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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

BRANDON LEE SMITH, individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

SAN DIEGO COUNTRY ESTATES
ASSOCIATION; and DOES 1 through 10,
inclusive,

Defendants.

Case No.: 37-2024-00025729-CU-OE-CTL

*[Assigned for All Purposes to the Hon. Evan
P. Kirvin, Dept. C-69]*

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

Preliminary Approval Hearing:

Date: January 2, 2026

Time: 9:00 a.m.

Dept.: C-69

Action Filed: May 31, 2024

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiff Brandon Lee Smith (“Plaintiff”) in this matter. I am thoroughly familiar with and have personal knowledge of all the facts set forth herein.

2. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On May 31, 2024, Plaintiff filed this putative class action against Defendant San Diego Country Estates Association (“Defendant”) alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (“Class Action”).

4. On June 20, 2024, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions the Labor Code alleged to have been violated, including the facts and theories in support. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. Therefore, on September 6, 2024, Plaintiff filed a separate action for civil penalties under PAGA, San Diego County Superior Court Case No. 24CU009960C (“PAGA Action”). On October 28, 2025, Plaintiff filed a First Amended Complaint in this Class Action adding a cause of action PAGA penalties, effectively consolidating the PAGA Action and Class Action.

5. On April 8, 2025, the Parties participated in a private full-day mediation with mediator Daniel J. Turner, Esq. The negotiations were adversarial, conducted at arm’s length, and tempered by the efforts of both sides to serve the interests of their clients.

6. While the Parties did not reach a resolution at mediation, they continued to work

1 with the mediator and ultimately accepted a mediator's proposal and agreed on general settlement
2 terms. The Parties ultimately finalized the Settlement on October 7, 2025. A true and correct copy
3 of the fully executed Settlement Agreement is attached hereto as **Exhibit 1**. Attached thereto as
4 **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

5 7. On October 8, 2025, Plaintiff submitted a copy of the Settlement Agreement to the
6 LWDA. A true and correct copy of the confirmation of submission my office received after
7 submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 2**.

8 **Investigation and Exposure Analysis**

9 8. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims,
10 applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims
11 using the data and documents Defendant produced in informal discovery, including the number of
12 Class Members and Workweeks during the Class Period, the number of Aggrieved Employees and
13 PAGA Periods during the PAGA Period, the average rate of pay for Class Members, all documents
14 concerning Plaintiff, Defendant's wage and hour policy documents, and timekeeping and payroll
15 records for Class Members. Plaintiff's Counsel engaged an expert to quantify the potential
16 exposure using the time and payroll records, and then assessed the risks associated with each claim
17 meriting reductions in the likely success at class certification and likely recovery at trial.

18 9. Defendant's records show that there are approximately 499 Class Members, making
19 joinder of all Class Members impracticable. Further, given the size and amount of each Class
20 Members' claim, Class Members have little incentive to litigate their claims on an individual basis
21 because the out-of-pocket expenses and personal commitment necessary to litigate each claim
22 likely outweigh any potential recovery

23 10. Plaintiff has alleged that Defendant maintained common employment policies
24 and/or practices that unlawfully deprived Class Members of wages, meal periods, rest periods,
25 reimbursements for business expenses, accurate wage statements, timely payment of wages upon
26 separation of employment, and production of requested employment records. These allegations
27 present common factual and legal questions of, *inter alia*, whether Defendant applied the same
28 scheduling, timekeeping, pay, meal period, rest period, reimbursement, and employment records

1 production policies to all Class Members, whether these policies and practices resulted in Labor
2 Code violations, whether Defendant's conduct was intentional, and whether Class Members are
3 entitled to damages and/or penalties. These common questions could be resolved using Class
4 Members' time records, payroll records, testimony from Defendant's designated representative(s),
5 and Class Members' testimony.

6 11. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks
7 at succeeding at class certification and through trial affected the valuation of the claims for
8 settlement purposes. Based on an analysis of the facts and legal contentions in this case, documents
9 and information from Defendant, Plaintiff's Counsel evaluated Defendant's maximum exposure.
10 Plaintiff's Counsel took into account the risk of not having the claims certified and the risk of not
11 prevailing at trial, even if the claims are certified. After using the data Defendant provided,
12 including class member timekeeping and payroll records, as well as class member demographics,
13 with the assistance of a statistics expert, Plaintiff's Counsel created a damages model to evaluate
14 the realistic range of potential recovery for the class. The damages model is based on the following
15 benchmarks:

- 16 a. Total Class Members: 499
- 17 b. Terminated Class Members during 3-year statute of limitations period: 276
- 18 c. Total Workweeks: 45,610
- 19 d. PAGA Pay Periods: 8,695
- 20 e. Aggrieved Employees: 319
- 21 f. Average Hourly Rate of Pay: \$17.93

22 12. Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage
23 claims were based on the allegation that Defendant required Class Members to routinely perform
24 work duties off the clock. For example, Plaintiff alleges that he and other Class Members were
25 required to perform work while off the clock during meal periods, were contacted by Defendant
26 when they were not working to answer work-related questions and were subjected to Defendant's
27 practice of rounding Class Members' hours worked which resulted in underpayment to Class
28 Members. Based on these allegations, Plaintiff's Counsel conservatively estimated that Class

Members worked one (1) hour off the clock per week as overtime in calculating potential exposure to be approximately \$1,226,680.95 for these claims (45,610 workweeks x \$17.93 hourly rate x 1.5 overtime rate of pay x 1.00 hour of unpaid work per workweek). Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification was substantial. Accordingly, Plaintiff's Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately \$196,268.95 ($\$1,226,680.95 \times 40\% \times 40\%$).

13. Meal Periods: Plaintiff's meal period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant meal periods or pay meal period premiums in lieu thereof. For example, Plaintiff alleges that he and the other Class Members regularly experienced missed, late, short, and/or interrupted meal periods while working for Defendant due to a demanding workload and directives from Defendant. Plaintiff further alleges that Defendant falsified Class Members' time records to make it appear as though they had taken a meal period when they had not. Plaintiff's Counsel's expert found a violation rate of approximately 61.2% in Defendant's time and payroll records for shifts greater than five (5) hours. Therefore, potential liability for the meal period claims is approximately \$1,475,165.79 (134,434 shifts greater than 5.00 hours x \$17.93 hourly rate x 61.2% violation rate). However, Defendant argued that Class Members were covered by standing meal period waivers. Accordingly, Plaintiff's Counsel applied a risk discount based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately \$295,033.16 ($\$1,475,165.79 \times 50\% \times 40\%$).

14. Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu thereof. For example, Plaintiff alleges that he and the other Class Members regularly experienced missed, late, short, and/or interrupted rest periods while working for Defendant due to a demanding workload and directives from Defendant. Based on these allegations, Plaintiff's Counsel applied a 100% violation rate to all shifts of 3.5 hours or

1 longer. Therefore, potential liability for the rest period claims is approximately \$2,970,857.56.
2 However, Plaintiff's Counsel discounted this figure to account for the difficulty of certifying and
3 proving rest period claims, particularly because rest periods do not have to be recorded, and to
4 account for the possibility of Class Members voluntarily choosing to forego a rest period. Because
5 this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel
6 discounted this claim based on a 30% chance of succeeding at class certification and a 20% chance
7 of succeeding at trial, yielding a realistic damage estimate of approximately \$178,251.45
8 ($\$2,970,857.56 \times 30\% \times 20\%$).

9 15. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that
10 Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing
11 their job duties for Defendant. For example, Plaintiff alleges that Defendant required him and other
12 Class Members to use their personal cell phones to communicate with Defendant via text messages
13 and telephone. For purposes of calculating Defendant's liability based on a best-case scenario for
14 Plaintiff and the Class, Plaintiff's Counsel estimated that Defendant was liable to each class
15 member for \$30 per month, or \$7.50 per workweek, in unreimbursed expenses, for a total amount
16 of approximately \$342,075.00 ($\$7.50 \times 45,610$ workweeks). Plaintiff's Counsel discounted this
17 figure based on an evaluation of a 30% chance of succeeding at class certification and a 30%
18 chance of succeeding at trial to account for the difficulty of certifying and proving expense
19 reimbursement claims, yielding a realistic damage estimate of approximately \$30,786.75
20 ($\$342,075.00 \times 30\% \times 30\%$).

21 16. In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-
22 the-clock claim, meal period violations, and rest period violations is approximately \$5.67 million,
23 but after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiff's
24 Counsel estimates that Plaintiff's realistic estimated recovery for the non-penalty wage claims is
25 approximately \$669,553.56.

26 17. Derivative Penalties: Plaintiff alleged that as a result of Defendant's failure to pay
27 all wages owed, Defendant owed waiting time penalties and wage statement penalties. With respect
28 to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated that

Defendant's realistic potential liability is approximately \$105,002.79. Defendant's maximum potential liability for waiting time penalties is approximately \$950,146.56 (276 employees x \$17.93 hourly rate x 6.40 hours/day x 30 days) based on approximately 276 terminated class members during the 3-year statute of limitations period; approximately \$799,900.00 ([310 employees x 1 initial violation/employee x \$50 for an initial violation] + [(8,154 pay periods - 310 initial violations) x \$100 for each subsequent violation]) for inaccurate wage statements based on approximately 310 class members who worked during the 1-year statute of limitations period and approximately 8,154 pay periods in the statutory timeframe. In light of the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award the full \$1,750,046.56 in penalties given Defendant's defenses, the contested nature of Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. Considering that the underlying wage claims are realistically estimated to be approximately \$669,553.56, such a disproportionate award would also raise due process concerns. As such, Plaintiff's counsel discounted these figures to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately \$57,008.79 ($\$950,146.56 \times 30\% \times 20\%$) for waiting time penalty claims, and approximately \$47,994.00 ($\$799,900.00 \times 30\% \times 20\%$) for wage statement penalty claims, or approximately \$105,002.79 total for statutory penalties.

18. PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential exposure could potentially reach \$869,500.00, assuming the initial \$100 penalty would apply for each of the 8,695 pay periods in the PAGA Period. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. As such, Plaintiff's counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately \$86,950.00 ($\$869,500 \times 10\%$) for PAGA penalties. The settlement allocates \$45,000.00 of the Gross Settlement Amount to PAGA, therefore the realistic maximum damages for PAGA penalties amounts to approximately 52% of the PAGA allocation ($\$45,000.00 / \$86,950.00$).

19. Using these estimated figures, Plaintiff's Counsel predicted that the realistic

1 maximum recovery for all claims, including penalties, would be approximately \$892,293.11.
2 This means that the realistic maximum recovery represents approximately 99% of the
3 \$900,000.00 gross settlement figure (\$892,293.11 / \$900,000.00). Considering the risk and
4 uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class.
5 Indeed, because of the proposed Settlement, Class Members will receive timely, guaranteed relief
6 and will avoid the risk of an unfavorable judgment.

7 20. The Net Settlement Amount available for class settlement payments is currently
8 estimated to be \$525,050.00 for approximately 499 Class Members. As a result, each Settlement
9 Class Member would be eligible to receive an average net benefit of approximately \$1,052.20.

10 **Plaintiff's Counsel's Qualifications**

11 21. Plaintiff is represented by WLF. The attorneys at WLF performed significant work
12 and expended litigation costs in prosecuting this matter with no guarantee of payment.

13 22. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
14 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
15 employees. WLF is actively and continuously practicing in employment litigation, representing
16 employees in both individual and class actions in both state and federal courts throughout
17 California.

18 23. WLF is qualified to handle this Litigation because its attorneys are experienced in
19 litigating Labor Code violations in both individual, class action, and representative action cases.
20 WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as
21 well as class actions involving consumer rights and data privacy litigation.

22 24. I graduated from the University of California, Santa Barbara with High Honors in
23 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
24 School in 1996.

25 25. Upon graduating from law school in 1996, I worked for a boutique law firm
26 practicing general litigation which included employment law matters. Since 2000 (that is, the last
27 23 years) my practice has been exclusively focused on labor and employment matters including
28 handling wage and hour class, collective and representative actions (including the California

1 Private Attorneys General Act, or “PAGA”), including in the international law firms of Morgan,
2 Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a
3 partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright
4 LLP (where I was a partner) and Seyfarth Shaw (where I was a partner and member of the Wage
5 and Hour Practice Group). During my time at these law firms, I was the primary attorney or took
6 a major leading role in defending employers on numerous wage and hour class, collective and
7 representative actions.

8 26. In 2022 I left Seyfarth Shaw and joined my current firm, WLF, to represent plaintiff
9 employees. I have been and am handling many wage and hour class and representative actions
10 litigating such matters on behalf of plaintiff employees in numerous Superior Courts and District
11 Courts. From matters representing both plaintiffs and defendants, I have successfully mediated the
12 resolution of many wage and hour class, collective, and representative actions. Just since last year
13 after joining WLF (and thus joining the plaintiff’s bar) I have already successfully mediated
14 matters in which I have been counsel or co-counsel resulting in **over \$183 million** in settlements
15 which are in the process of being finalized, and with numerous upcoming mediations scheduled.
16 In those and numerous other matters, I have managed and assisted with the litigation and settlement
17 of many wage and hour PAGA and class actions. In those actions, I performed similar tasks as
18 those performed in the course of prosecuting this action. Indeed, I recently tried and prevailed in
19 achieving a jury verdict in a wage and hour class action in the matter of *Aguilar-Flores v. Javier’s*
20 – *CC LLC*, Los Angeles County Superior Court, Case No. 19STCV36438.

21 27. I have received numerous awards for my legal work. For example, from 2015 to
22 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters).
23 have also served on numerous prominent boards and in other leadership positions, including
24 currently serving as Southern California Regional President for the Hispanic National Bar
25 Association and on the board of directors of the Mexican American Bar Foundation. I also
26 previously served on the 5-member Los Angeles Civil Service Commission, which generally
27 oversees the personnel decisions for the City of Angeles.

28 28. I have also published numerous blogs on labor and employment issues including on

1 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
2 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really
3 Protected From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with
4 Seyfarth Shaw LLP). I have also been a presenter at numerous conferences, including being a
5 presenter involving the “Employment Law Update” at a National Employment Law Council
6 conference.

7 29. Eugene Zinovyev (“Mr. Zinovyev”) is a Junior Partner at WLF. He graduated from
8 the University of California, Berkeley, with a Bachelor of Arts in Political Economy of Industrial
9 Societies, and received his Juris Doctor from the University of California, San Francisco School
10 of Law in 2009. He has since practiced employment and wage and hour law on both the plaintiff
11 and defense sides. Mr. Zinovyev has tried multiple jury cases to verdict as well as numerous bench
12 trials. He has also briefed published appellate court decisions in both state and federal court. Mr.
13 Zinovyev is admitted to practice before all Federal District Courts in California as well as the 9th
14 Circuit Court of Appeals. He is also a member of the California Employment Lawyers Association.
15 He has mediated and settled dozens of class and representative actions as well as individual civil
16 matters.

17 30. John Brown (“Mr. Brown”) is an Associate Attorney at WLF. He was admitted to
18 practice law in the State of California in 2004. Mr. Brown graduated from UC Berkeley with a
19 Bachelor of Arts and received his Juris Doctor from The UCLA School of Law. His current practice
20 has been focused on class action employment law. Mr. Brown has participated in dozens of
21 settlements totaling tens of millions of dollars, from the memorandum of understanding and
22 settlement agreement drafting stage through to final approvals from the court.

23 31. Gabriella Solé (“Ms. Solé”) is a third-year Associate Attorney at WLF. She was
24 admitted to practice law in the State of California in 2022. Gabriella graduated from University of
25 California, Los Angeles, with a Bachelor of Arts in Sociology. She received her Juris Doctor from
26 University of San Francisco, School of Law. During law school, she was a First Year Moot Court
27 Director on the Moot Court Board. Since graduating, her practice has been mainly focused on wage
28 and hour class action litigation.

32. Courtney M. Miller (“Ms. Miller”) is a Settlement Attorney at WLF. She was admitted to practice law in the State of California in 2019. Ms. Miller graduated from the University of California, Santa Cruz, with a Bachelor of Arts in Sociology. Prior to becoming an attorney, Ms. Miller worked at a boutique civil litigation firm for nearly a decade, primarily handling employment matters. She earned her Juris Doctor from Southwestern Law School in 2019. Ms. Miller has prosecuted wage and hour class and PAGA actions, almost exclusively, since 2020. As a handling attorney, Ms. Miller obtained over \$30 million dollars in settlements on behalf of California employees.

33. Lisa B. Iturriaga (“Ms. Iturriaga”) is a Settlement Attorney at WLF. She was admitted to practice law in the State of California in 2021. Ms. Iturriaga graduated from University of South Florida with a Bachelor of Science in Finance and a Bachelor of Arts in Marketing. She received her Juris Doctor from Chapman University Dale E. Fowler School of Law. Since graduating, her practice has been in insurance defense (previously) and employment law (currently). Since 2023, she has exclusively worked on plaintiff-side wage and hour cases.

34. WLF has no actual or potential conflicts of interest with Class Members or the proposed Administrator, ILYM Group, Inc.

35. WLF is not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected this Settlement.

36. A true and correct copy of the ILYM Group, Inc.'s bid to administer this Settlement is attached hereto as **Exhibit 3**.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 3, 2025 at Los Angeles, California.


John G. Yslas

EXHIBIT 1

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SAN DIEGO COUNTRY ESTATES ASSOCIATION

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

BRANDON LEE SMITH, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

SAN DIEGO COUNTRY ESTATES
ASSOCIATION; and DOES 1 through 10,
inclusive,

Defendants.

Case No. 37-2024-00025729-CU-OE-CTL

Assigned for All Purposes To:
Hon. Marcella O. McLaughlin
Dept. C-72

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

Action Filed: May 31, 2024

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Brandon Lee Smith (“Plaintiff”) and Defendant San Diego Country Estates Association (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. **DEFINITIONS.**

1.1 “Actions” means Plaintiff’s class action lawsuit alleging wage and hour violations against Defendant captioned *Brandon Lee Smith v. San Diego Country Estates Association*, initiated on May 31, 2024, and pending in the Superior Court of the State of California, County of San Diego, Case No. 37-2024-00025729-CU-OE-CTL, and Plaintiff’s representative PAGA action captioned *Brandon Lee Smith v. San Diego Country Estates Association*, initiated on September 6, 2024, and pending in the Superior Court of the State of California, County of San Diego, Case No. 24CU009960C.

1.2 “Administrator” means ILYM Group, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4 “Aggrieved Employee” means each person who worked for Defendant in California as an hourly-paid non-exempt employee at any time during the PAGA Period.

1.5 “Class” means all current and former non-exempt employees of Defendant in the State of California during the Class Period.

1.6 “Class Counsel” means John G. Yslas, Eugene Zinovyev, John Brown, Courtney M. Miller, Lisa B. Iturriaga, and Gabriella Solé of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will request approval from the Court of up to one-third (1/3) of the Gross Settlement Amount (currently Three Hundred Thousand Dollars (\$300,000.00)).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Actions, not to exceed Twenty Thousand Dollars (\$20,000.00) and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.11 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.12 “Class Notice” means the COURT APPROVED NOTICE OF SETTLEMENT AND HEARING DATE FOR FINAL APPROVAL, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” means the period from May 31, 2020, to April 8, 2025.

1.14 “Class Representative” means the named Plaintiff Brandon Lee Smith in the Actions.

1.15 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.

1.16 “Court” means the Superior Court of California, County of San Diego.

1.17 “Defendant” means named Defendant San Diego Country Estates Association.

1.18 “Defense Counsel” means Joshua D. Carlon of Atkinson, Andelson, Loya, Ruud & Romo, PLC.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the

Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means Nine Hundred Thousand Dollars (\$900,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administrator’s Expenses.

1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.27 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 “Net Settlement Amount” means the Gross Settlement Amount, less the following

payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.31 “Operative Complaint” means the First Amended Class Action Complaint that Plaintiff will file to effectively consolidate the Actions.

1.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.33 “PAGA Period” means the period from April 16, 2023, to July 25, 2025.

1.34 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698, et seq.).

1.35 “PAGA Notice” means Plaintiff’s June 20, 2024 letter to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.36 “PAGA Penalties” means the total amount of Forty-Five Thousand Dollars (\$45,000.00) in PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% (\$15,750) to the Aggrieved Employees and 65% (\$29,250.00) to the LWDA in settlement of PAGA claims.

1.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38 “Plaintiff” means Brandon Lee Smith, the named plaintiff in the Actions.

1.39 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.42 “Released Parties” means Defendant.

1.43 “Request for Exclusion” means a Class Member’s submission of a written request to be

excluded from the Class Settlement signed by the Class Member.

1.44 “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his, her, or their Objection to the Settlement. Class Members to whom Notice packets are re-sent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.45 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

1.46 “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS.**

2.1 On May 31, 2024, Plaintiff filed a Class Action Complaint alleging causes of action against Defendant for (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices.

2.2 On June 20, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support (LWDA-CM-1035116-24).

2.3 On September 6, 2024, after the 65-day statutory period passed, Plaintiff filed a PAGA action against Defendant for civil penalties pursuant to Labor Code § 2699, et seq.

2.4 Plaintiff will file a First Amended Class Action Complaint to effectively consolidate the Actions (“Operative Complaint”).

2.5 Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions, and denies any and all liability for the causes of action alleged.

2.6 On April 8, 2025, the Parties participated in an all-day mediation presided over by

mediator Daniel J. Turner, Esq., which led to this Agreement to settle the Actions. While the Parties did not reach a resolution at mediation, they continued to work with the mediator and ultimately accepted a mediator's proposal and agreed on general settlement terms. On August 5, 2025, the Parties memorialized their agreement in a Memorandum of Understanding.

2.7 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.8 The Court has not granted class certification because the Parties engaged in mediation before any class certification.

2.9 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matters or actions asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay Nine Hundred Thousand Dollars (\$900,000.00) as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be paid in three equal installments: (i) the first installment payment shall be made within 30-days of Final Approval; (ii) the second installment payment shall be made within 6-months of the first payment; and (iii) the third installment payment shall be made within 6-months of the second payment. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

1 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
2 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
3 in the Final Approval:

4 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of
5 not more than Ten Thousand Dollars (\$10,000.00) in addition to any Individual Class Payment
6 and any Individual PAGA Payment the Class Representative is entitled to receive as a
7 Participating Class Member. Defendant will not oppose Plaintiff's request for a Class
8 Representative Service Payment that does not exceed this amount. As part of the motion for the
9 Class Counsel Fees Payment and Class Litigation Expenses Payments, Plaintiff will seek Court
10 approval for any Class Representative Service Payment no later than sixteen (16) court days prior
11 to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class
12 Representative Service Payment less than the amount requested, the Administrator will retain the
13 remainder in the Net Settlement Amount. The Administrator will pay the Class Representative
14 Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for
15 employee taxes owed on the Class Representative Service Payment.

16 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3)
17 of the Gross Settlement Amount, which is currently estimated to be Three Hundred Thousand
18 Dollars (\$300,000.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty
19 Thousand Dollars (\$20,000.00). Defendant will not oppose requests for these payments. Plaintiff
20 and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation
21 Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing, or
22 as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a
23 Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator
24 will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability
25 to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion of the
26 Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The
27 Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses
28 Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and

liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed Nine Thousand Nine Hundred and Fifty Dollars (\$9,950.00) except for a showing of good cause and as approved by the Court. To the extent the Administrator's expenses are less or the Court approves payment of less than \$9,950.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4 To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. Twenty Percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining Eighty Percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest, reimbursement, and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount Forty-Five Thousand Dollars (\$45,000.00) to be paid from the Gross Settlement Amount, with 65% (\$29,250.00) allocated to the LWDA PAGA Payment and 35% (\$15,750.00) allocated to the

Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$15,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant estimated at that time of mediation that there were 499 Class Members who collectively worked a total of 45,610 Workweeks during the Class Period, and 319 Aggrieved Employees who worked a total of 8,695 PAGA Pay Periods during the PAGA Period.

4.2 Class Data. Not later than ten (10) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement

Amount in three (3) equal installments to the Administrator: (i) the first installment payment shall be made within 30-days of Final Approval; (ii) the second installment payment shall be made within 6-months of the first payment; and (iii) the third installment payment shall be made within 6-months of the second payment. Additionally, Defendant shall fully fund Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than the date of the third installment payment.

4.4 Payments from the Gross Settlement Amount. Within ten (10) days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First-Class United States Postal Service ("USPS") mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class

Members whose checks are returned undelivered without a USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the Void Date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts

or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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.

5.2 Released Class Claims: All Participating Class Members release Released Parties from all claims, rights, demands, liabilities, and causes of action alleged or which could have been reasonably alleged based on the Class Period facts alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees are deemed to release the Released Parties from all claims for PAGA civil penalties that are alleged, or reasonably could have been alleged, based on the facts alleged in the PAGA Notice and Operative Complaint. The Released PAGA Claims are those that accrued during the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval of class action and PAGA settlement ("Motion for Preliminary Approval").

6.1 Plaintiff's Responsibilities. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval of Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to

its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

7.1 Selection of Administrator. The Parties have jointly selected ILYM Group to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own

1 Employer Identification Number for purposes of calculating payroll tax withholdings and
2 providing reports to state and federal tax authorities.

3 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
4 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
5 section 468B-1 for the funding of the GSA. Any interest that accrues on the Gross Settlement
6 Amount sums paid into the QSF prior to distribution by the Administrator will become part of the
7 Net Settlement Amount for distribution to Participating Class Members.

8 7.4 Notice to Class Members.

9 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
10 shall notify Class Counsel that the list has been received and state the number of Class Members,
11 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

12 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
13 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
14 identified in the Class Data, via First-Class USPS mail, the Class Notice with Spanish translation
15 substantially in the form attached to this Agreement as Exhibit A. The first page of the Class
16 Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or
17 Individual PAGA Payment payable to the Class Member, and the number of Workweeks and
18 PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices,
19 the Administrator shall update Class Member addresses using the National Change of Address
20 database.

21 7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class
22 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
23 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
24 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
25 Notice to the most current address obtained. The Administrator has no obligation to make further
26 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
27 USPS a second time.

28 7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks

and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's

determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the

Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement; Motion for Preliminary Approval; the Preliminary Approval; the Class Notice; the Motion for Final Approval; the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment; the Final Approval; and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for

1 Exclusion from Settlement submitted (whether valid or invalid).

2 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
3 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
4 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
5 valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay
6 Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual
7 PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s
8 assessment of the validity of Requests for Exclusion and attach copies of all Requests for
9 Exclusion and objections received.

10 7.8.4 Workweek and/or PAGA Pay Period Challenges. The Administrator has the
11 authority to address and make final decisions consistent with the terms of this Agreement on all
12 Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The
13 Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

14 7.8.5 Administrator’s Declaration. Not later than fourteen (14) days before the date by
15 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
16 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
17 for filing in Court attesting to its due diligence and compliance with all of its obligations under
18 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
19 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
20 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
21 number of written objections and attach the Exclusion List. The Administrator will supplement
22 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
23 for filing the Administrator’s declaration(s) in Court.

24 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the
25 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
26 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
27 identification number only of all payments made under this Agreement. At least fifteen (15) days
28 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel

and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE.** Based on its records, Defendant estimated at that time of mediation that there were 499 Class Members who collectively worked a total of 45,610 Workweeks during the Class Period. If, on final calculation, the total number of Workweeks increases by more than Ten Percent (10%) (i.e. increases by more than 4,561 Workweeks), Defendant shall have the option to either (i) increase the Gross Settlement Amount proportionally by the number of Workweeks worked in excess of Ten Percent (10%). For example, if the final number of total Workweeks increases by 11% over 45,610 Workweeks, the Gross Settlement Amount will increase by 1% or (ii) shorten the end date of the Class Period and PAGA Period to the date on which the represented number of Workweeks plus 10% is reached (i.e. 50,171 Workweeks). If this provision is triggered and Defendant selects option (i), the Parties agree that the portion of the Gross Settlement Amount allocated to the Class Counsel Fees Payment will increase proportionally such that the total amount of attorneys' fees remains one-third of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. Defendant will select an option prior to the filing of the Motion for Preliminary Approval.

9. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1 **Response to Objections.** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no

1 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
2 accepted by the Court.

3 9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
4 Approval on any material change to the Settlement (including, but not limited to, the scope of
5 release to be granted by Class Members), the Parties will expeditiously work together in good
6 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
7 Approval. The Court's decision to award less than the amounts requested for the Class
8 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
9 Expenses Payment, and/or Administrator Expenses Payment shall not constitute a material
10 modification to the Agreement within the meaning of this paragraph.

11 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
12 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
13 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
14 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

15 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
16 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
17 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
18 counsel, and all Participating Class Members who did not object to the Settlement as provided in
19 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
20 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
21 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
22 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
23 obligations to perform under this Agreement will be suspended until such time as the appeal is
24 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
25 of the Net Settlement Amount.

26 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
27 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
28 modification of this Agreement (including, but not limited to, the scope of release to be granted

by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional expenses reasonably incurred by the Administrator after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

11.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Actions have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit

1 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
2 or indirectly, specifically or generally, to any person, corporation, association, government
3 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
4 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
5 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
6 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
7 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
8 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense
9 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
10 communication, before the filing of the Motion for Preliminary Approval, with any third party
11 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
12 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
13 communications with Class Members in accordance with Class Counsel's ethical obligations
14 owed to Class Members.

15 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and
16 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
17 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
18 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's
19 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

20 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
21 together with its attached exhibits shall constitute the entire agreement between the Parties
22 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
23 inducements made to or by any Party.

24 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
25 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
26 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
27 its terms, and to execute any other documents reasonably required to effectuate the terms of this
28 Agreement including any amendments to this Agreement.

11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Actions and in this Agreement relating to the confidentiality of information shall

survive the execution of this Agreement.

11.14 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.16 Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by USPS mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

John G. Yslas
john.yslas@wilshirelawfirm.com
 Eugene Zinovyev
ezinovyev@wilshirelawfirm.com
 John Brown
jbrown@wilshirelawfirm.com
 Courtney M. Miller
courtney.miller@wilshirelawfirm.com
 Lisa B. Iturriaga
lisa.iturriaga@wilshirelawfirm.com
 Gabriella Solé
gabriella.sole@wilshirelawfirm.com
WILSHIRE LAW FIRM
 660 S. Figueroa Street, Sky Lobby
 Los Angeles, California 90017
 Telephone: (213) 381-9988
 Facsimile: (213) 381-9989

To Defendant:

Joshua D. Carlon
joshua.carlon@aalrr.com
ATKINSON, ANDELSON, LOYA, RUUD & ROMO
 A Professional Law Corporation
 251 South Lake Avenue, Suite 360
 Pasadena, California 91101-3018
 Telephone: (626) 583-8600
 Facsimile: (626) 583-8610

1 11.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts
2 by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement
3 shall be accepted as an original. All executed counterparts and each of them will be deemed to be
4 one and the same instrument if counsel for the Parties will exchange between themselves signed
5 counterparts. Any executed counterpart will be admissible in evidence to prove the existence and
6 contents of this Agreement.

7 11.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the
8 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
9 agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date
10 to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11 11.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable
12 and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be
13 admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evid. Code
14 §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might
15 apply under federal or state law. The Parties further agree and intend that the Superior Court of
16 California, County of San Diego, may enforce this Agreement pursuant to Code of Civil
17 Procedure § 664.6.

18 IT IS SO AGREED.

19 By the Parties:

20
21 DATED: _____

22 Plaintiff Brandon Lee Smith

23
24 DATED: 10-02-2025

25 Defendant San Diego Country Estates Association

26 By: JEFFREY M. LOSILS

27 Position: BOARD PRESIDENT

11.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

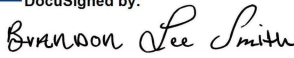
11.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

11.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Superior Court of California, County of San Diego, may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 10/7/2025

DocuSigned by:

 65A093DEFEB4CF...

Plaintiff Brandon Lee Smith

DATED: _____

Defendant San Diego Country Estates Association

By: _____

Position: _____

1 Approved by Counsel:

2 DATED: September 29, 2025

WILSHIRE LAW FIRM

3
4 BY: 
5 John G. Yslas
6 Counsel for Plaintiff Brandon Lee Smith

7
8 DATED: _____

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

9
10 BY: _____
11 Joshua D. Carlon
12 Counsel for Defendant San Diego Country Estates
13 Association
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1 Approved by Counsel:

2 DATED: _____

WILSHIRE LAW FIRM

3
4 BY: _____

5 John G. Yslas

6 Counsel for Plaintiff Brandon Lee Smith

7
8 DATED: 10/6/25 _____

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

9
10 BY: Joshua Carlon

11 Joshua D. Carlon

12 Counsel for Defendant San Diego Country Estates
13 Association
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EXHIBIT "A"

**COURT APPROVED NOTICE OF CLASS ACTION AND PAGA SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

Brandon Lee Smith v. San Diego Country Estates Association
Case No. 37-2024-00025729-CU-OE-CTL (San Diego County Superior Court)

***The San Diego County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from an employee class and a representative action lawsuit (“Action”) against San Diego Country Estates Association (“Defendant”) for alleged wage and hour violations. The Action was filed by former employee, Brandon Lee Smith, and seeks payment of back wages and other relief for a class of all current and former non-exempt employees of Defendant in the State of California (“Class Members”) at any time during the Class Period (May 31, 2020, to April 8, 2025); and (2) penalties under the California Private Attorney General Act (“PAGA”) for each person who worked for Defendant in California as an hourly-paid non-exempt employee (“Aggrieved Employees”) at any time during the PAGA Period (April 16, 2023, to July 25, 2025) (“PAGA Period”).

The proposed Settlement has two main parts: (1) a Class settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA settlement requiring Defendant to fund Individual PAGA Payments and pay PAGA Penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked [REDACTED] Workweeks during the Class Period and you worked [REDACTED] PAGA Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. **READ THIS NOTICE CAREFULLY.** You will be deemed to have read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAGA PAY PERIODS	Challenge your number of Workweeks or PAGA Pay Periods listed in this Notice and provide supporting evidence. If you challenge your Workweeks or PAGA Pay Periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant at some point(s) between May 31, 2020, to July 25, 2025, and are therefore a member of the Class and/or an Aggrieved Employee for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is April 16, 2023, to July 25, 2025.

If the Court grants Final Approval of the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the San Diego County Superior Court, and the case is titled, *Brandon Lee Smith v. San Diego Country Estates Association*, Case No. 37-2024-00025729-CU-OE-CTL. The person who sued, Brandon Lee Smith, is the Plaintiff, and the company sued, San Diego Country Estates Association is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices. In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA (“PAGA Penalties”) based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff’s claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called “Class Representatives” (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The Court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court has not decided in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff’s lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff and Plaintiff’s lawyers (“Class Counsel”), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member or an Aggrieved Employee for settlement purposes. The Class includes: all current and former non-exempt employees of Defendant in the State of California at any time from May 31, 2020, to April 8, 2025. Aggrieved Employees includes all current and former non-exempt employees of Defendant in the State of California at any time from April 16, 2023, to July 25, 2025:

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS – WHAT YOU GET

QUESTIONS? CALL **1-800-XXX-XXXX** TOLL FREE

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“GSA”) of Nine Hundred Thousand Dollars (\$900,000.00) to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of up to one-third (1/3) of the GSA, currently \$300,000.00 and up to \$20,000.00 in costs; a Class Representative Service Payment of \$10,000.00 to Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$45,000.00 to resolve the PAGA claims; and Settlement Administration Expenses Payment to [ADMINISTRATOR], not to exceed \$ [REDACTED]. The exact amount of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$XXXXXXX. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members who do not request to be excluded (“opt out”) from the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$45,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties payment, or \$29,250.00, will be paid to the California Labor and Workforce Development Agency. The remaining 35% of the PAGA Penalties payment, or \$15,750, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant’s records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (May 31, 2020, to April 8, 2025). Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant from April 16, 2023, to July 25, 2025 (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement under California law.

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Within ten (10) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments and Individual PAGA Payments to Participating Class Members and Aggrieved Employees.

For an update on the status of payments, please contact the Administrator (see Section 12).

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the California Controller's Unclaimed Property Fund in the name of the Class Member. If your settlement check is lost or misplaced, you should contact the settlement Administrator immediately to request a replacement.

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: The “Released Class Claims” are all claims, rights, demands, liabilities, and causes of action alleged or which could have been reasonably alleged based on the Class Period facts alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.

Released PAGA Claims: If you are an Aggrieved Employee (i.e. if you worked for Defendant during the PAGA Period), you will also release all claims for PAGA civil penalties that are alleged, or reasonably could have been alleged, based on the facts alleged in the PAGA Notice and Operative Complaint. The Released PAGA Claims are those that accrued during the PAGA Period.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the settlement Administrator a written and signed request for exclusion which must be postmarked no later than 45 days after Class Notice is Mailed. Be sure to include your name, address, email address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

[ADMINISTRATOR]

Brandon Lee Smith v. San Diego Country Estates Association Settlement

XXXXX

City, State, XXXXX

Email:

If you submit a valid and timely Request for Exclusion to the settlement Administrator, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (April 16, 2023, to July 25, 2025). If you submit a valid and timely Request for Exclusion to the Administrator, you may be able to sue (or continue to sue) Defendant in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is 59 days after Class Notice is Mailed.

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

John G. Yslas
john.yslas@wilshirelawfirm.com
Eugene Zinovyev
ezinovyev@wilshirelawfirm.com
John Brown
jbrown@wilshirelawfirm.com
Courtney M. Miller
courtney.miller@wilshirelawfirm.com
Lisa B. Iturriaga
lisa.iturriaga@wilshirelawfirm.com
Gabriella Solé
gabriella.sole@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to one-third (1/3) of the GSA (currently \$300,000.00) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court approval of up to \$20,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payment to Plaintiff Brandon Lee Smith in the amount of \$10,000.00 in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award the Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection.

Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the settlement Administrator and postmarked on or before [REDACTED], at the following address:

[ADMINISTRATOR]

Brandon Lee Smith v. San Diego Country Estates Association Settlement

XXXXX

City, State, XXXXX

Email:

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the Settlement, the request to be excluded will control and you will not get any money from this Settlement.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at [REDACTED] on [REDACTED] in Department C-72 of the San Diego County Superior Court, located at 330 W. Broadway, San Diego, California 92101, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment, Class Counsel Fees Payment, and Class Counsel Litigation Expenses Payment.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement Administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Action.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the court-appointed settlement Administrator, [ADMINISTRATOR], by calling toll free 1-800 [REDACTED], or you can write to the Administrator at the following address:

[ADMINISTRATOR]

Brandon Lee Smith v. San Diego Country Estates Association Settlement

XXXXX

City, State, XXXXX

Email:

PLEASE DO NOT TELEPHONE THE COURT OR SAN DIEGO COUNTRY ESTATES ASSOCIATION'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

EXHIBIT 2

Theresa Chan

From: no-reply@formassembly.com
Sent: Wednesday, October 8, 2025 11:30 AM
To: Theresa Chan
Subject: Thank you for your Proposed Settlement Submission

10/08/2025 11:29:34 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 10/08/2025 11:29:34 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1035116-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7Ca96d3a07997a49a3a84d08de0698ac44%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C638955449954132964%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMilslkFOljoiTWVpbiIsIlIdUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=32Xc34eAossaUHMf34iti9RFgqYjJp24DsAWh6k45KQ%3D&reserved=0

EXHIBIT 3

ILYM | GROUP, Inc.

C L A S S A C T I O N A D M I N I S T R A T I O N

Case Name: Lee Smith vs San Diego Country Estates Association
Monday, September 22, 2025

Requesting Attorney:

Jonathan Melendez
Wilshire Law Firm, PLC
jonathan.melendez@wilshirelawfirm.com
213.381.9988

ILYM Group Contact:

Lisa Mullins
ILYM Group, Inc.
Lisa@ilymgroup.com
714.878.8836

Estimate For Administrative Solutions: Class & PAGA

KEY ASSUMPTIONS	
Total Number of Class Members	502
Estimated Percentage of Remails	15%
Certified Spanish Translation	Yes
ILYM Group Static Website	Yes
Case Duration (Years)	1

Summary of ILYM Group, Inc.'s Fees & Expenses

Case Startup:	\$650.00
Project Management:	\$3,370.00
Notification & Mailing:	\$1,551.20
Distribution (Includes EIN, Bank Acct * /QSF Setup):	\$3,363.80
Case Conclusion:	\$1,015.00

Estimated ILYM Fees & Expenses: \$9,950.00

ILYM | GROUP, Inc.

CLASS ACTION ADMINISTRATION

Case Name: Lee Smith vs San Diego Country Estates Association

Monday, September 22, 2025

Requesting Attorney's Name: Jonathan Melendez

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	2	\$300.00
Programming of Class Database	Hourly	\$175.00	2	\$350.00

**ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.*

Subtotal \$650.00

PROJECT MANAGEMENT				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	5	\$600.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	2	\$140.00
Certified Spanish Translation	Flat Fee	\$1,250.00	1	\$1,250.00
ILYM Group Static Website	Flat Fee	\$750.00	1	\$750.00
NCOA	Flat Rate	\$150.00	1	\$150.00
Toll Free Customer Service Representative	Flat Fee	\$200.00	1	\$200.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$3,370.00

NOTIFICATION & MAILING				
Fulfillment of Notice, English & Spanish	Per Piece	\$1.50	502	\$753.00
USPS First Class Postage	Per Piece	\$0.85	502	\$426.70
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.00	75	\$150.60
Storage, Photocopies, Deliveries	Flat Fee	\$220.90	1	\$220.90

Subtotal \$1,551.20

ILYM | GROUP, Inc.

CLASS ACTION ADMINISTRATION

Case Name: Lee Smith vs San Diego Country Estates Association

Monday, September 22, 2025

Requesting Attorney's Name: Jonathan Melendez

Activity	Rate Type	Unit Cost	Volume	Amount
DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	2	\$300.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	2	\$250.00
Check, Stub & Release - Print & Mail (W2/1099)	Per Check	\$1.00	502	\$502.00
USPS First Class Postage	Per Piece	\$0.75	502	\$376.50
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.50	50	\$75.30
Preparation of Taxes	Hourly	\$120.00	3	\$360.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

*Additional Bank fees may apply

Subtotal \$3,363.80

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	1	\$100.00
Project Manager Final Reporting	Hourly	\$120.00	2	\$240.00
Process Unclaimed Funds	Flat Fee	\$550.00	1	\$550.00
Declaration	Hourly	\$125.00	1	\$125.00

Subtotal \$1,015.00

Estimated ILYM Fees & Expenses: \$9,950.00

ILYM Group's Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.