

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

1. This Class Action Settlement Agreement and Release (the “Settlement Agreement,” “Settlement,” or “Agreement”) is entered into between Plaintiff Justin Espinosa-Hineline (“Plaintiff” or “Named Plaintiff”), individually and on behalf of all other similarly situated persons, and Harold A. Steuber Enterprises, Inc. dba Associated Services Company (“Associated Services” or “Defendant”), subject to the approval of the Court. Plaintiff and Defendant are collectively referred to as the “Parties.”

DEFINITIONS

2. The following terms used in this Settlement Agreement shall have the meanings ascribed to them below:

- a. “Actions” means collectively the Class Action and PAGA Action.
- b. “Aggrieved Employees” means all persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California at any time during the PAGA Period.
- c. “Class Action” means the action *Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc.*, Alameda County Superior Court, Case No. 24CV081059, including any and all complaints filed and any amended complaint necessary to effectuate release of the Released Claims, including the Operative Complaint referenced in Paragraph 11 below and any and all related letters to the Labor and Workforce Development Agency (“LWDA”) and any amended letters necessary to effectuate release of the Released Claims.
- d. “Class” or “Class Members” or “Members of the Class” means all persons who are employed or have been employed by Defendant as a non-exempt employee in the State of California during the Class Period.
- e. “Class Counsel” means John G. Yslas and William M. Pao of the Wilshire Law Firm, PC.
- f. “Class Counsel’s Costs” refers to the actual amount of reasonable litigation expenses Class Counsel incurred in connection with the Actions, including their pre-filing investigation, their filing of the Actions and all related litigation activities, translation of the Settlement Agreement and Settlement Notices, and all post-Settlement compliance procedures.
- g. “Class List” means an electronic database containing a list of Class Members that Defendant will compile from its records. The Class List shall include: each Class Member’s: (1) full name; (2) last known address; (3) last known telephone number (if any); and (4) Social Security number or tax ID number. The Class List shall also include: (5) the total number of workweeks that each Class Member worked in the state of California during the Class Period; and (6) and the total number of pay periods that each Aggrieved Employee worked in the state of California during the PAGA Period. The total number of workweeks may be determined by reference to weeks worked as reflected in timekeeping, payroll, and/or other records.

h. “Class Period” shall mean June 24, 2020 through the earlier of the date the Court grants Preliminary Approval or the date triggered by Paragraph 20 below, if applicable.

i. “Costs Award” means the award of attorneys’ costs that the Court authorizes to be paid to Class Counsel for the costs they advanced to Named Plaintiff and the Class in the Actions.

j. “Court” means the Superior Court of the State of California for the County of Alameda.

k. “Defendant” means Harold A. Steuber Enterprises, Inc. dba Associated Services Company.

l. “Defendant’s Counsel” means Constangy, Brooks, Smith & Prophete LLP.

m. “Effective” or “Effective Date” means ten (10) calendar days after the Settlement becomes Final, as set forth in Paragraph 2.o.

n. “Fee Award” means the award of attorneys’ fees that the Court authorizes to be paid to Class Counsel for the services they rendered to Named Plaintiff and the Class in the Actions. Class Counsel will not seek more than one third (1/3) of the Gross Settlement Amount as their Fee Award.

o. “Final” shall mean the later of: (a) the date which is sixty-five (65) calendar days after Notice of Entry of the Final Approval Order, as defined in Paragraph 2.p, and no appeal, motion, objection, or petition to review or intervene has been taken with respect to the Final Approval Order and all times to appeal, move, object, or petition to review or intervene therefrom have expired, or (b) if an appeal, motion or petition to intervene or other review proceeding of the Final Approval Order has been commenced, the date such appeal, motion, objection, or petition to review or intervene or other review is finally concluded and no longer is subject to review by any court, whether by appeal, petitions for rehearing or re-argument, petitions for rehearing en banc, petitions for writ of certiorari or otherwise, and such appeal or other review has been finally resolved in such manner that affirms the Final Approval Order in its entirety.

p. “Final Approval” or “Final Approval Order” means the Court’s Final Approval Order approving the Settlement and entering judgment.

q. “Final Approval Hearing” means the hearing to be held by the Court to consider the Final Approval of the Settlement.

r. “Gross Settlement Amount” means the maximum non-reversionary total amount that Defendant shall pay in connection with this Settlement in exchange for the release of the Released Claims. The Gross Settlement Amount is the gross sum of Six Hundred and Seventy-Five Thousand Dollars (\$675,000.00). The Gross Settlement Amount includes: (a) all Settlement Awards to Participating Individuals; (b) the PAGA Payment; (c) Named Plaintiff’s Service Award; (d) Fee Award and Costs Award; and (e) Settlement Administrator Costs. The Parties agree that Defendant will have no obligation to pay any amount in connection with this Settlement

Agreement apart from the Gross Settlement Amount and Defendant's employer's portion of payroll taxes on Settlement Awards to Participating Individuals. There will be no reversion.

s. "Named Plaintiff" means Justin Espinosa-Hineline.

t. "Net PAGA Amount" means the thirty-five percent (35%) of the \$20,000.00 PAGA Payment payable to the Aggrieved Employees, or \$7,000.00.

u. "Net Settlement Amount" means the Gross Settlement Amount less: (i) Named Plaintiff's Service Award; (ii) Class Counsel's Fee Award; (iii) Class Counsel's Costs Award; (iv) Settlement Administrator Costs; and (v) the PAGA Payment. The Parties acknowledge that all of these amounts are subject to the Court's approval.

v. "Notice Deadline" means the date forty-five (45) calendar days after the Settlement Notice is initially mailed to the Class. Class Members shall have until the Notice Deadline to object to or opt-out of the Settlement.

w. "PAGA Action" means the action *Justin Espinosa-Hineline, individually, on behalf of all others similarly situated v. Harold A. Steuber Enterprises, Inc.*, Alameda County Superior Court, Case No. 25CV109856, including any and all complaints and any amended complaint necessary to effectuate release of the Released Claims, the Operative Complaint as referenced in Paragraph 11 below, any and all related letters to the LWDA, and any amended letters necessary to effectuate release of the Released Claims.

x. "PAGA Payment" means the amount of the Gross Settlement Amount allocated to settle all claims and remedies under the Private Attorneys General Act, California Labor Code sections 2698 et seq. ("PAGA"). The PAGA Payment shall be \$20,000, or an amount to be approved by the Court, of which 65%, or \$13,000, shall be paid to the LWDA out of the Gross Settlement Amount and 35%, or \$7,000, shall be paid to the Aggrieved Employees out of the Gross Settlement Amount.

y. "PAGA Period" means the period from December 3, 2023 through the date Court grants Preliminary Approval.

z. "Participating Individual(s)" means (a) any Class Member(s) who do not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement and (b) all Aggrieved Employees. All Participating Individuals will be bound by all terms and conditions of the Settlement Agreement, including the release of the Class Released Claims and PAGA Released Claims (as set forth in Paragraphs 15 and 16).

aa. "Preliminary Approval" or "Preliminary Approval Order" means the Court's Preliminary Approval Order preliminarily approving the terms and conditions of this Settlement Agreement.

bb. "Released Claims" means Class Released Claims (as set forth in Paragraph 15) and PAGA Released Claims (as set forth in Paragraph 16) and Named Plaintiff's Released Claims (as set forth in Paragraph 17).

cc. “Released Parties” means Defendant and any of its past, present, and future parents, affiliates, subsidiaries, communities, divisions, joint employers, predecessors, successors, and assigns, and each of their current or former officers, directors, board members, trustees, owners, shareholders, employees, agents, attorneys, auditors, accountants, experts, contractors, stockholders, representatives, partners, insurers, reinsurers, and other persons acting on their behalf, as well as any individual or entity that could be liable for any of the Released Claims.

dd. “Service Award” means the payment to the Named Plaintiff for his efforts in bringing and prosecuting the cases against the Defendant. The Service Award will not exceed the following amount: Ten Thousand Dollars (\$10,000.00).

ee. “Settlement Administrator” means ILYM Group, Inc., the third-party class action settlement administrator that will handle the administration of this Settlement, subject to approval by the Court.

ff. “Settlement Administrator Costs” refer to the costs the Settlement Administrator will incur to distribute the Settlement Notice to Class Members, including translation of the Settlement Agreement and Settlement Notice, and to distribute the Settlement Awards to Participating Individuals, which are estimated to be less than \$7,8500.00.

gg. “Settlement Award” means the payment that each Class Member shall be entitled to receive pursuant to the terms of this Settlement Agreement.

hh. “Settlement Notice” means the Notice of Class Action Settlement to be issued to Class Members, including Aggrieved Employees and the Named Plaintiff, an example of which is attached hereto as **Exhibit 1**, or as approved by the Court.

RECITALS

3. Named Plaintiff is alleged to have been a former employee of Defendant.

4. On or around June 24, 2024, Plaintiff filed the Class Action.

5. On or around June 20, 2024, Plaintiff sent PAGA Notice to the LWDA. On or around February 6, 2025, Plaintiff filed the PAGA Action.

6. The Parties agreed to attempt to resolve the Actions through mediation. On March 25, 2025, the Parties participated in a full-day mediation before mediator Steve Cerveris. The Parties thereafter negotiated the specific terms of this Settlement and have agreed to settle all pending claims as provided in this Settlement Agreement.

7. Class Counsel has made a thorough and independent investigation of the facts and law relating to the allegations in the Actions and of other potential claims that could have been asserted in the Actions. In agreeing to this Settlement Agreement, Named Plaintiff has considered: (a) the facts developed during pre-mediation, informal discovery and the Parties’ mediation process, and the law applicable thereto; (b) the attendant risks of continued litigation and the uncertainty of the outcome of the claims alleged against the Released Parties; and (c) the desirability of consummating this Settlement according to the terms of this Settlement Agreement.

Named Plaintiff has concluded that the terms of this Settlement are fair, reasonable, and adequate, and that it is in the best interests of the Class and Aggrieved Employees to settle their claims against the Released Parties pursuant to the terms set forth herein.

8. Defendant denies all claims as to liability, damages, penalties, interest, fees, and all other forms of relief, as well as denies the allegations asserted in the Actions. Defendant has agreed to resolve the Actions via this Settlement, but to the extent this Settlement Agreement is deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Actions upon all procedural, merits, and factual grounds, including, without limitation, the ability to challenge class and/or representative action treatment on any grounds, as well as asserting any and all other privileges and potential defenses. This Settlement Agreement shall not be construed as an admission by Defendant or any of the Released Parties of any fault, liability or wrongdoing, which Defendant expressly denies.

9. The Parties recognize that Court approval of this Settlement is required to effectuate the Settlement, and that the Settlement will not become operative until the Court grants Final Approval of it and the Settlement Effective Date occurs.

10. The Parties have stipulated to certification of the Class for settlement purposes only, and this Settlement Agreement requires Preliminary Approval and Final Approval by the Court. Accordingly, this Settlement Agreement is contingent upon the approval and certification by the Court. If the Court does not grant Preliminary Approval or Final Approval of the Settlement, the fact that the Parties were willing to stipulate to class certification for the purposes of this Settlement Agreement shall have no bearing on, nor be admissible in connection with, the issues of whether any class should be certified or whether it is appropriate for any claims to proceed on a representative basis. Defendant expressly reserves the right to challenge the propriety of class certification for any purpose if the Settlement does not become final. Defendant denies that class action treatment is appropriate in the litigation context or for trial or that it is appropriate to proceed on a representative basis in the litigation context or for trial.

11. The Parties stipulate and agree that for settlement purposes only, the Parties shall file a stipulation in the Class Action and PAGA Action to consolidate the Actions under the Class Action pending approval of this Settlement (the "Consolidated Class and PAGA Action"). The Parties stipulate and agree that for settlement purposes only, following consolidation of the Actions under the Class Action and prior to seeking Preliminary Approval of this Settlement Agreement, to the prompt filing of a Consolidated Amended Class Action and PAGA Complaint in the Consolidated Class and PAGA Action ("Operative Complaint") after execution of this Settlement Agreement that consolidates the claims, legal allegations, and factual allegations pled in the Actions, and to assert additional claims, legal allegations, and factual allegations necessary to effectuate the Released Claims in this Settlement Agreement.

12. This Settlement is conditioned on the consolidation of the PAGA Action under the Class Action, and the release of the Released Claims. If the Court does not approve this Settlement, the Parties shall meet and confer to make reasonable efforts to obtain approval of this Settlement and secure a release of the claims against the Released Parties in the Operative Complaint in the Consolidated Class and PAGA Action. Defendant shall not be required under any circumstances

to increase or pay more than the Gross Settlement Amount, except as provided in Paragraph 20 below. If the Parties cannot obtain judicial approval of this Settlement and secure a release of the claims against the Released Parties in the Consolidated Class and PAGA Action, this Settlement Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used in the Actions or any other legal proceeding.

13. In the event the Settlement is not approved, the Parties agree that the Parties shall be placed in the same position as they were in immediately prior to execution of this Settlement Agreement.

14. In consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, **IT IS HEREBY AGREED**, by and between the undersigned, subject to Final Approval of the Court and the other conditions set forth herein, that Named Plaintiff's and the Participating Individuals' claims as described herein against the Released Parties shall be settled, and that the Released Claims shall be finally and fully compromised and settled as to the Released Parties in the manner and upon the terms and conditions set forth below.

RELEASES

In exchange for the consideration set forth in this Settlement Agreement, Named Plaintiff, on behalf of the LWDA and Participating Individuals, agrees to release all claims against the Released Parties as set forth herein as applicable.

15. **Class Released Claims.** Upon Final Approval of this Settlement Agreement, Named Plaintiff on his own behalf and as the class representative, all Class Members who did not opt out of this lawsuit by filing a timely, valid request for exclusion from the settlement pursuant to Paragraph 23, and all persons purporting to act on their behalf, including, but not limited to, their dependents, attorneys, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity (collectively, the "Releasing Parties") shall and hereby do release and discharge all Released Parties, finally, irrevocably, forever, and with prejudice, from all claims, rights, damages, liquidated damages, premiums, wages, compensation, reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses, attorneys' fees, interest, restitution, equitable relief, injunctive relief, declaratory relief, accounting, losses, or causes of action alleged in the Actions and/or that could have been alleged in the Actions, under the laws of any jurisdiction, including federal law, state law, and common law, whether at law or equity, arising out of, or reasonably relating to, the claims, facts, and allegations pled in the Actions, including but not limited to the Operative Complaint, during the Class Period. This shall include any claims during the Class Period for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift

differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with Business and Professions Code section 17200 et seq.; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code; applicable wage orders, and Civil Code section 3287(b) and 3289, Government Code section 12952; related premiums, statutory penalties, waiting time penalties, liquidated damages, interest, punitive damages, costs, attorneys' fees, equitable relief, injunctive relief, declaratory relief, or accounting, whether such causes of action are in tort, contract, or pursuant to a statutory remedy (collectively, "Class Released Claims").

16. **PAGA Released Claims.** Upon final approval of this Settlement Agreement, Plaintiff, on behalf of the LWDA and the State of California, and Aggrieved Employees, shall and hereby do release and discharge all Released Parties, finally, forever and with prejudice, from any and all claims and rights to recover civil penalties, costs, expenses, attorneys' fees, interest, injunctive relief, declaratory relief, and/or accounting, against the Released Parties from any and all causes of action under the Private Attorneys General Act ("PAGA") arising out of, or reasonably relating to, the claims, facts and allegations pled in the Actions, including but not limited to those alleged in any of the complaints filed in the Actions, as well as and any and all related letters to the LWDA and any amended letters, during the PAGA Period. This shall include any claims during the PAGA Period for civil penalties pursuant to PAGA for the purported payment or nonpayment of compensation (including, but not limited to, wages, minimum wages, straight time, overtime (including double time), and/or premium pay); failure to pay for all hours worked (including, but not limited to, off-the-clock, donning and doffing, meal and rest periods, rounding/time shaving, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to pay overtime, double time, premium, sick pay, on-call pay, and other compensation at the accurate rate (including but not limited to failure to include non-discretionary bonuses, incentive compensation, and shift differentials in the regular rate); failure to timely pay wages during employment; failure to pay wages at termination/resignation; failure to provide meal and rest breaks (including but not limited to otherwise requiring on-duty/on-call meal and rest

periods); failure to accurately record time including all time worked (including but not limited to off-the-clock, meal periods, rounding, editing and/or manipulation of time entries, and auto-deduction of meal periods); failure to provide timely and compliant wage statements; failure to maintain and provide required records; failure to reimburse for all reasonable business expenses (including but not limited to cell phones, internet, home office, uniforms, required clothing, equipment, vehicle usage, mileage, travel expenses); failure to pay paid time off and vacation time and other compensation owed (during employment and upon separation); failure to pay sick pay (including but not limited to paid sick leave and COVID Supplemental Paid Sick Leave); failure to pay reporting time wages, paying wages lower than contract or statute, failure to provide safe working conditions; failure to place an adequate number of seats in reasonable proximity to the work area and/or permit employees to use such seats; failure to provide potable water; failure to comply with Labor Code sections 432.5 and 432.6; engaging in unlawful agreements (including but not limited to background checks, credit checks, applications, separation agreements, offer letters, confidentiality agreements, and PAGA waivers); conducting unlawful background checks in violation of Labor Code sections 432.7 and 1024.5, Civil Code section 1786, et seq. at 15 U.S.C. section 1681, and Government Code section 12952; relying on the salary history information on an application for employment in violation of Labor Code section 432.3; prohibiting employees from using or disclosing skills, knowledge, offers, wages, and experience; whistleblower violations; failure to comply with the Wage Theft Protection Act; and failing to comply with California Labor Code, applicable wage orders, and Civil Code section 3287(b) and 3289; related premiums, statutory penalties, waiting time penalties, or civil penalties; costs; attorneys' fees; equitable relief; injunctive relief; declaratory relief; or accounting (collectively, "PAGA Released Claims"). The Parties agree that there shall be no right for any Aggrieved Employees to opt out or otherwise exclude themselves from the release of PAGA claims. The Parties intend and agree that the Final Approval Order and the Judgment entered as a result of this Settlement shall have *res judicata* and preclusive effect to the fullest extent allowed by law and shall also be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against the Released Parties on behalf of the Aggrieved Employees for any PAGA Released Claims (i.e., the Judgment on this Settlement will have *res judicata* effect as to those claims of Aggrieved Employees, the LWDA, and State of the California, whether pursued directly by the LWDA or by a representative pursuant to PAGA).

17. **Named Plaintiff Released Claims.** Upon the Effective Date, Named Plaintiff shall and hereby does generally release, finally, forever and with prejudice, any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the Released Parties, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown, and whether anticipated or unanticipated, including all unknown claims covered by California Civil Code section 1542 that could be or are asserted based upon any theory or facts whatsoever, arising at any time up to and including the date of the execution of this Settlement Agreement, for any type of relief, including, without limitation, claims for minimum wages, straight time wages, or overtime wages, meal breaks, rest breaks, premium pay, other damages, penalties (including, but not limited to, waiting time penalties), liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. This shall include, but is not limited to, the Class Released Claims and PAGA Released Claims, as well as any other claims under any provision of federal, state, or local law. Upon the Effective Date, Named Plaintiff shall

be deemed to have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he may otherwise have had relating to the Released Claims pursuant to Section 1542 of the California Civil Code, 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 understands that this release does not apply to any claims or rights that cannot be waived as a matter of law. Named Plaintiff acknowledges, however, that he has no workers' compensation claim pending at the time of signing this Settlement Agreement. Nothing in this Settlement Agreement shall be construed to prohibit Named Plaintiff from filing a charge or cooperating with any investigation by any federal, state, or local government agency (including without limitation the United States Department of Labor, the Equal Employment Opportunity Commission, the Securities and Exchange Commission, the Department of Justice, and/or the National Labor Relations Board). However, Named Plaintiff understands that he will not be entitled to recover any monetary damages or any other form of personal relief in connection with such a claim, investigation or proceeding. To the extent that Plaintiff is a party to any claims against the Defendant, he agrees to dismiss with prejudice.

DISMISSAL OF APPEAL

18. Upon the Effective Date, Defendant shall cause to be dismissed with prejudice the appeal of the trial court's order denying its motion to compel arbitration currently pending in the First Appellate District of the California Court of Appeals, Case No. A172631. The Parties will cooperate in submitting requests for a stay and/or extensions of time for appellate briefing until the Effective Date.

CERTIFICATION, NOTICE, AND SETTLEMENT IMPLEMENTATION

19. The Parties agree to the following procedures for obtaining Preliminary Approval of the Settlement, certifying the Class, and notifying the Class of this Settlement:

- a. **Complaint.** The Parties stipulate and agree that for settlement purposes only, the Parties consent to the filing of the Operative Complaint to effectuate the release of the Released Claims in this Settlement Agreement, and to personal and subject matter jurisdiction in the Court. The Operative Complaint will be in the form attached hereto as **Exhibit 2**. In the event that any of the stipulated requests for consolidation is not granted by the Court, the Parties stipulate and agree that for settlement purposes only, the Parties shall meet and confer regarding a process for approval that is acceptable to all Parties. Named Plaintiff shall file, with Defendant's stipulation, the Operative Complaint in the Court before the filing of the Motion for Preliminary Approval of Settlement Agreement discussed in Paragraph 19.b. and shall take any other necessary steps to effectuate the release of the Released Claims in this Settlement Agreement. These

agreements will be effectuated through stipulations to be filed with the Court as appropriate. The Settlement is expressly conditioned upon the approval by all Parties of the Operative Complaint.

- b. **Request for Class Certification and Preliminary Approval Order.** Named Plaintiff shall file a Motion for Preliminary Approval of Settlement Agreement, requesting that the Court certify the Class for the sole purpose of settlement; preliminarily approve the Settlement Agreement and its terms; approve the proposed form of the Settlement Notice and find that the proposed method of disseminating the Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances; set a date for Named Plaintiff's Motion for Final Approval of the Settlement, and approval of the requested Service Award, Fee Award, Costs Award, and Settlement Administrator's Costs; and set a date for the Final Approval Hearing. Class Counsel shall provide Defendant's Counsel a copy of a draft Motion for Preliminary Approval of Settlement Agreement at least five (5) business days in advance of filing it with the Court.
- c. **Notice.** The Settlement Administrator shall be responsible for preparing, printing and mailing the Settlement Notice to all Class Members. The Settlement Administrator shall also create a toll-free telephone number to field telephone inquiries from Class Members during the notice and settlement administration periods. The Settlement Administrator will be directed to take the call center down after the 180-day check cashing period for Settlement Award Checks. The Settlement Administrator shall also post the Final Judgment on its website.
- d. Within thirty (30) calendar days after the Court's Preliminary Approval of the Settlement, Defendant shall provide to the Settlement Administrator the Class List.
- e. In order to provide the best notice practicable, prior to mailing the Settlement Notice, the Settlement Administrator will take reasonable efforts to identify current addresses via public and proprietary systems.
- f. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class List, the Settlement Administrator shall send to all Class Members identified in the Class List, via first-class United States Postal Service ("USPS") mail, the Settlement Notice (with Spanish translation) substantially in the form attached to this Settlement Agreement as **Exhibit 1**. The first page of the Settlement Notice shall prominently estimate the dollar amounts of any Settlement Award to Class Members, and the number of workweeks used to calculate these amounts. Before mailing Settlement Notices, the Administrator shall update Class Members' addresses using the National Change of Address database. Any Settlement Notice returned to the Settlement Administrator with a forwarding address shall be re-mailed within three (3) business days

following receipt of the returned mail. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved and shall re-mail the Notice of Settlement. Under no circumstances shall such re-mailing extend the Notice Deadline.

20. **Escalator Clause.** Based on its time and pay records, Defendant estimates that there are approximately 282 people who collectively worked approximately 21,214 workweeks from June 24, 2020 through December 17, 2024. Should the number of workweeks during the Class Period increase by more than 20% ($21,214 \times 120\% = 25,457$ workweeks), then Defendant shall have the option to either (1) increase the Gross Settlement Amount on a proportional basis (i.e., if there is a 21% increase in the number work weeks, the Gross Settlement Amount shall increase by 1%), or (2) end the Class Period on the date after the number of workweeks reaches 25,457. To avoid any uncertainty as to the Class Period end date, the Administrator must verify the workweek total and confirm the end date of the Class Period selected by Defendant pursuant to this Paragraph, if applicable, prior to Preliminary Approval.

21. **Disputes Regarding Workweeks.** To the extent that any Class Member disputes the number of workweeks that the Class Member worked, as shown in their Settlement Notice, such Class Members may produce evidence to the Settlement Administrator establishing the dates they contend to have worked for Defendant. Weeks “worked” for purposes of this settlement will be determined by reference to timekeeping, payroll, and/or other records. The deadline for Class Members to submit disputes pursuant to this Paragraph is the Notice Deadline (disputes must be postmarked by the Notice Deadline). Unless the Class Member presents convincing evidence proving they worked more workweeks than shown by Defendant’s records, their Settlement Award will be determined based on Defendant’s records. The Settlement Administrator shall notify counsel for the Parties of any disputes it receives. Defendant shall review its records and provide further information to the Settlement Administrator, as necessary. The Settlement Administrator shall provide a recommendation to counsel for the Parties. Counsel for the Parties shall then meet and confer in an effort to resolve the dispute. If the dispute cannot be resolved by the Parties, it shall be presented to the Court for a resolution. The Settlement Administrator will notify the disputing Class Member of the decision.

22. **Objections.** The Settlement Notice shall provide that Class Members who wish to object to the Settlement must, on or before the Notice Deadline, file with the Court a written statement objecting to the Settlement. Such objection shall not be valid unless it includes the information specified in the Settlement Notice. The statement must be signed personally by the objector, and must include the objector’s name, address, telephone number, email address (if applicable), the factual and legal grounds for the objection, and whether the objector intends to appear at the Final Approval Hearing. The Settlement Notice shall advise Class Members that objections shall only be considered if the Class Member has not opted out of the Settlement. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to object to the Settlement, or appeal from any order of the Court that is consistent with the terms of this Settlement.

23. **Requests for Exclusion.** The Settlement Notice shall provide that Class Members, other than Named Plaintiff, who wish to exclude themselves from the Settlement (“opt out”) must mail to the Settlement Administrator a written statement indicating that they do not wish to participate or be bound by the Settlement. The written request for exclusion must contain the Class Member’s full name, address, telephone number, email address (if applicable), and last four digits of their social security number, and must be signed individually by the Class Member. No opt-out request may be made on behalf of a group. Such written statement must be postmarked by the Notice Deadline. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to exclude themselves from the settlement. Aggrieved Employees are bound by and cannot exclude themselves from the PAGA component of the Settlement even if they request exclusion.

24. **Termination or Revocation of Settlement.** If ten percent (10%) or more of the Class Members submit valid and timely Requests for Exclusion from the Settlement, Defendant may, at its election and in its sole discretion, rescind and nullify the Settlement Agreement. Defendant must exercise this right of rescission in a writing that is provided to Class Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion received by the Response Deadline.

- a. If Defendant exercises its right to rescind and or nullify the Settlement Agreement pursuant to this Paragraph, Defendant shall pay the Settlement Administrator Costs incurred by the Settlement Administrator as of the date of Defendant’s rescission and/or nullification.
- b. If there is a material change in the scope of the Released Claims, Class Period, PAGA Period, or Released Parties under the Settlement Agreement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void, however this option to rescind the Settlement Agreement may only be exercised within ten (10) business days of a change in the scope of the Released Claims, Class Period, PAGA Period, or Released Parties under the Settlement.
- c. If the Court finds the Gross Settlement Amount to be insufficient to warrant Preliminary Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

25. **Cure Period.** In the event any request for exclusion is timely submitted but does not contain sufficient information to be valid, the Settlement Administrator shall provide the Class Member, within seven (7) calendar days, a letter requesting the information that was not provided and giving the Class Member fourteen (14) calendar days from the mailing of such cure letter to respond. Any invalid submission that is not timely cured will be considered a nullity.

26. **Final Approval Hearing.** Class Counsel will be responsible for drafting the Motion for Final Approval of Settlement Agreement and for requesting approval of the Service Award, Fee Award, Class Counsel’s Costs, and Settlement Administrator’s Costs to be heard at the Final Approval Hearing. Class Counsel shall provide Defendant’s Counsel a copy of a draft

Motion for Final Approval of Settlement Agreement at least five (5) business days in advance of filing it with the Court. Named Plaintiff shall request that the Court schedule the Final Approval Hearing no earlier than 100 calendar days after Preliminary Approval, and at least thirty (30) calendar days after the Settlement Administrator's deadline to provide the report of objections, opt-outs and awards to determine Final Approval of the settlement and to enter a Final Approval Order:

- a. certifying the Operative Complaint as a class action;
- b. finding dissemination of the Settlement Notice was accomplished as directed and met the requirements of due process;
- c. approving the Settlement as final and its terms as a fair, reasonable and adequate;
- d. approving the payment of the Service Award to Named Plaintiff;
- e. approving Class Counsel's application for an award of attorneys' fees and reimbursement of out-of-pocket litigation costs and expenses;
- f. approving the Settlement Administrator's fees and expenses for settlement administration;
- g. directing that the Settlement funds be distributed in accordance with the terms of this Settlement Agreement;
- h. directing a full and final discharge of any and all Released Claims, and the related claims, if any, of the LWDA;
- i. directing that a Final Judgment be entered; and
- j. retaining continuing jurisdiction over the Actions for purposes only of overseeing all settlement administration matters.

27. **Post Judgment Report.** At the conclusion of the 180-day check cashing period set forth below and following receipt of the Settlement Administrator's report showing the total funds that were actually paid to Participating Individuals, Class Counsel shall submit a post-judgment report to the Court of regarding any funds that remain from checks that are returned as undeliverable or are not negotiated.

SETTLEMENT FUNDS AND AWARD CALCULATION

28. **Funding of Settlement.** The Settlement Administrator will administer this Settlement. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the Gross Settlement Amount. Any interest that accrues on the Gross Settlement Amount sums paid into the QSF prior to distribution by the Administrator will become part of the Net Settlement Amount for distribution to Participating Class Members. Within thirty (30) calendar days of the

Effective Date of the Settlement, Defendant shall deposit the Gross Settlement Amount into the Settlement Administrator's designated account. Defendant shall not have access to the Gross Settlement Amount once those funds are deposited into the Settlement Administrator's designated account, including any earned interest accrued following deposit. The Gross Settlement Amount is fully non-reversionary. All disbursements shall be made from the Gross Settlement Amount.

29. **Payments.** Subject to the Court's Final Approval Order and the occurrence of the Effective Date, the following amounts shall be paid by the Settlement Administrator from the Gross Settlement Amount:

- a. **Service Award to Named Plaintiff.** Named Plaintiff shall receive Ten Thousand Dollars (\$10,000.00). This payment shall be made within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. If the Court approves the Service Award in amounts less than what Named Plaintiff requests, the reduction in the Service Award shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Service Award in any way delay or preclude the judgment from becoming a final judgment or the Settlement from becoming Effective. The Named Plaintiff assumes full responsibility for paying all taxes, if any, due as a result of the Service Award.
- b. **Fee Award and Costs Award.**
 - i. Class Counsel shall receive the Fee Award, which will compensate Class Counsel for all work performed in the Actions as of the date of this Settlement Agreement as well as all of the work remaining to be performed, including but not limited to documenting the Settlement, securing Court approval of the Settlement, making sure that the Settlement is fairly administered and implemented, and obtaining final dismissal of the Actions. In addition, Class Counsel shall, subject to Court approval, receive the Costs Award. These payments of attorneys' fees and costs shall be made within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter.
 - ii. The approved Fee Award and Costs Award, even if less than what Class Counsel requests, shall constitute full satisfaction of the Released Parties' obligations to pay amounts to any person, attorney, or law firm for attorneys' fees or costs in the Actions on behalf of Named Plaintiff and/or any other Participating Individual, and shall relieve the Released Parties from any other claims or liability to any other attorney or law firm for any attorneys' fees or costs which any of them may claim to be entitled on behalf of Named Plaintiff or any other Participating Individual. If the Court approves a Fee Award and/or Costs Award in an amount less than

what Class Counsel requests, the reduction in the Fee Award and/or Costs Award shall not be a basis for nullification of this Settlement. Nor shall a reduction in the Fee Award and/or Costs Award in any way delay or preclude the judgment from becoming a Final or the Settlement from becoming effective.

iii. An IRS Form 1099 shall be provided to Class Counsel for the payments made to Class Counsel. Class Counsel shall be solely and legally responsible to pay any and all applicable taxes on the payment(s) made to Class Counsel.

- c. **Labor and Workforce Development Agency Payment and Net PAGA Amount for Distribution.** The Parties agree that the amount of \$20,000 from the Gross Settlement Amount will be paid in settlement of all individual and representative claims pursuant to PAGA in the Actions. Sixty-Five Percent (65%), or \$13,000, of this sum will be paid to the LWDA. Thirty-Five Percent (35%), or \$7,000, will be allocated to the Net PAGA Amount to be distributed to Aggrieved Employees as set forth below. The payment to the LWDA shall be made by the Settlement Administrator within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter.
- d. **Settlement Administration Costs.** Settlement Administrator's Costs shall be paid from the Gross Settlement Amount. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs incurred in the administration of the Settlement.
- e. **Settlement Awards to Eligible Class Members.** Settlement Awards shall be made to Participating Individuals as set forth below in Paragraph 33.

30. **No Claim Based Upon Distributions or Payments in Accordance with This Settlement Agreement.** No person shall have any claim against the Released Parties, Class Counsel, or Defendant's Counsel based on distributions or payments made in accordance with this Settlement Agreement.

CALCULATION AND DISTRIBUTION OF SETTLEMENT AWARDS

31. **Settlement Award Eligibility.** Subject to the Court's Final Approval Order and the occurrence of the Effective Date, all Participating Individuals shall be paid a Settlement Award from the Net Settlement Amount and/or the Net PAGA Amount as set forth below:

32. Any Class Member who fails to submit a timely request to exclude themselves from the Settlement by following the procedure set forth in the Settlement Notice shall automatically be deemed a Participating Individual whose rights and claims with respect to the issues raised in the Actions are determined by any order the Court enters granting Final Approval, and any judgment the Court ultimately enters in the Actions and are subject to the Class Released Claims (as defined

in Paragraph 15 above). Any such Class Member's rights to pursue any Class Released Claims will be extinguished if they do not timely request exclusion. Any Aggrieved Employee will be automatically deemed a Participating Individual as determined by any order by the Court approving the Settlement, and their rights to pursue any PAGA Released Claims (as defined in Paragraph 16 above) will be extinguished. Any Aggrieved Employee will not have a right to request exclusion from the Settlement.

33. **Settlement Award Calculations.** The Settlement Administrator shall be responsible for determining the amount of the Settlement Award to be paid to Participating Individuals based on the below formulas:

- a. Class Members who do not timely request exclusion shall receive a *pro rata* portion of the Net Settlement Amount as follows: For each week during which the Class Member who did not timely request exclusion performed work for Defendant, they shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Class Member who did not timely request exclusion worked at any time in California during the Class Period. The total number of workweeks may be determined by reference to weeks worked by Class Member who did not timely request exclusion as reflected in timekeeping, payroll, and/or other records. A Class Member who timely requests exclusion will not receive a *pro rata* portion of the Net Settlement Amount, other than the payment described in Paragraph 33.b.i.
- b. Aggrieved Employees shall also receive a *pro rata* portion of the Net PAGA Amount as follows:
 - i. For each pay period during which the Aggrieved Employees performed work for Defendant, they shall be eligible to receive a *pro rata* portion of the Net PAGA Amount based on the number of workweeks the Aggrieved Employee worked at any time in California during the PAGA Period. The resulting share of the Net PAGA Amount per Participating Individual, if any, will be added to the Participating Individual's share of the Net Settlement Amount, to determine the Participating Individual's Settlement Award. The total number of workweeks may be determined by reference to weeks worked as reflected in timekeeping, payroll, and/or other records.

34. In addition to other information contained on the Settlement Notice, the Settlement Notice shall state the estimated minimum payment the class member is expected to receive assuming full participation of all Class Members.

35. All Settlement Award determinations shall be based on the pay periods and/or weeks worked (as applicable) as reflected by the Released Parties' timekeeping, payroll, and/or other records. If the Parties determine, based upon further review of available data, that a person previously identified as being a Class Member is not a Class Member, or an individual who was

not previously identified as a Class Member is in fact a Class Member but was not so included, the Settlement Administrator shall promptly make such addition or deletion as appropriate.

36. **Settlement Award Allocations.** Any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties. For the remainder of each Settlement Award that is provided from the Net Settlement Amount, twenty percent (20%) of each Settlement Award shall be allocated as wages, and eighty percent (80%) of each Settlement Award shall be allocated as penalties and interest. Settlement Awards will be paid out to Participating Individuals subject to reduction for all employees' share of withholdings and taxes associated with the wage-portion of the Settlement Awards, for which Participating Individuals shall be issued an IRS Form W-2 for the portions of the Settlement Awards that are allocated to wages, if any. Participating Individuals will also be issued an IRS Form 1099 for the portions of the Settlement Awards that are allocated to penalties and interest. The Settlement Administrator shall provide Defendant's Counsel with a final Settlement Award calculation award for each Participating Individual within seven (7) calendar days after the Effective Date. Amounts withheld will be remitted by the Settlement Administrator from the Net Settlement Amount to the appropriate governmental authorities. Defendant shall cooperate with the Settlement Administrator to provide payroll tax information as necessary to accomplish the income and employment tax withholding on the wage portion of each Settlement Award, and the Form 1099 reporting for the non-wage portion of each Settlement Award.

37. Class Counsel and Defendant's Counsel do not intend this Settlement Agreement to constitute legal advice relating to the tax liability of any Class Member. To the extent that this Settlement Agreement, or any of its attachments, is interpreted to contain or constitute advice regarding any federal, state or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any tax liability or penalties.

38. The payments made to Participating Individuals pursuant to this Settlement Agreement are not being made for any other purpose and shall not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation, and no benefits, including but not limited to pension and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement, unless required by the plan documents or otherwise required by law.

39. The Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a final report of all Settlement Awards, no more than ten (10) business days after the Effective Date.

40. The Settlement Administrator shall mail all Settlement Awards to Participating Individuals who do not timely request exclusion within ten (10) calendar days after Defendant's deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. The Settlement Administrator shall then provide written certification of mailing to Class Counsel and Defendant's Counsel.

41. All Settlement Award checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and may thereafter automatically be canceled if not cashed within that time, at which time the right to recover any Settlement Award

will be deemed void and of no further force and effect. With ninety (90) calendar days remaining, a reminder letter, an example of which is attached hereto as **Exhibit 3**, will be sent via U.S. mail to those who have not yet cashed their settlement check. At the conclusion of the 180-day check cashing deadline, Participating Individuals who have not cashed their Settlement Award checks shall nevertheless be deemed to have finally and forever released the Named Plaintiff's Released Claims or Participating Individuals' Released Claims.

42. **Remaining Monies.** If, at the conclusion of the 180-day check cashing period set forth above, any funds remain from checks that are returned as undeliverable or are not negotiated, checks for such payments shall be canceled and funds associated with such checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as provided in Code of Civil Procedure section 384, shall be transmitted to Legal Services for Children. The Settlement Administrator shall prepare a report regarding the distribution plan pursuant to Code of Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel along with a proposed amended judgment that is consistent with the provisions of Code of Civil Procedure section 384.

- a. Within twenty-one (21) calendar days after the distribution of any remaining monies to the, Class Counsel will file a "Post-Distribution Accounting." The Post-Distribution Accounting will set forth the Gross Settlement Amount, the total number of Class Members, the total number of Class Members to whom notice was sent and not returned as undeliverable, the number and percentage of opt-outs, the number and percentage of objections, the average and median recovery per Participating Individual, the largest and smallest amounts paid to Participating Individuals, the method(s) of notice and the method(s) of payment to Participating Individuals, the number and value of checks not cashed, the amounts distributed to the California State Controller Unclaimed Property Fund (if applicable), the PAGA Payment, the Settlement Administrator's Costs, the Fee Award and Costs Award, the attorneys' fees in terms of percentage of the Gross Settlement Amount, and the multiplier, if any.

MISCELLANEOUS

43. **Submissions to the LWDA.** At the same time as they submit this Class Action Settlement Agreement and Release to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Settlement Agreement to the LWDA, as required by California Labor Code § 2699(l)(2). Within ten (10) calendar days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(l)(3).

44. **Confidentiality.** The Named Plaintiff and his Counsel agree to keep the facts and terms of this Settlement confidential until approval of the Settlement is sought from the Court to the extent permitted by law. Thereafter, the Named Plaintiff and his Counsel agree that they will not issue a press release or hold any press conferences or initiate contact with a member of the press, including on social media, about this case and/or the fact, amount or terms of the Settlement

to the extent permitted by law. If the Named Plaintiff is contacted by the press about the Settlement, they will respond only that the case has been resolved. Nothing in this Paragraph shall prevent Class Counsel from communicating with the Class Members, the LWDA, or the Court in which the Actions are pending, as may be required to carry out the terms of this Settlement and/or fulfill their ethical responsibilities under the Settlement and to their respective clients. Nothing in this provision is intended to violate applicable state law and this provision will be interpreted in accordance with applicable state law.

45. **No Admission of Liability.** Defendant expressly denies all of the allegations in the Actions. Defendant expressly denies that the Released Parties have violated the PAGA, California wage and hour laws, or any other provision of federal or state law with respect to any of their employees. This Settlement Agreement and all related documents are not and shall not be construed as an admission by the Released Parties of any fault or liability or wrongdoing. If this Settlement Agreement does not become Final, this Settlement Agreement, and/or the circumstances leading to this Settlement Agreement, may not be used as an admission by the Released Parties of any wrongdoing or evidence of any wrongdoing by the Released Parties.

46. **Defendant's Legal Fees.** Defendant's legal fees and expenses in the Actions shall be borne by Defendant.

47. **Nullification of the Settlement Agreement.** In the event that (a) the Court does not preliminarily or finally approve the Settlement as provided herein, (b) the Settlement does not become Final for any other reason, or (c) the Effective Date does not occur, the Parties agree to engage in follow up negotiations with the intent of resolving the Court's concerns that precluded approval, and if feasible, to resubmit the Settlement for approval within thirty (30) calendar days. If the Settlement is not approved as resubmitted or if the Parties are not able to reach another agreement, then either Party may void this Settlement Agreement; at that point, the Parties agree that each shall return to their respective positions on the day before this Settlement Agreement and that this Settlement Agreement shall not be used in evidence or argument in any other aspect of their litigation.

48. **Reduced Service Award, Fee Award, or Costs Award Not a Basis for Voiding Settlement.** If the Court approves a Service Award, a Fee Award, and/or Costs Award in amounts less than what Named Plaintiff and/or Class Counsel request, the Parties agree that the reduction in the Service Award, Fee Award, and/or Costs Award will not be a basis for nullification of this Settlement. Nor will a reduction in the Service Award, Fee Award, or Costs Award in any way delay or preclude the judgment from becoming Final or the Settlement from becoming effective. Any amount resulting from the reduction in the Service Award, Fee Award, and/or Costs Award shall be included in the Net Settlement Amount.

49. **Inadmissibility of Settlement Agreement.** Except for purposes of settling the Actions, or enforcing this Settlement Agreement's terms (including that claims were settled and released), resolving an alleged breach, or for resolution of other tax or legal issues arising from a payment under this Settlement Agreement, neither this Settlement Agreement, nor its terms, nor any document, statement, proceeding, or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall be construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Parties or the Released Parties,

including, without limitation, evidence of a presumption, concession, indication, or admission by any of the Parties or the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

50. **Computation of Time.** For purposes of this Settlement Agreement, if the prescribed time period in which to complete any required or permitted action expires on a Saturday, Sunday, or legal holiday, such time period shall be continued to the following business day. The term “days” shall mean calendar days unless otherwise noted.

51. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Actions, including filing stipulations and requests for stays and/or extensions, as appropriate, in the appellate proceedings on Defendant’s appeal of the trial court’s order denying its motion to compel arbitration pending in the First Appellate District of the California Court of Appeal, Case No. A172631, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

52. **Amendment or Modification.** This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors in interest. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all Parties hereto.

53. **Entire Settlement Agreement.** This Settlement Agreement with exhibits constitutes the entire agreement among the Parties, and no oral or written representations, warranties, or inducements have been made to any Party concerning this Settlement Agreement other than the representations, warranties, and covenants contained and memorialized in such documents. All prior or contemporaneous negotiations, memoranda, agreements, understandings, and representations, whether written or oral, are expressly superseded hereby and are of no further force and effect, other than any obligation which, by its terms or by operation of law, survives the termination of Named Plaintiff’s employment (including but not limited to any obligation to protect proprietary information and agreement to arbitrate), all of which shall remain unaffected by this Settlement Agreement. Such agreements shall also be enforced to the extent allowed by applicable federal, state, or local law. Each of the Parties acknowledges that they have not relied on any promise, representation, or warranty, express or implied, not contained in this Settlement Agreement concerning the subject matter of this Settlement Agreement. No rights hereunder may be waived except in writing.

54. **Authorization to Enter into Settlement Agreement.** The Parties warrant and represent that they are authorized to enter into this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel shall cooperate with each other and use their best efforts to effect the implementation of the Settlement Agreement. In the event that the Parties are unable to reach resolution on the form or content of any document needed to implement this Settlement Agreement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties shall seek the assistance of a mediator.

55. **Binding on Successors and Assigns.** This Settlement shall be binding upon, and inure to the benefit of Named Plaintiff, the Released Parties, the Participating Individuals and their heirs, beneficiaries, executors, attorneys, administrators, successors, transferees, successors, assigns, or any corporation or any entity with which any party may merge, consolidate, or reorganize. The Parties hereto represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

56. **Counterparts.** This Settlement Agreement may be executed in one or more counterparts, including by facsimile or email. All executed counterparts and each of them shall be deemed to be one and the same instrument. All executed copies of this Settlement Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature pages), shall have the same force and effect and shall be as legally binding and enforceable as the original.

57. **No Signature Required by Participating Individuals.** Only the Named Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Class Members of the binding nature of the release and such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Individual.

58. **Cooperation and Drafting.** The Parties have cooperated in the drafting and preparation of this Settlement Agreement; hence the drafting of this Settlement Agreement shall not be construed against any of the Parties. The Parties agree that the terms and conditions of this Settlement Agreement were negotiated at arm's length and in good faith by the Parties and reflect a settlement that was reached voluntarily based upon adequate information and sufficient discovery and after consultation with experienced legal counsel.

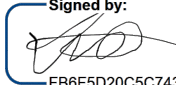
59. **Mutual Full Cooperation.** The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement, including, but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that may become necessary by order of the Court to effectuate this Settlement and the terms set forth herein. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions or actions that may become necessary to effectuate the terms of this Settlement, the Parties shall seek the assistance of the mediator and/or the Court to resolve such disagreement. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement, noting that the cost of administering the Settlement shall be deducted from the Gross Settlement Amount subject to approval by the Court.

60. **Governing Law.** All terms of this Settlement Agreement and the exhibits hereto shall be governed by and interpreted according to the laws of the State of California.

61. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and

judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF:  Signed by:
FB6F5D20C5C7437
Justin Espinosa-Hineline Date: 8/13/2025, 2025

APPROVED AS TO FORM BY CLASS COUNSEL:

 Date: August 13, 2025
John G. Yslas
William M. Pao
Refugio Ortega-Carrillo
WILSHIRE LAW FIRM, PLC
3055 Wilshire Boulevard, 12th Floor
Los Angeles, California 90010

Attorneys for Plaintiff Justin Espinosa-Hineline

DEFENDANT: _____ Date: _____, 2025
Name and Title:
on behalf of Harold A. Steuber Enterprises, Inc.
dba Associated Services Company

APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:

 Date: September 4, 2025
Barbara I. Antonucci
Sarah K. Hamilton
Stacy Lall
Dongying Zhang
CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Attorneys for Defendant Harold A. Steuber Enterprises, Inc.

judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

IN WITNESS WHEREOF, the Parties and their Counsel have executed this Settlement Agreement as follows:

PLAINTIFF: _____ Date: _____, 2025
Justin Espinosa-Hineline

APPROVED AS TO FORM BY CLASS COUNSEL:

_____, 2025
John G. Yslas
William M. Pao
Refugio Ortega-Carrillo
WILSHIRE LAW FIRM, PLC
3055 Wilshire Boulevard, 12th Floor
Los Angeles, California 90010

Attorneys for Plaintiff Justin Espinosa-Hineline

DEFENDANT: _____ Date: 8/18/2025, 2025
Name and Title: Tom Steuber - CEO
on behalf of Harold A. Steuber Enterprises, Inc.
dba Associated Services Company

APPROVED AS TO FORM BY DEFENDANT'S COUNSEL:

_____, 2025
Barbara I. Antonucci
Sarah K. Hamilton
Stacy Lall
Dongying Zhang
CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Attorneys for Defendant Harold A. Steuber Enterprises, Inc.