant to the calculations and formulas set forth herein). Further, Aggrieved Employees (and all Settlement Class Members) shall be barred from objecting to the settlement of the Released PAGA Claim documented by this Agreement. Further, Aggrieved Employees shall be barred from disputing the data used to calculate their Individual PAGA Payments.

7. The Settlement Administrator shall provide weekly reports to Named Plaintiff and Defendant documenting opt-outs, objections, challenges, mailing and re-mailing of Class Notice Packets to Settlement Class Members and Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees), and efforts to locate Settlement Class Members and Aggrieved Employees who are also Settlement Class Members (i.e., non-exempt Aggrieved Employees) whose Class Notice Packets are returned as undeliverable. The Settlement Administrator shall provide copies of all requests for exclusion

from participating in the settlement of the Released Class Claims documented by this Agreement, as well as all objections to the settlement of the Released Class Claims documented by this Agreement, to Plaintiff's Counsel and Defendant's Counsel within five calendar days after receipt.

8. The Settlement Administrator shall provide a report to Named Plaintiff and Defendant documenting mailing and re-mailing of Aggrieved Employee Notice Packets to Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees) and efforts to locate Aggrieved Employees who are not also Settlement Class Members (i.e., exempt Aggrieved Employees) whose Aggrieved Employee Notice Packets are returned as undeliverable.

E. Taxes. It shall be the responsibility of the Settlement Administrator to timely and properly calculate, withhold, and pay from Individual Settlement Payments and Individual PAGA Payments all taxes payable by each Settlement Class Member, each Aggrieved Employee and all Taxes. The Settlement Administrator shall prepare and deliver the necessary tax documentation for signature by all necessary Parties and, thereafter, cause the appropriate deposits of withholding and payroll taxes, including Taxes, and filing of any and all necessary informational and other tax documents, including but not limited to reports of wage portions of payments to Settlement Class Members. It also shall be the responsibility of the Settlement Administrator to pursue tax refunds on any uncashed checks and to remit any such refunds in accordance with this Agreement. Defendant does not intend anything contained herein to constitute legal advice regarding the taxability of any amount paid hereunder, and Plaintiff, the Settlement Class Members and the Aggrieved Employees agree that they are not relying upon Defendant, the Released Parties, or any of them, for tax advice. The tax issues for each Settlement Class Member and/or Aggrieved Employee may be unique, and each Settlement Class Member and/or Aggrieved Employee is advised to obtain tax advice from his or her own tax advisor with respect to any payment made pursuant to this Agreement.

F. Final Approval Hearing or Voiding of Agreement.

After the Court issues its Preliminary Approval Order, notice to the Settlement Class Members (including all Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees), and Settlement Class Members have had an opportunity for objecting to and/or opting-out of the settlement of the Released Class Claims documented by this Agreement, a Final Approval Hearing shall be held on a date set by the Court. At the Final Approval Hearing the Court will be asked to give final approval to the settlement documented by this Agreement and to enter the Final Award, and to rule on Class Counsel's request for Attorney's Fees and Costs, Named Plaintiff's request for a Class Representative Enhancement Payment, the settlement of the Released PAGA Claim asserted in the Action and to approve the requested fee of the Settlement Administrator. Plaintiff's Counsel shall file a motion for final approval on or before the deadline specified by the Court, to include, among other things, proof of the mailing and distribution of the Class Notice Packets to Settlement Class Members (including all Aggrieved Employees who are also Settlement Class Members, i.e., non-exempt Aggrieved Employees). Prior to the Final Approval Hearing, Plaintiff's Counsel will prepare and, after review and approval by Defendant's Counsel, submit to the Court a proposed final approval order and judgment: (i) approving the settlement documented by this Agreement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions; (ii) approving Plaintiff's Counsel's application for Attorneys' Fees and Costs, including the Settlement Administration Costs; (iii) approving the Class Representative Enhancement Payment to Named Plaintiff; and (iv) permanently barring and enjoining all Participating Settlement Class Members from prosecuting against the Released Parties any Released Class Claims and permanently barring and enjoining all Aggrieved Employees from prosecuting against the Released Parties any Released PAGA Claim, upon satisfaction of all payments and obligations in this Agreement. After the Court grants final approval of the settlement documented by this Agreement the Parties shall obtain entry of a judgment. Upon the completion of all distributions in accordance with the terms of the judgment, Plaintiff's Counsel

shall prepare, file and serve on Defendant's Counsel an Acknowledgement of Satisfaction of the judgment in full.

If the Court disapproves or refuses to enforce sections III(A), III(C), III(E), III(F), III(G), III(H), III(I), III(J), III(K), and/or III(N) of this Agreement, this Agreement shall be voidable at the option of Defendant, in which case if Defendant exercises its option to void this Agreement it shall be of no further force and effect, and shall not be used or admissible in any subsequent proceeding for any purpose or with respect to any issue whatsoever, substantive or procedural. Additionally, Defendant, in its sole discretion, may rescind this Agreement if more than five percent (5%) of Settlement Class Members opt out of the settlement of the Released Class Claims documented by this Agreement and/or the Settlement Class by submitting a valid and timely request for exclusion from participating in the settlement of the Released Class Claims documented by this Agreement. Defendant may exercise its option to void or rescind this Agreement pursuant to this section by giving notice, in writing, to Plaintiff's Counsel and the Court before the later of fourteen (14) calendar days of the Court's order disapproving or refusing to enforce any portion of the aforementioned sections (III(A), III(C), III(E), III(F), III(G), III(H), III(I), III(J), III(K), and/or III(N)) or twenty-one (21) calendar days following the last day in which a Settlement Class Member may timely request to opt out of the settlement of the Released Class Claims documented by this Agreement. In such case, the Parties and any funds to be awarded under this Agreement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement had not been executed, except that any fees and/or costs already incurred by the Settlement Administrator shall be split equally between Plaintiff and Defendant.

However, in the event the Court disapproves or refuses to enforce sections III(A), III(C), III(E), III(F), III(G), III(H), III(I), III(J), III(K), and/or III(N) of this Agreement, prior to exercising its option to void the Agreement, Defendant shall be required to negotiate with Plaintiff in good faith in an effort to resolve the issue by amending this Agreement or otherwise.

G. Notice of Judgment. The Settlement Administrator shall mail, by first-class U.S. Mail, notice of the Court's final judgment in this matter to all Settlement Class Members and Aggrieved Employees within five (5) calendar days after the entry thereof. This shall constitute notice of judgment to Settlement Class Members, as required by California Rule of Court, Rule 3.771(b). Plaintiff's Counsel and Defendant's Counsel shall prepare such notice of final judgment and will mutually agree on the form of such notice before it is sent to Settlement Class Members and Aggrieved Employees by the Settlement Administrator. The notice of final judgment shall enclose the Court's final judgment, shall be translated into Spanish, and English and Spanish language versions shall be sent to all Settlement Class Members and all Aggrieved Employees.

V. MISCELLANEOUS PROVISIONS

A. Settlement Documents. It shall be the responsibility of Plaintiff's Counsel, at Named Plaintiff's and Plaintiff's Counsel's expense, to prepare and seek preliminary and final approval of the settlement documented by this Agreement by the Court. The motion for preliminary approval and motion for final approval shall be subject to approval by Defendant's Counsel. Defendant's Counsel shall have a minimum of six (6) court days to review the motion for preliminary approval and all supporting documents in a finalized form substantially ready for filing with the Court, and a minimum of six (6) court days to review the motion for final approval and all supporting documents in a finalized form substantially ready for filing with the Court, before Plaintiff's Counsel files either such motion with the Court. Plaintiff's Counsel agrees that the motion for preliminary approval shall be filed no later 16 Court days before the hearing on preliminary approval. Defendant's Counsel explicitly agrees to waive statutory notice of the preliminary and final approval motions, and agrees to accept service electronically of the preliminary and final approval papers on the day papers are filed with the Court. The motion for final approval shall, among other things, request that the Court enter judgment approving the settlement presented by this Agreement. Pursuant to Labor Code section 2698, *et seq.*, Plaintiff's

Counsel shall also: (1) cause this Agreement to be filed with the LWDA at the same time this Agreement is submitted to the Court, (2) cause a copy of the Court's judgment and any other order of the Court that either provides for or denies an award of civil penalties in the Action to be filed with the LWDA within ten (10) days after entry of the judgment or order, and (3) take any and all other actions necessary to cause the Released PAGA Claim asserted in the Action to be released per this Agreement and dismissed in its entirety with prejudice to the fullest extent permitted by law. The Parties, Plaintiff's Counsel, Defendant's Counsel and the Settlement Class Members agree not to, and expressly waive any right they may have to, appeal a judgment entered in conformance with this Agreement.

B. Integration. Subject to final approval by the Court, this Agreement constitutes the final, complete and entire agreement between Named Plaintiff and Defendant with respect to the subject matter hereof and all Released Class Claims and the Released PAGA Claim, and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations concerning any matters directly, indirectly or collaterally related to the subject matter of this Agreement; notwithstanding the foregoing, Named Plaintiff has entered or will enter into a settlement agreement resolving Named Plaintiff's Individual Claims and any and all other claims, liabilities, obligations, promises, causes of actions, actions, suits, or demands, of whatsoever kind or character, known or unknown, suspected to exist or not suspected to exist, anticipated or not anticipated, against Defendant and other related and affiliated persons and entities, as set forth therein, which is documented in a separate agreement entitled SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS that shall survive this agreement, shall not be superseded by this Agreement and shall be separately enforceable, as discussed further below. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations, agreements or terms, and no such extrinsic oral or written representations, agreements or terms shall modify, vary or contradict its terms. In entering into this Agreement, the Parties agree that this Agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic

evidence. Except as expressly provided herein, the Parties have expressly and intentionally included in this Agreement all collateral or additional agreements which may, in any manner, touch or relate to any of the subject matter of this Agreement and, therefore, all promises, covenants and agreements, collateral or otherwise, are included herein. The Parties acknowledge that, except as specifically stated in this Agreement, no party has relied on any statement, promise, representation or warranty whatsoever, which is not expressly contained herein in entering into this Agreement.

The terms and conditions of this Agreement constitute the exclusive and final understanding and expression of all agreements between Named Plaintiff and Defendant with respect to the subject matter hereof, except as otherwise expressly provided herein and except for the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS between Named Plaintiff and Defendant. Except as otherwise expressly provided herein, and except for the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS between Named Plaintiff and Defendant, the Parties intend this Agreement to constitute an integration of all their agreements, and each party understands that in the event of any subsequent litigation, controversy or dispute concerning any of this Agreement's terms, conditions or provisions, no party hereto shall be permitted to offer or introduce any oral or extrinsic evidence concerning any other alleged collateral or oral agreement between the Parties not included herein.

Notwithstanding the foregoing, in connection with the settlement of the Action Named Plaintiff is required to and shall sign or has already signed a separate individual settlement agreement entitled SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS that includes a full general release of all claims he has or may have ever had against Defendant and other related and affiliated persons and entities specified in that agreement, including a full waiver of Civil Code section 1542. This Agreement in no way alters, modifies, supersedes or amends the separate individual settlement agreement Plaintiff shall sign or has already signed in connection with the settlement of the Action and, likewise, nothing in Plaintiff's separate individual settlement agreement shall alter, modify, supersede or amend this

Agreement.

Further, Defendant shall have no obligation to deliver the Gross Settlement Amount or any other amounts whatsoever (including, without limitation, any amounts in connection with Plaintiff's execution of the individual settlement agreement entitled SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS), and both this Agreement and the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS shall be deemed null, void and of no force or effect, should Named Plaintiff timely revoke the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS during the 7-day revocation period to commence immediately after Named Plaintiff signs the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS (as set forth in the "Revocation Period" section of the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS). For the sake of clarity, should Named Plaintiff timely revoke the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS pursuant to the "Revocation Period" section set forth therein, such revocation will operate to also revoke this Agreement, this Agreement shall be treated as null and void and without any force or effect, Defendant shall not be required to pay any sums in connection with this Agreement (or the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS) and the Parties shall stand in the same position, without prejudice, as if this Agreement had never been entered into.

C. **Interpretation.** In the event that any language in this Agreement is held to be uncertain, any such language shall not be interpreted against any party based on authorship of such language. Each of the Parties and their counsel have reviewed and revised this Agreement, and the normal rule of construction to the effect of any ambiguities in an agreement are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Each of the Parties represents and warrants that the attorney approving this Agreement as to form on his, her, or its behalf is the attorney employed to represent him, her, or it with respect to this Agreement, and all matters covered by and related to it; and he, she, or it

has been fully advised by those attorneys with respect to his, her, or its rights and obligations as to this Agreement. The Parties declare that they know and understand the contents of this Agreement, and they have executed it voluntarily.

D. Attorneys' Fees. If any court action is taken by a party to enforce or interpret this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs, including attorneys' fees and costs on appeal.

E. Authority. The Parties, and each of them, represent and warrant that they have taken all actions and obtained all authorizations, consents and approvals that are conditions precedent to their authority to execute this Agreement.

F. No Assignment. The Parties each represent and warrant that they have not assigned, transferred or encumbered any liability or claim released by this Agreement. Each party shall defend and indemnify the other Parties from and against any breach of the representation in this section.

G. Cooperation. The Parties shall fully cooperate with each other to accomplish the terms of this Agreement and to dismiss the Action and all claims asserted therein with prejudice to the fullest extent permitted by law, including execution of such documents and taking of other action as may be reasonably necessary to implement the terms of this Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court to effectuate this Agreement and the terms set forth herein. As soon as practicable after execution of this Agreement, Plaintiff's Counsel shall take all necessary steps to secure the Court's preliminary and final approval of this Agreement.

H. Counterparts/Faxed or PDF Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and may be sent by email. Signatures sent by fax, email or as an electronic image are agreed to be binding as if they were originals.

I. No Unintended Waivers. No waiver by any party of any provision hereof shall be deemed to be a waiver of any other provision hereof or of any subsequent breach of the same or any other provision hereof.

J. Severability. If any provision of this Agreement is found to be illegal or unenforceable, then to the maximum extent permitted by law, any such provision shall be deemed stricken and the remaining provisions thereof shall remain in full force and effect unless the effect of the striking of any such provision(s) adversely and materially affects the overall purpose of the Agreement, to wit: a full and final resolution of the dispute between the Parties to the Agreement and the Action, including, without limitation, a full and final release and discharge by the Participating Settlement Class Members of the Released Parties from the Released Class Claims (as set forth in more detail in and without in any way limiting or modifying Section III(I) herein) and a full and final release and discharge by the Aggrieved Employees and the State of California of the Released Parties from the Released PAGA Claim (as set forth in more detail in and without in any way limiting or modifying Section III(K) herein). In the event of a breach, this Agreement may be specifically enforced.

K. Modifications to this Agreement. Other than as specified above, this Agreement cannot be amended or modified except by a writing executed by all of the Parties or their counsel which expresses, by its terms, an intention to modify this Agreement, and which is approved by the Court.

L. Successors. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective administrators, trustees, heirs, executors, personal representatives, successors and assigns.

M. Choice of Law. This Agreement shall be governed by the substantive law of the State of California applicable to contracts entered into and to be fully performed within the State of California.

N. Survival. This Agreement and the mutual releases granted herein will survive the entry of judgment and/or dismissal with prejudice of the Action referenced herein.

O. Settlement is Fair, Adequate, and Reasonable. The Parties believe the settlement documented by this Agreement is a fair, adequate, and reasonable settlement of the Action, and have arrived at the settlement documented by this Agreement in arm's length negotiations, taking into account all relevant factors, present and potential. The settlement documented by this Agreement was reached after extensive negotiations, including an arms'-length negotiation at mediation before respected mediator Daniel J. Turner on January 15, 2025 (and continued extensive arms-length negotiations for approximately two (2) additional months following the mediation), as discussed herein above. The Parties hereby agree that this Agreement is admissible or subject to disclosure and waive any confidentiality protections for this Agreement under California Evidence Code Section 1123.

P. Interim Stay of Proceedings. The Parties agree to the Court staying and holding all proceedings in the Action, except such proceedings necessary to implement and complete the settlement documented by this Agreement (and except for Named Plaintiff's dismissal with prejudice of Named Plaintiff's Individual Claims as discussed in the SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS), in abeyance pending the Final Approval Hearing to be conducted by the Court.

Q. Exhibits and Headings. The terms of this Agreement include the terms as set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

R. No Retaliation. Defendant shall not take any adverse action against any Settlement Class Member or Aggrieved Employee because of the Action or because of the existence of, and/or their participation in, the Agreement, or because they choose to benefit from the Agreement or to object to the Agreement. Defendant shall not take action to discourage any Settlement Class Members from participating in the settlement documented by this Agreement.

THE ABOVE TERMS AND CONDITIONS ARE HEREBY AGREED TO BY THE
UNDERSIGNED PARTIES.

JOSE L. HIDALGO, on behalf of himself, the
Settlement Class, the Aggrieved Employees, the
State of California and as the Named Plaintiff

07-29-25

Date: _____

By: _____

Jose L Hidalgo

FABCON, INC.

May 12, 2025

Date: _____

By: _____

Hamid Sarshar

Hamid Sarshar, Chief Executive Officer

APPROVED AS TO FORM:

LAW OFFICES OF FARRAH MIRABEL

Date: _____

4/29/25

By: _____

[Signature]

Farrah Mirabel, Esq.
Attorney for Named Plaintiff and Class
Counsel

EMPLOYMENT RIGHTS LAWYERS, APC

4/29/2025

Date: _____

By: _____

Amir Seyedfarshi

Amir Seyedfarshi, Esq.
Attorney for Named Plaintiff and Class
Counsel

STRADLING YOCCA CARLSON & RAUTH
LLP

Date: May 12, 2025

By: 

John Wicker, Esq.
Micol Small, Esq.
Connor L. Kridle, Esq.
Attorneys for Defendant

Exhibit A

**NOTICE OF SETTLEMENT OF PRIVATE ATTORNEYS GENERAL ACT LAWSUIT AND
RELEASE OF CLAIMS**

Jose L. Hidalgo v. Fabcon, Inc.; Tide Rock Holdings, LLC, et al.
San Diego County Superior Court, Case No. 24CU002128C

[INSERT DATE OF MAILING]

This notice relates to the settlement of a lawsuit brought pursuant to the California Labor Code Private Attorneys General Act of 2004, Labor Code section 2698, *et seq.* (“PAGA”). On July 19, 2024, plaintiff Jose L. Hidalgo (“Plaintiff”) filed the current lawsuit in the San Diego County Superior Court (the “Court”) with his PAGA claim brought on behalf of himself, all other allegedly aggrieved employees and the State of California against defendants Fabcon, Inc. (“Defendant”) and Tide Rock Holdings, LLC. Plaintiff’s lawsuit is titled *JOSE L HIDALGO as an individual and on behalf of all others similarly situated, Plaintiff, vs. FABCON, INC.; TIDE ROCK HOLDINGS, LLC, and DOES 1 through 50, inclusive; Defendants*, Case No. 24CU002128C. Tide Rock Holdings, LLC was later dismissed as a defendant in the lawsuit without prejudice on or about August 27, 2024. Plaintiff’s lawsuit also included individual claims on behalf of himself, as well as class based claims; however, this notice only pertains to the settlement of Plaintiff’s asserted PAGA claim.

Plaintiff brought the PAGA claim asserted in his lawsuit on a representative basis on behalf of the State of California, himself and all other allegedly aggrieved employees. In connection with his PAGA claim, Plaintiff’s lawsuit asserts Defendant allegedly committed the following violations of California law: (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7, 516 and 1198, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, “paid sick leave” expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement; (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, and 1197-1198 (including, without limitation, section 1197.1) and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage

statements, in violation of Labor Code sections 226, 226.3, 432, 1174, 1174.5, 1198.5, 2810.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as failure to pay related waiting time penalties pursuant to Labor Code section 203 and for civil penalties pursuant to Labor Code section 256; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5; (19) failure to provide recovery periods in violation of California Code of Regulations section 3395 and California Labor Code section 226.7; (20) violation of Labor Code sections 550-556 (including for requiring employees to work seven days in a week, requiring employees to work more than six days in seven and/or not providing one day's rest from labor in seven); (21) failure to provide suitable seating in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (22) failure to pay reporting time pay, including in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (23) violations of California Code of Regulations section 3395; (24) any other violations of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; and (25) any other violations of California Labor Code sections 98.6, 201-205, 205.5, 206.5, 210, 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 233, 234, 245, 246, 246.5, 248.1, 248.2, 248.5, 248.6, 256, 351, 500-556 (including, without limitation 510-512 and 551-552), 558, 558.1, 860, 1102, 1102.5, 1119.5, 1174, 1174.2, 1174.5, 1182.12, 1185, 1193.6, 1194-1197.1, 1194.2, 1197.5, 1198-1199.5, 2698-2699, 2699.3, 2699.5, 2800, 2802, 2810.5, 3073.6, 6310 and/or 6311. By law, a PAGA action is an action for civil penalties in which the State of California receives seventy-five percent of any net settlement of a PAGA claim, and twenty-five percent of the net settlement of the PAGA claim is distributed to the allegedly aggrieved employees.

Defendant vigorously denies and disputes all of Plaintiff's alleged claims and allegations, contends that it has acted in compliance with all legal requirements, and contends that no penalties are due to Plaintiff, other allegedly aggrieved employees or the State of California.

The Court has made no determination on the merits of Plaintiff's claims, and there has been no finding of any wrongdoing by Defendant, but the parties have decided to resolve the case through settlement, with the approval of the Court. The allegedly aggrieved employees who have released their claims for penalties through this settlement of Plaintiff's PAGA claim, and who are therefore entitled to receive a settlement payment in connection with Plaintiff's PAGA claim, consist of all current and former employees of Defendant who were directly employed by Defendant in the State of California at any time during the time period from May 3, 2023 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025] (including, but not limited to, Plaintiff). You have received this notice because Defendant's records indicate that you are one of the allegedly aggrieved employees covered by this settlement of Plaintiff's PAGA claim.

The enclosed check represents your portion of the net settlement payment of Plaintiff's PAGA claim (defined as the "Net PAGA Distribution Amount" in the Class Action and PAGA Settlement Agreement and Release), which is a pro-rata distribution based on the number of Workweeks you were directly employed by Defendant during the period from May 3, 2023 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025]. You may deposit or cash the check without any further obligation on your part and there is no need for you to contact the settlement administrator, the parties, or the Court.

If you have any questions, please contact the settlement administrator, ILYM Group Inc., at [INSERT PHONE NUMBER, ADDRESS, FAX AND EMAIL ADDRESS].

To the extent there are any conflicts between this notice and the terms of the Class Action and PAGA Settlement Agreement and Release executed by Plaintiff and Defendant (as well as their attorneys), the terms of the Class Action and PAGA Settlement Agreement and Release will control and govern.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS CASE.

Exhibit B

Jose L. Hidalgo v. Fabcon, Inc.; Tide Rock Holdings, LLC, et al.

San Diego County Superior Court, Case No. 24CU002128C

NOTICE OF CLASS ACTION SETTLEMENT

I. WHY IT IS IMPORTANT TO READ THIS NOTICE

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY THE LEGAL PROCEEDINGS IN THIS ACTION. YOU MAY BE ENTITLED TO MONETARY COMPENSATION FROM THIS SETTLEMENT.

You are being sent this Notice of Class Action Settlement ("Notice") because records indicate that you were directly employed by Fabcon, Inc. ("Fabcon" or "Defendant") as a non-exempt employee in the State of California at any time from July 19, 2020 to [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025] ("Class Members"). This Notice relates to a proposed settlement of putative class action litigation ("Settlement") brought against Defendant by plaintiff Jose L. Hidalgo ("Plaintiff") in the California State Court for the County of San Diego, titled *JOSE L HIDALGO as an individual and on behalf of all others similarly situated, Plaintiff, vs. FABCON, INC.; TIDE ROCK HOLDINGS, LLC, and DOES 1 through 50, inclusive; Defendants*, Case No. 24CU002128C (the "Action"). Where appropriate, Plaintiff and Defendant will hereafter be collectively referred to as the "Parties."

If you are a Class Member, this Notice contains important information about your right to a settlement payment or to be excluded from the Settlement according to the procedures described below.

Pursuant to the Order Granting Preliminary Approval of Class Action Settlement, which the California State Court for the County of San Diego, with the Honorable Joel R. Wohlfeil presiding (hereafter, the "Court"), entered on [preliminary approval date order], you are hereby notified as follows:

A proposed Settlement has been reached between the Parties in the Action. The proposed Settlement is on behalf of all current and former non-exempt employees who were directly employed by Defendant in the State of California at any time from July 19, 2020 to [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025].

The Court, with the Honorable Joel R. Wohlfeil presiding, will hold a hearing at the San Diego County Superior Court, Department C-73, located at 330 W. Broadway, San Diego, California 92101 on [date and time], or such other, later date that the Court may authorize, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate (hereafter, the "Final Approval Hearing," defined as the hearing at which the Court enters a judgment or other order approving the Settlement). The Court will also be asked to approve counsel for the Class Members' ("Class Counsel") request for attorneys' fees, litigation expenses, administrative costs, and the class representative enhancement payment. The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at this hearing.

II. WHAT THIS LITIGATION IS ABOUT

On or about July 19, 2024, Plaintiff filed his putative class action Complaint in the Action against Defendant and Tide Rock Holdings, LLC, alleging claims for: (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7 and 516, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to

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timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, “paid sick leave” expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, 1197 and 1197.1 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement, (6) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 432, 1174, 1174.5, 1198.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203; (8) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (9) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (10) failure to pay vacation time in violation of Labor Code section 227.3; (11) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (12) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (13) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (14) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (15) wrongful termination in violation of public policy; (16) unlawful discrimination based on California Government Code section 12940; (17) unlawful retaliation based on California Government Code section 12940; (18) violation of California Government Code section 12940(m) – wrongful termination failure to accommodate; (19) violation of California Government Code section 12940(n) – wrongful termination failure to engage in the interactive process; (20) failure to allow medical leave, violation of California Family Rights Act (CFRA); (21) violation of California Labor Code sections 3600, 3700 – failure to provide workers’ compensation coverage; and (22) violation of and penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (the “PAGA”) and California Labor Code sections 558 and 1198.5. Tide Rock Holdings, LLC was later dismissed without prejudice on or about August 27, 2024. The Parties acknowledge and agree that all of the foregoing causes of action were asserted in the Action. The Parties further acknowledge and agree that all of the foregoing causes of action were considered by the Parties in connection with reaching the Settlement, except for the fifteenth to twenty-first causes of action (the fifteenth to twenty-first causes of action hereafter “Named Plaintiff’s Individual Claims”) which are addressed in a separate individual written settlement agreement between Plaintiff and Defendant. The first to fourteenth and twenty-second causes of action shall be collectively referred to herein as the “Class and PAGA Claims”.

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Defendant vigorously denies the allegations in the Action and contends that it has acted in compliance with the law at all times. There has been no finding of any wrongdoing or liability by Defendant. Defendant wishes to settle the Action to avoid costly, disruptive, and time-consuming litigation.

Plaintiff and Defendant have now reached a class-wide Settlement. Accordingly, the Parties have entered into a Class Action and PAGA Settlement Agreement and Release to settle the Class and PAGA Claims asserted in the Action, which the Court preliminarily approved on [Insert date of preliminary approval order].

The Parties and their respective counsel recognize the inherent risk and expense of continued proceedings necessary to continue litigation of the Action. The Parties and their counsel have also taken into account the extensive settlement negotiations that have been conducted, including participating in a mediation with Daniel J. Turner, an experienced employment law and class action mediator. Based on the foregoing, the Parties believe the Settlement confers substantial benefits to all Class Members, is a fair, adequate, and reasonable settlement, and is in the best interest of all Class Members (including all "PAGA Members," as defined below).

III. SUMMARY OF THE SETTLEMENT TERMS

The Parties have agreed to settle the Class and PAGA Claims asserted in the Action in exchange for the total amount of no more than Four Hundred Thirty Five Thousand Dollars and Zero Cents (\$435,000.00) ("Gross Settlement Amount").

The Gross Settlement Amount includes: (a) all Individual Settlement Payments (each Participating Class Member's share of the Net Settlement Amount, as determined based on the calculations discussed below, minus applicable withholdings) to the Participating Class Members (as defined below); (b) all Individual PAGA Payments (each PAGA Member's share of the Net PAGA Distribution Amount, as determined based on the calculations discussed below, minus applicable withholdings) to the PAGA Members (as defined below); (c) the attorneys' fees award to Class Counsel in a total amount not to exceed One Hundred Fifty Two Thousand Two Hundred Fifty Dollars and Zero Cents (\$152,250.00) (thirty five percent of the Gross Settlement Amount); (d) reimbursement of costs incurred by Class Counsel in a total amount not to exceed Twenty Thousand Dollars and Zero Cents (\$20,000.00); (e) the class representative enhancement payment to the named Plaintiff and class representative, Jose L. Hidalgo, in a total amount not to exceed Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00); (f) settlement administration fees and expenses, in a total amount not to exceed Eight Thousand One Hundred Forty Five Dollars and Seventy Five Cents (\$8,145.75); (g) all applicable taxes in connection with all payments associated with the Settlement, including, but not limited to, any and all applicable federal, state and/or local income, payroll and/or employment taxes (except the Gross Settlement Amount does not include Defendant's share of employer-side payroll taxes, which are defined as FICA (Social Security and Medicare), and unemployment insurance (FUTA and SUTA/SUI) on the amount that is allocated as wages to be paid to Participating Class Members (as defined below)); and (h) payment to the California Labor and Workforce Development Agency ("LWDA") in the total amount of Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00) as the LWDA's share of the settlement of the Released PAGA Claim.

The balance that remains after deductions for the class representative enhancement payment to the named Plaintiff, attorneys' fees and costs to Class Counsel, all applicable taxes (except employer-side payroll taxes, as discussed above), settlement administration fees and expenses, and the PAGA Allocation (as defined below) ("Net Settlement Amount") will be paid to Class Members, provided they do not opt out of the settlement of the Released Class Claims (as defined below) (a Class Member who does not opt out of the settlement of the Released Class Claims shall be referred to herein as a "Participating Class Member").

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The Individual Settlement Payments to the Participating Class Members are subject to applicable employee tax withholdings. ILYM Group Inc. (the “Settlement Administrator”) will mail Individual Settlement Payments to each Participating Class Member.

Distribution and Calculation of Individual Settlement Payments. The Net Settlement Amount shall be divided among all Participating Class Members and distributed to Participating Class Members based on their number of Workweeks directly employed by Defendant during the Class Period (the time period from July 19, 2020 to [INSERT DATE, EARLIER OF DATE OF COURT’S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025] shall be referred to herein as the “Class Period”). A “Workweek” shall be defined as a week during the Class Period, commencing on Sunday at 12:01 a.m. and ending on the following Saturday at 12:00 midnight, in which a Class Member worked one or more days for Defendant.

The maximum Individual Settlement Payment that each Participating Class Member is entitled to receive is determined by dividing the Net Settlement Amount by the total number of Workweeks all Class Members were directly employed by Defendant during the Class Period to produce the “standard workweek rate.” Each Participating Class Member shall then receive an Individual Settlement Payment equal to the number of Workweeks that the Participating Class Member was directly employed by Defendant during the Class Period multiplied by the standard workweek rate. By way of example, and not limitation, if the Net Settlement Amount is \$225,000.00, and the total number of Workweeks all Class Members were directly employed by Defendant during the Class Period is 30,000, the standard workweek rate would be \$7.50 (\$225,000.00 ÷ 30,000 Workweeks). If a Participating Class Member was directly employed by Defendant for 100 Workweeks during the Class Period, the Participating Class Member would receive an Individual Settlement Payment in the gross amount of \$750.00 (100 Workweeks X \$7.50 per Workweek).

Each Participating Class Member shall be paid the standard workweek rate, subject to any applicable taxes and withholdings, for each Workweek they were directly employed by Defendant during the Class Period, as reflected in the records of Defendant.

Your Potential Estimated Individual Settlement Payment. According to Defendant’s records, you were directly employed by Defendant for a total of [REDACTED] Workweeks during the Class Period. Based on your number of Workweeks and applying the formula above, it is estimated that you may receive an Individual Settlement Payment of approximately \$ [REDACTED], less applicable taxes and withholdings, as a Participating Class Member.

It is the intent of the Parties that the Net Settlement Amount shall be sufficient to pay all Individual Settlement Payments to Participating Class Members in accordance with the formula set forth above. In the event that the aggregate amount to be paid to Participating Class Members exceeds the Net Settlement Amount for any reason, each Participating Class Member’s Individual Settlement Payment shall be reduced on a pro rata basis pursuant to the formula discussed immediately above so that the total amount to be paid to Participating Class Members does not exceed the Net Settlement Amount. In the event that the aggregate amount to be paid to Participating Class Members is less than 100% of the Net Settlement Amount, then the remaining residual balance shall be distributed to the Participating Class Members on a pro-rata basis pursuant to the formula discussed immediately above.

IRS Forms W-2, 1099-MISC and 1099-INT will be distributed to Participating Class Members and the appropriate taxing authorities reflecting the Individual Settlement Payments that Participating Class Members receive under the Settlement (Form W-2 will be issued for wages, Form 1099-MISC will be issued for penalty payments, and Form 1099-INT will be issued for interest). Participating Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement, and Participating Class Members are responsible for remitting to all relevant taxing authorities all applicable taxes that may be owed on the payments they receive under the Settlement. For purposes of this Settlement, each Individual Settlement Payment will be

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allocated thirty-three point three percent (33.3%) to wages, thirty-three point four percent (33.4%) to penalties, and thirty three point three percent (33.3%) to interest. The wage portion of each Individual Settlement Payment will be subject to applicable withholdings.

Checks made payable to Participating Class Members shall remain negotiable for one hundred eighty (180) days from the date of issuance. To the extent that a check is (1) undeliverable, or (2) uncashed 180 days after the date of issuance, the check shall be sent to the California state Controller Unclaimed Property Fund as unclaimed property, for the benefit of the Participating Class Member to whom the Individual Settlement Payment check is addressed.

Any Participating Class Member who disagrees with the data used to calculate their Individual Settlement Payment as reflected on the Notice shall be allowed to indicate and explain such disagreement in writing, and any such written dispute must specifically explain the Participating Class Members' disagreement. Such written dispute shall include the Participating Class Member's full name, address, telephone number, last four digits of their Social Security Number and dates of employment by Defendant, shall be signed and dated by the Participating Class Member, and must be mailed or faxed to the Settlement Administrator no later than **[insert date that is forty five (45) calendar days after the date this Notice is first mailed]** (the "Dispute Deadline Date"), using the following facsimile number or address:

ILYM Group Inc.

[INSERT ADDRESS AND FAX NUMBER]

The Settlement Administrator shall resolve the disagreement with the Participating Class Member using the employee records provided by Defendant and the Participating Class Member's records, giving due consideration to each. The date of the postmark on the return envelope if the written dispute is mailed, and the date of facsimile if the written dispute is faxed, shall be the exclusive means used to determine whether a Participating Class Member has "timely" disputed the calculation or application of the formula for determining settlement awards, their number of Workweeks worked for Defendant and/or their Individual Settlement Payment. Subject to review by the Court, the Settlement Administrator's decisions as to dates of employment and Individual Settlement Payment amounts will be final.

Distribution of PAGA Allocation. The Parties have allocated the total sum of \$25,000.00 from the Gross Settlement Amount to the settlement of the Released PAGA Claim (as defined below) asserted by named Plaintiff in the Action, which constitutes penalties pursuant to the PAGA and which the Parties believe in good faith is a fair and reasonable amount ("PAGA Allocation"). The PAGA Allocation will be distributed as follows: 25% to the PAGA Members (defined herein as all current and former employees of Defendant who were directly employed by Defendant in California at any time from May 3, 2023 to **[INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025]**) (\$6,250.00) (the "Net PAGA Distribution Amount") as Individual PAGA Payments pursuant to the calculations and formulas set forth herein, and 75% to the LWDA (\$18,750.00) as the LWDA's share of the settlement of the PAGA penalties and Released PAGA claim.

The Individual PAGA Payments to the PAGA Members are subject to applicable employee tax withholdings as applicable. The Settlement Administrator will mail Individual PAGA Payments to each PAGA Member.

Distribution of Net PAGA Distribution Amount and Calculation of Individual PAGA Payments. The Net PAGA Distribution Amount shall be divided among all PAGA Members and distributed to PAGA Members based on their number of Workweeks directly employed by Defendant during the PAGA Period (the time period from May 3, 2023 to **[INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025]** shall be referred to herein as the "PAGA Period").

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The maximum Individual PAGA Payment that each PAGA Member is entitled to receive is determined by dividing the Net PAGA Distribution Amount by the total number of Workweeks all PAGA Members were directly employed by Defendant during the PAGA Period to produce the “standard PAGA workweek rate.” Each PAGA Member shall then receive an Individual PAGA Payment equal to the number of Workweeks that the PAGA Member was directly employed by Defendant during the PAGA Period multiplied by the standard PAGA workweek rate. By way of example, and not limitation, if the Net PAGA Distribution Amount is \$6,250.00, and the total number of Workweeks all PAGA Members were directly employed by Defendant during the PAGA Period is 10,000, the standard PAGA workweek rate would be \$0.625 ($\$6,250 \div 10,000$). If a PAGA Member was directly employed by Defendant for 20 Workweeks during the PAGA Period, the PAGA Member would receive an Individual PAGA Payment in the gross amount of \$12.50 (20 Workweeks X \$0.625 per Workweek).

Each PAGA Member shall be paid the standard PAGA workweek rate, subject to any applicable taxes and tax withholdings (if any), for each Workweek they were directly employed by Defendant during the PAGA Period as reflected in the records of Defendant.

Your Potential Estimated Individual PAGA Payment. SELECT CORRECT PARAGRAPH FROM FOLLOWING TWO OPTIONS, AS APPLICABLE. THE WORD “OR” BETWEEN PARAGRAPHS SHOULD NOT BE INCLUDED IN THE FINAL NOTICE SENT TO THE PARTICULAR CLASS MEMBER. [OPTION 1: Because Defendant’s records indicate you were not employed by Defendant during the PAGA Period (the time period from May 3, 2023 to [INSERT DATE, EARLIER OF DATE OF COURT’S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025]), you are not a PAGA Member and are therefore not entitled to receive an Individual PAGA Payment.] OR [OPTION 2: According to Defendant’s records, you were directly employed by Defendant for a total of [] Workweeks during the PAGA Period. Based on your number of Workweeks and applying the formula above, it is estimated that you may receive an Individual PAGA Payment of approximately \$ [], less applicable taxes and withholdings (if any), as a PAGA Member.]

It is the intent of the Parties that the Net PAGA Distribution Amount shall be sufficient to pay all Individual PAGA Payments to PAGA Members in accordance with the formula set forth above. In the event that the aggregate amount to be paid to PAGA Members in the form of Individual PAGA Payments exceeds the Net PAGA Distribution Amount for any reason, each PAGA Member’s Individual PAGA Payment shall be reduced on a pro rata basis pursuant to the formula discussed immediately above so that the total amount to be paid to PAGA Members in the form of Individual PAGA Payments does not exceed the Net PAGA Distribution Amount. In the event that the aggregate amount to be paid to PAGA Members in the form of Individual PAGA Payments is less than 100% of the Net PAGA Distribution Amount, then the remaining residual balance shall be distributed to the PAGA Members on a pro-rata basis pursuant to the formula discussed immediately above.

All Individual PAGA Payments to PAGA Members will be allocated one hundred percent (100%) to penalties. Form 1099-MISC will be issued to each PAGA Member with respect to each PAGA Member’s Individual PAGA Payment. PAGA Members should consult their tax advisors concerning the tax consequences of the Individual PAGA Payments they receive under the Settlement, and PAGA Members are responsible for remitting to all relevant taxing authorities all applicable taxes that may be owed on the Individual PAGA Payments they receive under the Settlement.

Checks made payable to PAGA Members shall remain negotiable for one hundred eighty (180) days from the date of issuance. To the extent that a check is (1) undeliverable, or (2) uncashed 180 days after the date of issuance, the check shall be sent to the California state Controller Unclaimed Property Fund as unclaimed property, for the benefit of the PAGA Member to whom the Individual PAGA Payment check is addressed.

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IV. YOUR OPTIONS UNDER THE SETTLEMENT

Option 1—Do Nothing.

If the Court grants final approval of the Settlement, and you have not opted out of the settlement of the Released Class Claims (as defined below) on or before the Opt-Out/Objection Deadline (set forth below), you will be mailed a check for your Individual Settlement Payment, minus applicable withholdings, by the Settlement Administrator. You will be bound by the release of the Released Class Claims set forth in the Settlement (as defined below) and all other terms of the Settlement.

PAGA Members: If the Court grants final approval of the Settlement, and you are a PAGA Member, you will automatically be mailed a check for your Individual PAGA Payment by the Settlement Administrator. Please note, PAGA Members may not opt out of or request to be excluded from the settlement of the Released PAGA Claim, and such release of the Released Parties (as defined below), and each of them, by PAGA Members, and each of them, from the Released PAGA Claim shall be automatic if the Court grants final approval of the Settlement. Similarly, PAGA Members (and all Class Members) may not object to the settlement of the Released PAGA Claim.

Option 2—Opt Out of the Settlement of the Released Class Claims. If you opt out of the Settlement of the Released Class Claims, you will NOT receive any Individual Settlement Payment.

If you do not wish to participate in the settlement of the Released Class Claims, you may exclude yourself from participating by submitting to the Settlement Administrator a written request for exclusion expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement of the Released Class Claims, and desire to be excluded from the settlement of the Released Class Claims. If you do not submit a request for exclusion on or before the Opt-Out/Objection Deadline (set forth below), then you will be bound by the release of the Released Class Claims set forth in the Settlement (as defined below) and all other settlement terms. The written request for exclusion ("opt-out statement") must state:

"I have received the Notice of Class Action Settlement of the litigation titled *Jose L. Hidalgo vs. Fabcon, Inc.; Tide Rock Holdings, LLC*, San Diego County Superior Court Case No. 24CU002128C (the "Action"). I wish to opt out of the settlement of the Released Class Claims. I understand that by requesting to be excluded from the settlement of the Released Class Claims, I will not be a Participating Class Member and will not receive any Individual Settlement Payment from the settlement approved by the Court in the Action."

The written opt-out statement also must set forth your name, address, telephone number, and last four digits of your Social Security Number. You must sign, date, and either fax or mail the opt-out statement by First Class U.S. Mail to the Settlement Administrator using the following address or facsimile number:

ILYM Group Inc.
[INSERT ADDRESS AND FAX NUMBER]

The written opt-out statement must be faxed or postmarked no later than **[insert date that is forty five (45) calendar days after the date this Notice is first mailed]** (the "Opt-Out/Objection Deadline"). If you submit an opt-out statement that is not faxed or postmarked by **[insert same date]**, it will be rejected and you will be included in the settlement of the Released Class Claims as a Participating Class Member and bound by the release of the Released Class Claims and all other terms of the Settlement, and will receive the appropriate Individual Settlement Payment,

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regardless of whether you have objected to the settlement of the Released Class Claims as discussed in “Option 3” below. Similarly, should you receive and cash a check for your Individual Settlement Payment and elect to opt out of the settlement of the Released Class Claims, the opt out will be deemed void and you will be included in the settlement of the Released Class Claims as a Participating Class Member and bound by the release of the Released Class Claims and all other terms of the Settlement.

Additionally, Class Members shall be permitted to rescind their opt-out statements of the Released Class Claims in writing by submitting a “rescission statement” to the Settlement Administrator by fax or First Class U.S. Mail not later than one (1) business day before the Final Approval Hearing, orally at the Final Approval Hearing, or as otherwise ordered by the Court. The written rescission statement must set forth your name, address, telephone number, and last four digits of your Social Security Number, and must state:

"I have received the Notice of Class Action Settlement of the litigation titled *Jose L. Hidalgo vs. Fabcon, Inc.; Tide Rock Holdings, LLC*, San Diego County Superior Court Case No. 24CU002128C (the “Action”). I previously submitted a statement indicating that I wanted to opt out of the settlement of the Released Class Claims in the Action. I would now like to rescind my prior statement requesting to opt out of the settlement of the Released Class Claims so that I may participate in the settlement of the Released Class Claims as a Participating Class Member. I understand that by rescinding my previous request to opt out of the settlement of the Released Class Claims I will be included in the settlement of the Released Class Claims as a Participating Class Member, bound by the release of the Released Class Claims and all other terms of the Settlement, and will receive the appropriate Individual Settlement Payment, regardless of whether I have objected to the settlement of the Released Class Claims.”

If you choose to fax or mail your rescission statement, you must sign, date, and either fax or mail the rescission statement by First Class U.S. Mail to the Settlement Administrator using the following address or facsimile number:

ILYM Group Inc.

[INSERT ADDRESS AND FAX NUMBER]

Option 3—*File an Objection With the Court and Remain a Participating Class Member as to the Released Class Claims.*

If you wish to object to the settlement of the Released Class Claims, you may submit an objection with the Settlement Administrator stating why you object to the settlement of the Released Class Claims no later than [insert date that is forty five (45) calendar days after the date this Notice is first mailed] (the “Opt-Out/Objection Deadline”). Your objection must be in writing, must include your name, address, dates of employment with Defendant and last four digits of your Social Security number, and must provide any legal and/or factual support for each objection. An objecting Class Member must also make themselves available for reasonable discovery by Plaintiff’s and/or Defendant’s attorneys between the date the objection is submitted and the Final Approval Hearing. The objection must either be faxed or mailed by First Class U.S. Mail to the Settlement Administrator at the following facsimile number or address:

ILYM Group Inc.

[INSERT ADDRESS AND FAX NUMBER]

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Late objections will not be considered. Class Members who fail to make an objection in the manner set forth herein shall be deemed to have waived any objection to the Released Class Claims and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. Any objections received prior to the filing of Plaintiff's motion for final approval of the Settlement will be filed by Plaintiff along with such motion and Plaintiff's motion may include any responses to such objections. Any objections received on or after the filing of the motion for final approval will be filed with the Court by Plaintiff, along with the Parties' response(s) thereto, at the earliest practicable time prior to the Final Approval Hearing.

By filing an objection to the Released Class Claims, you are not excluding yourself from the settlement of the Released Class Claims. To exclude yourself from the settlement of the Released Class Claims, you must follow the directions described above in Option 2. Please note that you cannot both object to the settlement of the Released Class Claims and exclude yourself from the settlement of the Released Class Claims.

V. THE BINDING EFFECT OF THE SETTLEMENT

The release of the Released Class Claims: Unless you validly and timely opt out of the settlement of the Released Class Claims, you will be bound by the settlement of the Released Class Claims as a Participating Class Member and deemed to have released the Released Parties (as defined below) from the Released Class Claims (as defined below) in the Action, including any and all claims of every nature and kind, known or unknown, suspected or unsuspected, based on, arising from or related to the facts or claims asserted in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), or that could have been asserted in the Action based on the facts set forth in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), for the period of July 19, 2020 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025], including, but not limited, to, claims for (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7 and 516, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, "paid sick leave" expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement, (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, 1197 and 1197.1 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 432, 1174, 1174.5, 1198.5 and the Industrial Welfare Commission Wage Orders,

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including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; and (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5.

In legal terms, by not opting out of the settlement of the Released Class Claims and continuing to be a Participating Class Member you are agreeing to release and discharge the following, on behalf of yourself and your heirs, executors, representatives, administrators, agents, insurers, successors and assigns:

Defendant Fabcon, Inc., and each of its former, present and future parent entities (including, without limitation, Tide Rock YieldCo, LLC and Tide Rock Holdings, LLC), subsidiary entities, affiliated entities and related entities, and each of their predecessors, successors and assigns, and each and all of their respective former, present and future agents, managing agents, officers, directors, shareholders, investors, owners, founders, lenders, members, partners, managers, representatives, servants, employees, joint employers, attorneys, consultants, advisors, insurers, subsidiaries and parent entities, and as to any individual their marital community, community property, trustees, trusts, executors, heirs, guardians and registered representatives, as well as, without in any way limiting the foregoing, any individual or entity which could be jointly and/or severally liable with defendant Fabcon, Inc. as to any of the Released Class Claims and/or Released PAGA Claim ("Released Parties"), from the claims asserted in the Action (except for the Released PAGA Claim, as well as Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), as well as any and all claims, obligations, demands, rights, liabilities, complaints, charges, penalties, fines, wages, damages, liquidated damages, losses, restitutionary amounts, interest and/or causes of action of every nature and description whatsoever, known or unknown, suspected or unsuspected, whether in tort, contract or for violation of any state, federal, local or other statute, rule, ordinance or regulation, based on, arising from or related to the facts or claims asserted in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), or that could have been asserted in the Action based on the facts set forth in the Action (except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), including, but not limited to, claims for (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7 and 516, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to

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provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, “paid sick leave” expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement, (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, 1197 and 1197.1 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 432, 1174, 1174.5, 1198.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19 supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; and (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5, for the period of time beginning July 19, 2020 through and including [INSERT DATE, EARLIER OF DATE OF COURT’S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025] (the “Released Class Claims”). While you may later discover facts or legal arguments in addition to or different from those you now know or currently believe to be true with respect to the claims, causes of action and legal theories of recovery in this case which are the subject matter of the Released Class Claims, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released Class Claims, and you shall be deemed to have, and by operation of the final judgment approved by the Court, shall have fully, finally, and forever settled and

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released all of the Released Parties from all of the Released Class Claims as of the Effective Date (as defined in the Class Action and PAGA Settlement Agreement and Release between the Parties).

In addition, you forever agree that you shall neither request nor accept compensation, back pay, liquidated damages, punitive damages, penalties of any nature, attorneys' fees or costs, interest, or any other relief from any other suit, class, representative or collective action, administrative claim or other claim of any sort or nature whatsoever from or against the Released Parties, for any period from July 19, 2020 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025], relating to the Released Class Claims. You agree not to sue or otherwise make a claim against any of the Released Parties that is in any way related to the Released Class Claims.

Further, without in any way limiting the foregoing, and for the avoidance of doubt, you also release the Released Parties from any and all claims for attorneys' fees and/or costs incurred in connection with the Action or otherwise, including, but not limited to, in connection with prosecuting the Released Class Claims, other than those Attorneys' Fees and Costs set forth in the Class Action and PAGA Settlement Agreement and Release between the Parties that are to be paid from the Gross Settlement Amount to the extent they are approved by the Court.

Further, without in any way limiting the foregoing, the release of Released Class Claims extends to all claims of every nature and kind, known or unknown, suspected or unsuspected, arising from, related to or attributable to the Released Class Claims. You expressly waive and relinquish any and all claims, rights or benefits that you may have under California Civil Code § 1542 as to the Released Class Claims, which provides as follows:

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

You may later discover claims or facts in addition to, or different from, those which you know or believe to exist, but you 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, arising from, related to or attributable to the Released Class Claims.

The release of the Released PAGA Claim: Regardless of whether a PAGA Member validly and timely opts out of the settlement of the Released Class Claims, they will be bound by the settlement of the Released PAGA Claim (as defined below) and deemed to have released the Released Parties from the Released PAGA Claim in the Action, for the period of May 3, 2023 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025].

In legal terms, in connection with the Released PAGA Claim the PAGA Members are agreeing to release and discharge the following, on behalf of themselves and their heirs, executors, representatives, administrators, agents, insurers, successors and assigns:

The Released Parties, from all claims, liabilities and/or causes of action for civil penalties for violations alleged in the Action (including Plaintiff's operative Complaint, and except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action), Plaintiff's Notice to the California Labor and Workforce Development Agency dated May 3, 2024 and/or Plaintiff's Notice to the California Labor and Workforce Development Agency dated July 11, 2024 (Plaintiff's Notices to the California Labor and Workforce Development Agency dated May 3, 2024 and July 11, 2024 hereafter collectively referred to as the "LWDA Notices"), or that could have been alleged

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in the Action (including Plaintiff's operative Complaint) and/or Plaintiff's LWDA Notices based on the facts alleged in the Action (including Plaintiff's operative Complaint, and except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action) and/or Plaintiff's LWDA Notices, or that are related or attributable to, based on, or arise from the facts and/or claims alleged in the Action (including Plaintiff's operative Complaint, and except for Named Plaintiff's Individual Claims to the extent Named Plaintiff's Individual Claims do not overlap with and/or are not the same as or similar or related to any other claims asserted in the Action) and/or Plaintiff's LWDA Notices, occurring during the time period from May 3, 2023 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025] that Plaintiff, the PAGA Members, and/or the State of California may have under the California Labor Code, California Industrial Welfare Commission ("IWC") Wage Orders, California state regulations, local statutes, local ordinances, local orders, local regulations and/or any other provisions of California state and/or local law, whether known or unknown, suspected or unsuspected, including but not limited to those arising from, related to, or attributable to any allegations that Plaintiff and/or the PAGA Members suffered California Labor Code, IWC Wage Order and/or other violations of California state and/or local law based on and/or for (1) failure to provide rest periods and related premium pay in violation of Labor Code sections 218, 226.7, 516 and 1198, California Code of Regulations section 3395 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (2) failure to provide meal periods and related premium pay and failure to record meal periods in violation of Labor Code sections 218, 218.5, 226.7, 512, 516 and 1198, and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (3) failure to pay overtime and double time wages in violation of Labor Code sections 204, 218, 218.6, 510, 511, 860, 1194 *et seq.* and 1198 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (4) failure to provide paid sick leave, failure to permit the use of paid sick leave, failure to correctly accrue paid sick leave, failure to pay out paid sick leave, failure to timely pay out paid sick leave, failure to provide notice of paid sick leave rights and/or the amount of paid sick leave time available for use, denial of the right to use accrued paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued paid sick leave in violation of Labor Code sections 233, 245-249 (including, without limitation, sections 246, 246.5, 248.1, 248.2, 248.5 and 248.6) and/or any other applicable law, statute, regulation, order or ordinance (as used herein, "paid sick leave" expressly includes paid sick or safe leave hours mandated by any applicable law, statute, regulation, order, or ordinance), (5) failure to pay all earned wages, failure to pay all hours worked and failure to timely pay all hours worked in violation of Labor Code sections 204, 206, 210, 218.6, 510, 1194 *et seq.*, 1194.2, 1197 and 1197.1, California Code of Civil Procedure section 1021.5, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, and/or any contract or agreement; (6) failure to pay minimum wage in violation of Labor Code sections 204, 218.6, 1182.12, 1194 *et seq.*, 1194.2, and 1197-1198 (including, without limitation, section 1197.1) and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (7) failure to maintain, produce, provide, furnish and/or timely furnish accurate personnel, paid sick leave, supplemental paid sick leave, hours, wage, timekeeping and payroll records, failure to maintain, produce, provide, furnish and/or timely furnish accurate itemized wage statements and improper wage statements, in violation of Labor Code sections 226, 226.3, 432, 1174, 1174.5, 1198.5, 2810.5 and the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (8) failure to pay and to timely pay all wages due to employees upon separation of employment in violation of Labor Code sections 201-204 and 210, as well as for related waiting time penalties pursuant to Labor Code section 203 and civil penalties pursuant to Labor Code section 256; (9) failure to reimburse and/or indemnify for all business expenses, losses and/or costs incurred in violation of Labor Code sections 2800 and 2802; (10) retaliation against whistleblowing employees in violation of Labor Code sections 98.6, 1102-1102.5 and 6310 and Civil Code section 3294; (11) failure to pay vacation time in violation of Labor Code section 227.3; (12) violations of Labor Code section 3073.6, including without limitation, discrimination in violation of Labor Code section 3073.6; (13) failure to provide and to pay for COVID-19 supplemental sick leave and COVID-19 supplemental paid sick leave, failure to provide notice of COVID-19 supplemental paid sick leave rights and/or the amount of COVID-19 supplemental paid sick leave time available for use (including on wage statements), denial of the right to use accrued COVID-19

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supplemental paid sick leave and interference with and/or denial of the exercise of rights or attempted exercise of rights to use accrued COVID-19 supplemental paid sick leave in violation of Labor Code sections 218, 233, 245-249 (including, without limitation, sections 245.5, 246, 247.5, 248 *et seq.*, 248.1, 248.2 and 248.6), 510, 1194, 1197 and 1198, the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4, Executive Order N-51-20, California Code of Civil Procedure section 1021.5 and SB 95; (14) violation of Business & Professions Code section 17200, *et seq.* and California Code of Civil Procedure section 1021.5; (15) violations of Labor Code section 6311, including without limitation, dangerous work conditions in violation of Labor Code section 6311, failure to provide personal protective equipment, retaliation and discrimination; (16) failure to pay wages to employees at the correct regular rates of pay including, without limitation, overtime wages, double time wages, meal and rest period premiums, reporting time pay, vacation wages, sick leave wages and COVID-19 supplemental sick leave wages; (17) failure to provide and to pay for days of rest; (18) violation of and penalties pursuant to California Labor Code section 558 and 1198.5; (19) failure to provide recovery periods in violation of California Code of Regulations section 3395 and California Labor Code section 226.7; (20) violation of Labor Code sections 550-556 (including for requiring employees to work seven days in a week, requiring employees to work more than six days in seven and/or not providing one day's rest from labor in seven); (21) failure to provide suitable seating in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (22) failure to pay reporting time pay, including in violation of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; (23) violations of California Code of Regulations section 3395; (24) any other violations of the Industrial Welfare Commission Wage Orders, including, but not limited to, Wage Orders 1 and 4; and (25) any other violations of California Labor Code sections 98.6, 201-205, 205.5, 206.5, 210, 216, 218.5, 218.6, 221, 223, 225.5, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 233, 234, 245, 246, 246.5, 248.1, 248.2, 248.5, 248.6, 256, 351, 500-556 (including, without limitation 510-512 and 551-552), 558, 558.1, 860, 1102, 1102.5, 1119.5, 1174, 1174.2, 1174.5, 1182.12, 1185, 1193.6, 1194-1197.1, 1194.2, 1197.5, 1198-1199.5, 2698-2699, 2699.3, 2699.5, 2800, 2802, 2810.5, 3073.6, 6310 and/or 6311 (the "Released PAGA Claim"). For the sake of clarity, and without in any way limiting the foregoing, the "Released PAGA Claim" expressly includes the twenty-second cause of action alleged in Plaintiff's operative Complaint for violation of and penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* Without in any way limiting the foregoing, while the PAGA Members and/or the State of California may later 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 claims, causes of action and legal theories of recovery in the Action which are the subject matter of the Released PAGA Claim, the discovery of new facts or legal arguments shall in no way limit the scope or definition of the Released PAGA Claim, and the State of California and PAGA 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 Parties from the Released PAGA Claim as of the Effective Date (as defined in the Class Action and PAGA Settlement Agreement and Release between the Parties).

In addition, each PAGA Member forever agrees that they shall neither request nor accept compensation, back pay, liquidated damages, punitive damages, penalties of any nature, attorneys' fees or costs, interest, or any other relief from any other suit, class, representative or collective action, administrative claim or other claim of any sort or nature whatsoever from or against the Released Parties, for any period from May 3, 2023 through and including [INSERT DATE, EARLIER OF DATE OF COURT'S PRELIMINARY APPROVAL ORDER OR MAY 16, 2025], relating to the Released PAGA Claim. PAGA Members agree not to sue or otherwise make a claim against any of the Released Parties that is in any way related to the Released PAGA Claim.

Further, without in any way limiting the foregoing, and for the avoidance of doubt, the PAGA Members and the State of California also release the Released Parties from any and all claims for attorneys' fees and/or costs incurred in connection with the Action or otherwise, including, but not limited to, in connection with prosecuting the Released PAGA Claim, other than those Attorneys' Fees and Costs set forth in the Class Action and PAGA Settlement Agreement and Release between the Parties that are to be paid from the Gross Settlement Amount to the extent they are approved by the Court.

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Further, without in any way limiting the foregoing, the release of the Released PAGA Claim extends to all claims of every nature and kind, known or unknown, suspected or unsuspected, arising from, related to or attributable to the Released PAGA Claim. PAGA Members and the State of California hereby expressly waive and relinquish any and all claims, rights or benefits that they may have under California Civil Code § 1542 as to the Released PAGA Claim, which provides as follows:

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

PAGA Members and/or the State of California may hereafter discover claims or facts in addition to, or different from, those which they know or believe to exist, but PAGA Members and the State of California 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, arising from, related to or attributable to the Released PAGA Claim.

If Settlement Does Not Receive Court Approval: If the Settlement is not finally approved by the Court, including the settlement of the Released Class Claims and/or the settlement of the Released PAGA Claim, or if any of the Settlement's conditions are not satisfied, the Settlement will be voided, no money will be paid, and the Action (except for Named Plaintiff's Individual Claims) will revert to litigation. However, if that occurs, there is no assurance that: (a) any decision at trial would be in favor of any Class Members or PAGA Members; (b) a favorable trial decision, if any, would be as favorable to any Class Members or PAGA Members as the Settlement; or (c) any favorable trial decision would be upheld if an appeal was filed. The Court has expressed no opinion regarding the merits of any of the claims asserted in the Action.

VI. ADDITIONAL INFORMATION

This Notice of Class Action Settlement is only a summary of the Action and the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may refer to the pleadings, the Class Action and PAGA Settlement Agreement and Release, and other papers filed in the Action, which may be inspected at the San Diego County Superior Court, Hall of Justice, located at 330 W. Broadway, Room 225, San Diego, California 92101. Please note, you may need to make an appointment or other arrangements to inspect the files in person. If you would like to inspect any files in person you should check the San Diego County Superior Court's website at <https://www.sdcourt.ca.gov/> to evaluate your options for doing so.

Alternatively, you can access the court file online at <https://odyroa.sdcourt.ca.gov/Cases>. From that page, insert the case number 24CU002128C in the open box beneath the text that says "Any Format". Once that case number is inserted into the open text box, click on the blue "Search" button. Clicking on the blue "Search" button will take you to a page that says "Case Details" at the center top of the page. Immediately below this, the "Case Number" listed should read "24CU002128C" and the "Case Title" should state "Hidalgo vs. Fabcon Inc." If each of these are present, then you have selected the correct case. Beneath the "Case Details" heading there should be four other headings. These are, in order: "Case Parties," where you may view the parties to the case; "Representation," where you may see the attorneys representing the parties in the case; "Scheduled Hearings," where you may view the scheduled hearings in the case; and "Register of Actions," where you may view all of the entries made in the case docket. If you wish to view and download a document from the case docket, review the "Register of Actions" section and find the document that you wish to download. Once you have found that document, click the small box found in the space under the "Documents" column and within the corresponding row containing that document title.

Questions? Contact the Settlement Administrator toll-free at 1-*-***-**** or [EMAIL].**

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Jose L. Hidalgo v. Fabcon, Inc.; Tide Rock Holdings, LLC, et al.

San Diego County Superior Court, Case No. 24CU002128C

NOTICE OF CLASS ACTION SETTLEMENT

Once you have clicked the box for the document that you wish to download, scroll to the bottom of the page and click the blue “Add to Cart” box on the bottom right of the page. This will take you to a checkout page, where you can download the chosen document(s) for a fee. Alternatively, if you wish to download all downloadable documents, simply click the blue “Select All” button at the top right of the “Register of Actions” section. Clicking this box will click all available boxes under the “Documents” column within the “Register of Actions” section. Not all entries contain a viewable or downloadable document. If you have technical issues, you can contact the court requesting support through this link: <https://www.sdcourt.ca.gov/sdcourt/privacypolicy/webmaster>.

To the extent there are any conflicts between this Notice and the terms of the Class Action and PAGA Settlement Agreement and Release, the terms of the Class Action and PAGA Settlement Agreement and Release will govern.

Please do not call or contact the court for information about the Settlement. If you have any questions about the Settlement, you may contact the Settlement Administrator or Class Counsel at the following addresses or numbers:

ILYM Group Inc.

[INSERT ADDRESS]

[INSERT PHONE NUMBER]

[INSERT FAX NUMBER]

[INSERT EMAIL ADDRESS]

EMPLOYMENT RIGHTS LAWYERS, APC

Amir Seyedfarshi (State Bar No. 301656)

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Los Angeles, California 90048

Telephone: (424) 777-0964

Email: amir@employmentrightslawyers.com

LAW OFFICES OF FARRAH MIRABEL

Farrah Mirabel (State Bar No. 162933)

1070 Stradella Rd.

Los Angeles, California 90077

Telephone: (714) 972-0707

Facsimile: (949) 417-1796

Email: fmesq@fmirabel.com

ENVELOPE:

Postage Will
Be Placed
Here Prior
To
Mailing

Hidalgo v. Fabcon, Inc.
c/o ILYM Group (Settlement Administrator)
[INSERT ADDRESS]

ILYM ID: «ILYM»
«First Name»> «Last Name»
«Address»
«City», «State» «Zip»

Exhibit C

Law Offices of
Farrak Mirabel
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1070 Stradella Rd.
Los Angeles, California 90077
Tel (714) 972-0707 Fax (949) 417-1796

May 3, 2024

via CERTIFIED MAIL

Attn. PAGA Administrator
California Labor and Workforce Development Agency
1515 Clay Street, Ste. 801
Oakland, CA 94612
(510) 286-1362

FABCON, INC.
1800 E SAINT ANDREW
SANTA ANA, CA 92705

FABCON, INC.
343 S HIGHWAY 101
SUITE 200
SOLANA BEACH, CA 92075

CT CORPORATION SYSTEM
AMANDA GARCIA or any person in charge to accept service
330 N BRAND BLVD,
GLENDALE, CA 91203

PAGA NOTICE LETTER, In Re JOSE L HIDALGO vs. FABCON, INC.

Dear PAGA Administrator:

Our firm represents the interests of **JOSE L HIDALGO** (Plaintiff), former employee of **FABCON, INC.** (referred to as the "Defendant"). Plaintiff was employed by Defendant since 2014 as a laborer until September 14, 2023.

The purpose of this notice is to comply with the statutory exhaustion requirements of Labor Code section 2699.3 prior to commencing an action pursuant to Labor Code section 2699, *et seq.* We request that your agency investigate the claims in this letter and the labor code and wage order violations as listed below.

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This notice is submitted, at a foundation level, on behalf of the Plaintiff and all other Defendant's aggrieved employees, both current and former, impacted by the alleged Labor Code violations including, *inter alia*, Labor Code sections:

1. **Violation of Labor Code § 226.7, 516 and 1198 (Missed Rest Breaks);**
 2. **Violation of Labor Code §§ 226.7, recovery period per CALIFORNIA CODE OF REGULATIONS TITLE 8, SECTION 3395;**
 3. **Violation of Labor Code §§ 226.7, 512, 516 and 1198 (Missed/Interrupted Meal Breaks);**
 4. **Violation of Labor Code §§ 1182.12, 1194, 1194.2 and 1197-98 (Failure to Pay Minimum Wages);**
 5. **Violation of Labor Code §§ 510 and 1194, 1198 (Failure to Pay All Overtime Worked);**
 6. **Violation of Labor Code § 204, 210 (Failure to Pay All Wages Earned);**
 7. **Violation of Labor Code §§233, 245, 246(a), 246.5, 248.1, 248.2, 248.5, 248.6 (Failure to Pay for Sick Days and supplemental COVID payment);**
 8. **Violation of Labor Code §227.3 (Failure to pay vacation time);**

 9. **Violation of Labor Code §§ 226, 1174, 1198.5 and 2810.5, (Failure to Keep Records, Improper Wage Statements);**
 10. **Violation of Labor Code §§ 201-203, 256 (Failure to Pay Wages Upon Separation);**
 11. **Violation of Labor Code Sections 551-553 (Forcing Employees to Work Seven Days a Week);**

 12. **Violation of Labor Code §2802 (Failure To Reimburse Required Business Expenses);**
 13. **Violation of Labor Code §§1102-1102.5 (Retaliating Against "whistleblowing" Employees);**
 14. **Violation of CA Labor Code § 3073.6 (Discrimination);**
 15. **Violation of CA Labor Code § 6310 (Retaliatory termination);**
 16. **Violation of CA Labor Code § 6311 (Dangerous work condition);**
 17. **Violation of Work Order 1-2001, 4-2001, 16-2001, Paragraph 12, and 14, Work Order 14-2001, Paragraph 13 (Seats);**
 18. **Violation of Work Order 1-2001, 4-2001, 16-2001 Paragraph 5 (REPORTING TIME PAY);**
 19. **Violation of Wage Order 4-2001, 16-2001;**
-

Civil Penalties Pursuant to Labor Code §§2698-2699 (PAGA penalties)

Although not necessary as PAGA administrative exhaustion requirement does not require the inclusion of every potential fact or every future theory; rather, it must only "provide reasonably details facts and theories," Plaintiff in an abundance of caution wish to

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provide further information in connection with the PAGA case against Defendant. *See Cardenas v. Mclane Food Services, Inc.*, 796 F. Supp. 2d 1246, 1261 (C.D. Cal. Jun 23, 2011); *Moua v. Int'l Bus. Machines Corp.* (N.D. Cal. Jan. 31, 2012) No. 5:10-CV-01070 EJD, 2012 WL 370570, at *5; *York v. Starbucks Co11J.*, (C.D. Cal. Nov. 1, 2012) No. CV 08-07919 GAF P.JWX, 2012 WL 10890355, at *4. Plaintiff alleges that Defendant violated, without limitation, California Labor Code §§ 201, 202, 203, 204, 210, 226(a), 226(e), 226.3, 226.7 510, 512, 2802 and IWC Wage Order No. 13-2001 and 14-2001 with respect to them and the other aggrieved employees.

During the relevant timeframe, Defendant employed Plaintiff as a non-exempt hourly employee. He was doing welding, construction and other manual duties. His last supervisor was Cesar Arellano.

When terminated, Plaintiff did not receive an accurate final paycheck. His final paycheck did not include payment for all the hours worked and no premiums for missed breaks.

Plaintiff was discouraged from taking sick days and were told that if he needed sick days, he had to prove it by having medical proof.

Defendant underpaid sick pay earnings whenever non-discretionary incentive wages were paid within the same work week. Under Cal. Lab. Code § 245, *et seq.* sick pay must be “[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.” Cal. Lab. Code § 226(l)(1) (emphasis added).

If Plaintiff or any employee was paid for sick days, it did not include all the enumeration and the compensation was inaccurate. Plaintiff alleges that Defendant, as a matter of policy and practice, consistently paid sick pay wages at an employee’s base hourly rate, and not the regular rate.

Defendant failed to provide 80 hours of COVID-19 Supplemental Paid Sick leave and compensate aggrieved employees at their regular rate of pay for supplemental sick leave, i.e., their highest regular rate of pay, taking into consideration non-discretionary bonuses, etc., in violation of California Labor Code § 248.1(b)(3)(A) and §248.6. Defendant also failed to provide COVID-19 Supplemental Sick Leave to aggrieved employees in addition to regular sick leave, in violation of California Labor Code § 248.1(b)(2)(D). Defendant also failed to accurately reflect any offset and/or the current amount of COVID-19 Supplemental Sick Leave available to aggrieved employees on their wage statements, in violation of California Labor Code §§ 248.1(b)(2)(D), 248.2, 248.6 and for the reasons provided herein.

Plaintiff claims on behalf of AGGRIEVED Employees that they had to pay out of his own pocket to do their job but were not reimbursed.

Law Offices of Farrah Mirabel

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Employees were hired to work shifts of over four hours, up to 8-9 hours or beyond, but were not allowed to take a ten-minute, uninterrupted rest break for each 4 hour shift and/or leave the work area.

Defendant failed to compensate Employees at the required rate for each occasion in which Defendant failed to provide rest breaks.

Furthermore, Defendant created schedules that made it difficult or impossible for the Employees to take their rest breaks during each of the 4 hour shifts.

Also, during their employment, Employees did not receive a thirty-minute, uninterrupted, off-duty meal break for every shift they worked that lasted more than five hours and/or leave the work area. Furthermore, Defendant created schedules that made it difficult or impossible for Employees to take uninterrupted meal breaks every 5 hours.

Employees worked shifts of over 10 hours a day but did not receive a second meal break.

Plaintiff and other employees received wages and wage statements which did not account for all the hours worked and did not account for the premiums due to employees for the missed breaks, nor accounted for overtime pay for hours employees worked.

Defendant failed to include compensation associated with the pay code "DIF Pay" when calculating and paying overtime and meal/rest period premiums.

Defendant failed to pay Plaintiff and the other aggrieved employees overtime wages at the proper rate. Specifically, Defendant failed to include shift differentials, incentive payments, and other non-discretionary bonuses, and piece rate compensation when calculating and paying Plaintiff and the other aggrieved employees overtime wages.

Furthermore, Plaintiff claims that the past and present employees did not receive an hour of premium pay, for each missed break, for all days they did not receive a proper rest or meal break. As a result, Defendant failed to pay its employees for all wages earned.

Defendant failed to maintain accurate payroll records, such that Plaintiff and Employees were given wage statements which were inaccurate and not paid for all the wages and overtime compensation.

5. REPORTING TIME PAY

(A) Each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work,

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the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage.

(B) If an employee is required to report for work a second time in any one workday and is furnished less than two hours of work on the second reporting, said employee shall be paid for two hours at the employee's regular rate of pay, which shall not be less than the minimum wage.

(C) The foregoing reporting time pay provisions are not applicable when:

(1) Operations cannot commence or continue due to threats to employees or property; or when recommended by civil authorities; or

(2) Public utilities fail to supply electricity, water, or gas, or there is a failure in the public utilities, or sewer system; or

(3) The interruption of work is caused by an Act of God or other cause not within the employer's control.

(D) This section shall not apply to an employee on paid standby status who is called to perform assigned work at a time other than the employee's scheduled reporting time.

Plaintiff claims that there were times that employees showed up to work but were not paid half the usual or scheduled day's work or at least two (2) hours of the employee's regular rate of pay, which shall not be less than the minimum wage.

Defendant violated the requirement of allowing Plaintiff and Aggrieved Employees to cool off: "[w]hen the outdoor temperature in the work area exceeds 80 degrees Fahrenheit, the employer shall have and maintain one or more areas with shade at all times while employees are present that are either open to the air or provided with ventilation or cooling." Cal. Code of Reg., Title 8, § 3395(d)(1).

Plaintiff is informed and believes, and based thereon allege, that Employer maintains policies or practices of failing to permit Plaintiff and Aggrieved Employees from taking cooldown rest periods in the shade as required under California Code of Regulations, Title 8, Section 3395 and premium pay in lieu thereof under Labor Code section 226.7. As a result, Employer would be liable for civil penalties under Labor Code sections 558 and 2699.

Labor Code section 551 provides that "Every person employed in any occupation of labor is entitled to one day's rest therefrom in seven." Labor Code section 552 provides that "No employer of labor shall cause his employees to work more than six days in seven." Plaintiff alleges that Defendant caused the employees to work more than six days in seven, and

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failed to provide them with one day's of rest, in violation of Labor Code sections 551 and 552.

Defendant did not issue an accurate final paycheck to Employees in accordance with the timeframes prescribed by law.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that they worked in excess of statutory hours per week and did not receive compensation for all the hours worked and were not paid accurate overtime.

Defendant failed to keep track of the working hours and meal periods since there was not implemented a reliable manner of clocking in and out. None of the wage stubs of Plaintiff indicate the actual hours he worked. Defendant was issuing them wage stubs, which were inaccurate. Plaintiff claims that because Defendant did not properly compensate its employees for all the hours worked, did not pay for an hour of pay, for each missed break, for all days they did not receive a proper rest and meal break, and failed to pay them overtime for all hours worked, the employees' wage statements did not accurately reflect all the hours worked and the wages earned. As such, Plaintiff claims that Defendant provided all its past and present employees with improper wage statements.

Moreover, Defendant failed to pay timely accurate paycheck upon the separation of the employees. Therefore, Plaintiff also claims a violation of Labor Code section 201-203 on behalf of all employees who stopped working for the Defendant.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that Defendant violates CA Labor Code § 3073.6 which states in pertinent part:

Every person who willfully discriminates in any recruitment or apprenticeship program on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment for not more than six months, or both.

Defendant discriminates against potential employees by only hiring younger employees who have no health issues even if they can perform the job duties of the available positions.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that Defendant violates CA Labor Code § 6310 which states in pertinent part:

(b) Any employee who is discharged, threatened with discharge, demoted, suspended, or in any other manner discriminated against in the terms and conditions of employment by their employer because the employee has made a bona fide oral or written complaint to the division, other governmental agencies having statutory responsibility for or assisting

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the division with reference to employee safety or health, their employer, or their representative, of unsafe working conditions, or work practices, in their employment or place of employment, or has participated in an employer-employee occupational health and safety committee, shall be entitled to reinstatement and reimbursement for lost wages and work benefits caused by the acts of the employer. Any employer who willfully refuses to rehire, promote, or otherwise restore an employee or former employee who has been determined to be eligible for rehiring or promotion by a grievance procedure, arbitration, or hearing authorized by law, is guilty of a misdemeanor.

Defendant retaliates against employees for complaining about unsafe working conditions, or work practices, in their employment or place of employment.

Plaintiff claims on behalf of all past and present employees that Defendant violate CA Labor Code § 6311 which states in pertinent part:

No employee shall be laid off or discharged for refusing to perform work in the performance of which this code, including Section 6400, any occupational safety or health standard, or any safety order of the division or standards board will be violated, where the violation would create a real and apparent hazard to the employee or their fellow employees. Any employee who is laid off or discharged in violation of this section or is otherwise not paid because the employee refused to perform work in the performance of which this code, any occupational safety or health standard, or any safety order of the division or standards board will be violated and where the violation would create a real and apparent hazard to the employee or their fellow employees shall have a right of action for wages for the time the employee is without work as a result of the layoff or discharge.

Defendant retaliates against employees for refusing to perform work which would create a real and apparent hazard to the employee or their fellow employees.

Section 13 of Wage Order 14-2001 states:

SEATS When the nature of the work reasonably permits the use of seats, suitable seats shall be provided for employees working on or at a machine.

Plaintiff claims that Defendant's conduct, as stated herein, including not keeping track of actual working hours and meal periods, not paying its employees all wages owed, including wages for all hours worked, overtime, missed rest and meal breaks, and not providing its employees with accurate wage statements, not paying timely paycheck upon the separation of the employee, has been unfair, unlawful, and harmful to all its past and present employees, including Plaintiff, and to the general public. As such, this letter is written to comply with the notice and reporting requirements of Labor Code section 2699.3.

Plaintiff can be contacted through his attorney of record:

Law Offices of Farrah Mirabel

CALIFORNIA LWDA

Private Attorneys General Act Notice

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Page 8

Farrah Mirabel, Esq.
LAW OFFICES OF FARRAH MIRABEL
1070 Stradella Rd.
Los Angeles, California 90077

Plaintiff and other similarly situated individuals, past and present employees, may also be entitled to penalties pursuant to Labor Code section 2699, et seq.

Therefore, on behalf of all past and present aggrieved employees, Plaintiff seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the LWDA, for violation of the following Labor Code sections: **98.6, 201-205, 206.5, 210, 216, 218.5, 218.6, 221, 225.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 233, 234, 245, 246, 246.5, 248.1, 248.2, 248.5, 248.6, 351, 510-512, 551-552, 558, 558.1, 1102, 1102.5, 1174, 1174.2, 1174.5, 1182.12, 1185, 1193.6, 1194-1197.1, 1194.2 1198-1199.5 and 2698-2699, 2699.5, 2800, 2802, 2810.5, 3073.6, 6310 and 6311.**

CONCLUSION

Therefore, pursuant to Labor Code § 2699.3, we write to inform you and the Labor and Workforce Development Agency, with whom this PAGA Notice has been filed, of our intent to pursue a PAGA representative action against Defendant seeking, *inter alia*, PAGA penalties under Labor Code § 2699, to be brought by the Plaintiff on behalf of the Aggrieved Employees, as defined above.

Nevertheless, it is the policy of this firm to attempt to negotiate an early resolution of all matters where possible and beneficial to the putative class and the aggrieved employees. If Defendant is interested in attempting to resolve this matter, please contact us by **June 30, 2024**.

Very truly yours,
LAW OFFICES OF FARRAH MIRABEL

/s/ Farrah Mirabel

Farrah Mirabel, Esq.

Law Offices of Farrah Mirabel

Exhibit D

Law Offices of
Farrak Mirabel
Fmesq@fmirabel.com
1070 Stradella Rd.
Los Angeles, California 90077
Tel (714) 972-0707 Fax (949) 417-1796

July 11, 2024

via CERTIFIED MAIL

Attn. PAGA Administrator
California Labor and Workforce Development Agency
1515 Clay Street, Ste. 801
Oakland, CA 94612
(510) 286-1362

FABCON, INC.
1800 E SAINT ANDREW
SANTA ANA, CA 92705

FABCON, INC.
343 S HIGHWAY 101
SUITE 200
SOLANA BEACH, CA 92075

TIDE ROCK HOLDINGS, LLC.
343 S HIGHWAY 101
SUITE 200
SOLANA BEACH, CA 92075

CT CORPORATION SYSTEM
AMANDA GARCIA or any person in charge to accept service
330 N BRAND BLVD,
GLENDALE, CA 91203

**AMENDED PAGA NOTICE LETTER, In Re JOSE L HIDALGO vs. FABCON, INC.
and TIDE ROCK HOLDINGS, LLC.**

Case Number: LWDA-CM-1026227-24

Dear PAGA Administrator:

Our firm represents the interests of **JOSE L HIDALGO** (Plaintiff), former employee of **FABCON, INC. and TIDE ROCK HOLDINGS, LLC.** (referred to as the "Defendants"). Plaintiff was employed by Defendants since 2014 as a laborer until September 14, 2023.

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AMENDED PAGA NOTICE LETTER

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On May 3, 2024, Plaintiff served and uploaded a PAGA notice which was for employer **FABCON, INC.** This amended notice includes additional claims and joint employer, **TIDE ROCK HOLDINGS, LLC.**

The purpose of this notice is to comply with the statutory exhaustion requirements of Labor Code section 2699.3 prior to commencing an action pursuant to Labor Code section 2699, *et seq.* We request that your agency investigate the claims in this letter and the labor code and wage order violations as listed below.

This notice is submitted, at a foundation level, on behalf of the Plaintiff and all other Defendant's aggrieved employees, both current and former, impacted by the alleged Labor Code violations including, *inter alia*, Labor Code sections:

1. Violation of Labor Code § 226.7, 516 and 1198 (Missed Rest Breaks);
2. Violation of Labor Code §§ 226.7, recovery period per CALIFORNIA CODE OF REGULATIONS TITLE 8, SECTION 3395;
3. Violation of Labor Code §§ 226.7, 512, 516 and 1198 (Missed/Interrupted Meal Breaks);
4. Violation of Labor Code §§ 1182.12, 1194, 1194.2 and 1197-98 (Failure to Pay Minimum Wages);
5. Violation of Labor Code §§ 510 and 1194, 1198 (Failure to Pay All Overtime Worked);
6. Violation of Labor Code § 204, 210 (Failure to Pay All Wages Earned);
7. Violation of Labor Code §§ 233, 245, 246(a), 246.5, 248.1, 248.2, 248.5, 248.6 (Failure to Pay for Sick Days and supplemental COVID payment);
8. Violation of Labor Code § 227.3 (Failure to pay vacation time);
9. Violation of Labor Code §§ 226, 1174, 1198.5 and 2810.5, (Failure to Keep Records, Improper Wage Statements);
10. Violation of Labor Code §§ 201-203, 256 (Failure to Pay Wages Upon Separation);
11. Violation of Labor Code Sections 551-553 (Forcing Employees to Work Seven Days a Week);
12. Violation of Labor Code § 2802 (Failure To Reimburse Required Business Expenses);
13. Violation of Labor Code §§ 1102-1102.5 (Retaliating Against "whistleblowing" Employees);
14. Violation of CA Labor Code § 3073.6 (Discrimination);
15. Violation of CA Labor Code § 6310 (Retaliatory termination);
16. Violation of CA Labor Code § 6311 (Dangerous work condition);
17. Violation of Work Order 1-2001, 4-2001, 16-2001, Paragraph 12, and 14, Work Order 1-2001, Paragraph 14, and 16-2001, Paragraph 13 (Seats);

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18. Violation of Work Order 1-2001, 4-2001, 16-2001 Paragraph 5 (REPORTING TIME PAY);

19. Violation of Wage Order 1-2001, 4-2001, and 16-2001;

Civil Penalties Pursuant to Labor Code §§2698-2699 (PAGA penalties)

Although not necessary as PAGA administrative exhaustion requirement does not require the inclusion of every potential fact or every future theory; rather, it must only “provide reasonably details facts and theories,” Plaintiff in an abundance of caution wish to provide further information in connection with the PAGA case against Defendant. *See Cardenas v. Mclane Food Services, Inc.*, 796 F. Supp. 2d 1246, 1261 (C.D. Cal. Jun 23, 2011); *Moua v. Int’l Bus. Machines Corp.* (N.D. Cal. Jan. 31, 2012) No. 5:10-CV-01070 EJD, 2012 WL 370570, at *5; *York v. Starbucks CollJ.*, (C.D. Cal. Nov. 1, 2012) No. CV 08-07919 GAF P.JWX, 2012 WL 10890355, at *4. Plaintiff alleges that Defendants violated, without limitation, California Labor Code §§ 201, 202, 203, 204, 210, 226(a), 226(e), 226.3, 226.7 510, 512, 2802 and IWC Wage Order with respect to them and the other aggrieved employees.

During the relevant timeframe, Defendants employed Plaintiff as a non-exempt hourly employee. He was doing welding, construction and other manual duties. His last supervisor was Cesar Arellano.

When terminated, Plaintiff did not receive an accurate final paycheck. His final paycheck did not include payment for all the hours worked and no premiums for missed breaks.

Plaintiff was discouraged from taking sick days and were told that if he needed sick days, he had to prove it by having medical proof.

Defendants underpaid sick pay earnings whenever non-discretionary incentive wages were paid within the same work week. Under Cal. Lab. Code § 245, *et seq.* sick pay must be “[p]aid sick time for nonexempt employees shall be calculated in the same manner as the regular rate of pay for the workweek in which the employee uses paid sick time, whether or not the employee actually works overtime in that workweek.” Cal. Lab. Code § 226(l)(1) (emphasis added).

If Plaintiff or any employee was paid for sick days, it did not include all the enumeration and the compensation was inaccurate. Plaintiff alleges that Defendant, as a matter of policy and practice, consistently paid sick pay wages at an employee’s base hourly rate, and not the regular rate.

Defendants failed to provide 80 hours of COVID-19 Supplemental Paid Sick leave and compensate aggrieved employees at their regular rate of pay for supplemental sick leave, i.e., their highest regular rate of pay, taking into consideration non-discretionary bonuses,

Law Offices of Farrah Mirabel

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etc., in violation of California Labor Code § 248.1(b)(3)(A) and §248.6. Defendants also failed to provide COVID-19 Supplemental Sick Leave to aggrieved employees in addition to regular sick leave, in violation of California Labor Code § 248.1(b)(2)(D). Defendants also failed to accurately reflect any offset and/or the current amount of COVID-19 Supplemental Sick Leave available to aggrieved employees on their wage statements, in violation of California Labor Code §§ 248.1(b)(2)(D), 248.2, 248.6 and for the reasons provided herein.

Plaintiff claims on behalf of AGGRIEVED Employees that they had to pay out of his own pocket to do their job but were not reimbursed.

Employees were hired to work shifts of over four hours, up to 8-9 hours or beyond, but were not allowed to take a ten-minute, uninterrupted rest break for each 4 hour shift and/or leave the work area.

Defendants failed to compensate Employees at the required rate for each occasion in which Defendants failed to provide rest breaks.

Furthermore, Defendants created schedules that made it difficult or impossible for the Employees to take their rest breaks during each of the 4 hour shifts.

Also, during their employment, Employees did not receive a thirty-minute, uninterrupted, off-duty meal break for every shift they worked that lasted more than five hours and/or leave the work area. Furthermore, Defendants created schedules that made it difficult or impossible for Employees to take uninterrupted meal breaks every 5 hours.

Employees worked shifts of over 10 hours a day but did not receive a second meal break.

Plaintiff and other employees received wages and wage statements which did not account for all the hours worked and did not account for the premiums due to employees for the missed breaks, nor accounted for overtime pay for hours employees worked.

Employees' working hours are being rounded down and there is no accurate payment for all their working hours. Also, there is no recording of the Employees meal periods. See attached **Exhibit "A"**.

Defendants failed to include compensation associated with the pay code "DIF Pay" when calculating and paying overtime and meal/rest period premiums.

Defendants failed to pay Plaintiff and the other aggrieved employees overtime wages at the proper rate. Specifically, Defendants failed to include shift differentials, incentive

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payments, and other non-discretionary bonuses, and piece rate compensation when calculating and paying Plaintiff and the other aggrieved employees overtime wages.

Furthermore, Plaintiff claims that the past and present employees did not receive an hour of premium pay, for each missed break, for all days they did not receive a proper rest or meal break. As a result, Defendants failed to pay employees for all wages earned.

Defendants failed to maintain accurate payroll records, such that Plaintiff and Employees were given wage statements which were inaccurate and not paid for all the wages and overtime compensation.

5. REPORTING TIME PAY

(A) Each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay, which shall not be less than the minimum wage.

(B) If an employee is required to report for work a second time in any one workday and is furnished less than two hours of work on the second reporting, said employee shall be paid for two hours at the employee's regular rate of pay, which shall not be less than the minimum wage.

(C) The foregoing reporting time pay provisions are not applicable when:

(1) Operations cannot commence or continue due to threats to employees or property; or when recommended by civil authorities; or

(2) Public utilities fail to supply electricity, water, or gas, or there is a failure in the public utilities, or sewer system; or

(3) The interruption of work is caused by an Act of God or other cause not within the employer's control.

(D) This section shall not apply to an employee on paid standby status who is called to perform assigned work at a time other than the employee's scheduled reporting time.

Plaintiff claims that there were times that employees showed up to work but were not paid half the usual or scheduled day's work or at least two (2) hours of the employee's regular rate of pay, which shall not be less than the minimum wage.

Defendants violated the requirement of allowing Plaintiff and Aggrieved Employees to cool off: "[w]hen the outdoor temperature in the work area exceeds 80 degrees Fahrenheit,

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the employer shall have and maintain one or more areas with shade at all times while employees are present that are either open to the air or provided with ventilation or cooling.” Cal. Code of Reg., Title 8, § 3395(d)(1).

Plaintiff is informed and believes, and based thereon allege, that Employer maintains policies or practices of failing to permit Plaintiff and Aggrieved Employees from taking cooldown rest periods in the shade as required under California Code of Regulations, Title 8, Section 3395 and premium pay in lieu thereof under Labor Code section 226.7. As a result, Employer would be liable for civil penalties under Labor Code sections 558 and 2699.

Labor Code section 551 provides that “Every person employed in any occupation of labor is entitled to one day’s rest therefrom in seven.” Labor Code section 552 provides that “No employer of labor shall cause his employees to work more than six days in seven.” Plaintiff alleges that Defendants caused the employees to work more than six days in seven, and failed to provide them with one day’s of rest, in violation of Labor Code sections 551 and 552.

Defendants did not issue an accurate final paycheck to Employees in accordance with the timeframes prescribed by law.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that they worked in excess of statutory hours per week and did not receive compensation for all the hours worked and were not paid accurate overtime.

Defendants failed to keep track of the working hours and meal periods since there was not implemented a reliable manner of clocking in and out. None of the wage stubs of Plaintiff indicate the actual hours he worked. Defendants were issuing them wage stubs, which were inaccurate. Plaintiff claims that because Defendants did not properly compensate its employees for all the hours worked, did not pay for an hour of pay, for each missed break, for all days they did not receive a proper rest and meal break, and failed to pay them overtime for all hours worked, the employees’ wage statements did not accurately reflect all the hours worked and the wages earned. As such, Plaintiff claims that Defendants provided all its past and present employees with improper wage statements.

Moreover, Defendants failed to pay timely accurate paycheck upon the separation of the employees. Therefore, Plaintiff also claims a violation of Labor Code section 201-203 on behalf of all employees who stopped working for the Defendants.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that Defendants violate CA Labor Code § 3073.6 which states in pertinent part:

Every person who willfully discriminates in any recruitment or apprenticeship program on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases

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are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code, is guilty of a misdemeanor punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment for not more than six months, or both.

Defendants discriminate against potential employees by only hiring younger employees who have no health issues even if they can perform the job duties of the available positions.

Plaintiff claims on his own behalf and also on behalf of all past and present employees that Defendants violate CA Labor Code § 6310 which states in pertinent part:

(b) Any employee who is discharged, threatened with discharge, demoted, suspended, or in any other manner discriminated against in the terms and conditions of employment by their employer because the employee has made a bona fide oral or written complaint to the division, other governmental agencies having statutory responsibility for or assisting the division with reference to employee safety or health, their employer, or their representative, of unsafe working conditions, or work practices, in their employment or place of employment, or has participated in an employer-employee occupational health and safety committee, shall be entitled to reinstatement and reimbursement for lost wages and work benefits caused by the acts of the employer. Any employer who willfully refuses to rehire, promote, or otherwise restore an employee or former employee who has been determined to be eligible for rehiring or promotion by a grievance procedure, arbitration, or hearing authorized by law, is guilty of a misdemeanor.

Defendants retaliate against employees for complaining about unsafe working conditions, or work practices, in their employment or place of employment.

Plaintiff claims on behalf of all past and present employees that Defendants violate CA Labor Code § 6311 which states in pertinent part:

No employee shall be laid off or discharged for refusing to perform work in the performance of which this code, including Section 6400, any occupational safety or health standard, or any safety order of the division or standards board will be violated, where the violation would create a real and apparent hazard to the employee or their fellow employees. Any employee who is laid off or discharged in violation of this section or is otherwise not paid because the employee refused to perform work in the performance of which this code, any occupational safety or health standard, or any safety order of the division or standards board will be violated and where the violation would create a real and apparent hazard to the employee or their fellow employees shall have a right of action for wages for the time the employee is without work as a result of the layoff or discharge.

Defendants retaliate against employees for refusing to perform work which would create a real and apparent hazard to the employee or their fellow employees.

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Section 12 of Wage Order 16-2001 states:

Where practicable and consistent with applicable industry-wide standards, all working employees shall be provided with suitable seats when the nature of the process and the work performed reasonably permits the use of seats. This section shall not exceed regulations promulgated by the Occupational Safety and Health Standards Board.

Section 14 of Wage Order 1-2001 states:

14. SEATS

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Plaintiff claims that Defendants' conduct, as stated herein, including not keeping track of actual working hours and meal periods, not paying its employees all wages owed, including wages for all hours worked, overtime, missed rest and meal breaks, and not providing its employees with accurate wage statements, not paying timely paycheck upon the separation of the employee, has been unfair, unlawful, and harmful to all its past and present employees, including Plaintiff, and to the general public. As such, this letter is written to comply with the notice and reporting requirements of Labor Code section 2699.3.

Plaintiff can be contacted through his attorney of record:

Farrah Mirabel, Esq.
LAW OFFICES OF FARRAH MIRABEL
1070 Stradella Rd.
Los Angeles, California 90077

Plaintiff and other similarly situated individuals, past and present employees, may also be entitled to penalties pursuant to Labor Code section 2699, et seq.

Therefore, on behalf of all past and present aggrieved employees, Plaintiff seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the LWDA, for violation of the following Labor Code sections: 98.6, 201-205, 206.5, 210, 216, 218.5, 218.6, 221, 225.5, 223, 226, 226.2, 226.3, 226.7, 226.8, 227.3, 233, 234, 245, 246, 246.5, 248.1, 248.2, 248.5, 248.6,

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351, 510-512, 551-552, 558, 558.1, 1102, 1102.5, 1174, 1174.2, 1174.5, 1182.12, 1185, 1193.6, 1194-1197.1, 1194.2 1198-1199.5 and 2698-2699, 2699.5, 2800, 2802, 2810.5, 3073.6, 6310 and 6311.

Very truly yours,

LAW OFFICES OF FARRAH MIRABEL

/s/ Farrah Mirabel

Farrah Mirabel, Esq.

Law Offices of Farrah Mirabel

EXHIBIT “A”

Pay Summary: 2023 - 15 - 1

This summary is a record of a payment issued and not an image of the actual pay statement.

FABCON INC
1800 E Saint Andrew Pl
Santa Ana, CA 92705

Jose L Hidalgo
921 S Orange Ave
Santa Ana, CA 92701

Period Beginning Date 3/27/2023	Pay Date 4/14/2023	Home Dept 004010
Period Ending Date 4/9/2023	WGFS Advance Pay Date	Worked In Dept 004010
	File # 002929	
	Co. TPY	
	Clock	
	Number 00150045	

Gross Pay	\$ 1,332.00
Regular	Rate: 18.5000 Hours: 72.00 \$ 1,332.00

Total Hours Worked: 72

Basis of Pay: HOURLY

Taxes	\$ 150.42
Federal Income Tax	\$ 36.54
Social Security	\$ 82.58
Medicare	\$ 19.32
SUI/SDI: California (Taxing)	\$ 11.98
	Code: 75

Deductions	\$ 66.60
401 - 401k	\$ 66.60

Take Home	\$ 1,114.98
CHECKING	\$ 1,114.98

ther Details

Memos

401k ER	53.28
401K MAX EL	1,332.00