

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

Keaton Mendoza (SBN 321172)

kmendoza@tomorrowlaw.com

1460 Westwood Boulevard

Los Angeles, California 90024

Tel: (310) 438-5555; Fax: (310) 300-1705

Attorneys for Plaintiff, ANA ORTIZ-GOMEZ, on behalf of herself
and all others similarly situated and aggrieved

Kevin M. Erwin (SBN 170186)

Kevin.Erwin@jacksonlewis.com

Semarnpreet Kaur (SBN 328518)

Semarnpreet.Kaur@jacksonlewis.com

JACKSON LEWIS P.C.

3390 University Avenue, Suite 110

Riverside, CA 92501

Telephone: (951) 848-7940

Facsimile: (951) 848-0009

Attorneys for Defendant, BEYOND RESOURCE SOLUTIONS, INC.

(Additional Counsel on the next page)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ANA ORTIZ-GOMEZ, an individual, and on
behalf of all others similarly situated and
aggrieved,

Plaintiff,

v.

BEYOND RESOURCE SOLUTIONS, INC.,
a California Corporation; CAPLUGS, INC., a
Delaware Corporation; GEORGE
PORTILLO, an individual; and DOES 1
through 100, inclusive,

Defendants.

CASE NO.: 24STCV15833

Related to Case No.: 24STCV32252

[Assigned for all purposes to the Hon.
Elaine Lu in Dept. 9]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: June 25, 2024

Trial Date: None Set

Hieu T. Williams (SBN 280585)
hwilliams@hkemploymentlaw.com
Margeaux M. Pelusi (SBN298724)
mpelusi@hkemploymentlaw.com

HIRSCHFELD KRAEMER LLP
456 Montgomery Street, Suite 2200
San Francisco, CA 94104
Telephone: (415) 835-9000
Facsimile: (415) 834-0443

Attorneys for Defendants, CAPPLUGS, INC., and JORGE MEJIA
(erroneously sued herein as GEORGE PORTILLO), an individual

1 This Class and PAGA Settlement Agreement (“Agreement”) is made by and between
2 plaintiff Ana Ortiz-Gomez (“Plaintiff”) and defendants Beyond Resource Solutions, Inc.,
3 Caplugs, Inc., and Jorge Mejia, erroneously sued as George Portillo (collectively, “Defendants”).
4 The Agreement refers to Plaintiff and Defendants collectively as “Parties,” or individually as
5 “Party.”

6 **1. DEFINITIONS**

7 1.1. “Action” or “Actions” means the Plaintiff’s lawsuits alleging wage and hour violations
8 against Defendants, captioned *Ana Ortiz-Gomez v. Beyond Resource Solutions, Inc. et al.*, Case
9 No. 24STCV15833, initiated on June 25, 2024, and pending in the Superior Court of the State of
10 California, County of Los Angeles; and *Ana Ortiz-Gomez v. Beyond Resource Solutions, Inc. et*
11 *al.*, Case No. 24STCV32252, initiated on December 9, 2024, and pending in the Superior Court
12 of the State of California, County of Los Angeles.

13 1.2. “Administrator” means Phoenix Settlement Administrators (“Phoenix”), the neutral entity
14 the Parties have agreed to appoint to administer the Settlement.

15 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
16 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
17 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
18 Preliminary Approval of the Settlement.

19 1.4. “Aggrieved Employee” means a person employed by Defendants in California and
20 classified as a non-exempt, hourly-paid employee who worked for Defendants during the PAGA
21 Period.

22 1.5. “BRS” means the named defendant Beyond Resource Solutions, Inc.

23 1.6. “BRS Class” means all persons employed by BRS in California and classified as non-
24 exempt, hourly-paid employees, who were placed to work for Caplugs, during the BRS Class
25 Period.

26 1.7. “BRS Class Period” means the period from June 25, 2020 through (1) 90 days from the
27 execution of the Memorandum of Understanding (“MOU”) executed by the Parties; or (2) the
28 date upon which the total number of workweeks from June 25, 2020 forward equals 9,460

workweeks; provided, however, that if BRS elects to pay additional amounts pursuant to the Escalator Clause in Paragraph 9.1 rather than cut off the BRS Class Period at 9,460 workweeks, the BRS Class Period shall extend to include all workweeks for which such additional payment is made.

1.8. “Caplugs” means the named defendant Caplugs, Inc.

1.9. “Caplugs Class” means all persons directly employed by Caplugs in California and classified as non-exempt, hourly-paid employees who worked for Caplugs during the Caplugs Class Period.

1.10. “Caplug Class Period” means the period from August 26, 2021 through the earlier of (1) the date of preliminary approval of the settlement; (2) 90 days from the execution of the Memorandum of Understanding (“MOU”) executed by the Parties; or (3) the date upon which the total number of workweeks from August 26, 2021 forward equals 24,640 workweeks; provided, however, that if Caplugs elects to pay additional amounts pursuant to the Escalator Clause in Paragraph 9.1 rather than cut off the Caplugs Class Period at 24,640 workweeks, the Caplugs Class Period shall extend to include all workweeks for which such additional payment is made.

1.11. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C.

1.12. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.13. “Class Data” means Class Member identifying information in Defendants’ custody, possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3) last known telephone number(s); (4) last known Social Security Number(s); (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)); and (6) number of Class Period Workweeks and PAGA Pay Periods.

1.14. “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).

1.15. “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.

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

1.17. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

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

1.19. “Court” means the Superior Court of California, County of Los Angeles.

1.20. “Defendant” means individually, the named defendant Beyond Resource Solutions, Inc., or Caplugs, Inc.

1.21. “Defendants” means collectively, the named defendants Beyond Resource Solutions, Inc., Caplugs, Inc., and Jorge Mejia (erroneously sued as George Portillo).

1.22. “Defense Counsel” means Kevin M. Erwin and Semarnpreet Kaur of Jackson Lewis P.C., and Hieu T. Williams and Margeaux M. Pelusi of Hirschfeld and Kraemer LLP

1.23. “Effective Date” means the later of: (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 if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

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

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

1.27. “Gross Settlement Amount” means \$900,000.00 (Nine Hundred Thousand Dollars and Zero Cents) which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraphs 9.1 and/or 9.2 below and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Specifically, Caplugs agrees to pay \$675,000.00 and BRS agrees to pay \$225,000.00, for a total of \$900,000.00 Gross Settlement Amount. Each Defendant will be responsible for the payment of its respective share in employer payroll taxes owed on the Wage Portions of the Individual Class Payments to its respective Class Members. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment, and Administrator’s Expenses.

1.28. “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.

1.29. “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.

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

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

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

1.33. “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 Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.34. “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.

1.35. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

1.36. “PAGA Period” means the period from June 19, 2023 through the date of preliminary approval of the settlement, or September 14, 2026, whichever comes sooner.

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

1.38. “PAGA Notice” means Plaintiff’s June 19, 2024 letter to defendants and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a).

1.39. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$31,500.00) and the 65% to the LWDA (\$58,500.00) in settlement of PAGA claims.

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

1.41. “Plaintiff” means Ana Ortiz-Gomez, the named plaintiff in the Action.

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

1.43. “Preliminary Approval Order” means the proposed Order granting Preliminary Approval and Approval of PAGA Settlement.

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

1.45. “Released PAGA Claims” means the claims being released as described in Paragraph 5.4 below.

1.46. “Released Parties” means: Defendants, and each of their former, present and future owners, parents, affiliates, divisions and subsidiaries, and all of their current, former, and future

officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

1.47. “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.

1.48. “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) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 15 days beyond the Response Deadline has expired.

1.49. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.50. “Workweek” means any week during which a Class Member worked for Defendants, for at least one day during the Class Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).

2. RECITALS

2.1. On June 19, 2024, Plaintiff filed with the LWDA and served on Defendants a notice under Labor Code section 2699.3, stating Plaintiff intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations (“PAGA Notice”).

2.2. On June 25, 2024, Plaintiff commenced this action by filing a class action complaint alleging causes of action against Defendants for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to pay all wages due upon separation from employment; (6) failure to provide accurate wage statements; (7) failure to timely pay wages during employment; (8) failure to indemnify for business expenses; (9) failure to pay unused vested vacation time; and (10) engaging in unfair competition (the “Class Action”).

2.3. On December 9, 2024, after sixty-five (65) days had passed since the filing and serving of the PAGA Notice, without any action by the LWDA with respect to the Labor Code violations alleged in the PAGA Notice, Plaintiff filed a separate representative action under PAGA against Defendants, captioned *Ana Ortiz-Gomez v. Beyond Resource Solutions, Inc. et al.*, in the Los Angeles County Superior Court, Case No. 24STCV3225, for the Labor Code violations set out in the PAGA Notice (the “PAGA Action”).

2.4. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

2.5. Prior to mediation, Plaintiff obtained, through informal discovery: (a) time and payroll records for approximately 25% of the estimated 158 putative class members during the class period; (b) data points, including the number of putative class members, workweeks and shifts during the class period, the number of putative class members separated during the waiting time penalty period, the number of pay periods in the PAGA period, and the average hourly rate of pay; (c) wage and hour policy documents of Defendants; and (d) all documents pertaining to Plaintiff available to Defendants.

2.6. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

2.7. On March 17, 2026, the Parties participated in an all-day mediation presided over by Lynn Frank, Esquire. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action. As part and parcel to the Agreement, the Parties agreed to stipulate to Plaintiff’s filing a First Amended Complaint in the Class Action, adding all allegations in the PAGA Action, and after acceptance of the First Amended Complaint, request for dismissal without prejudice of the PAGA Action, thereby effectively consolidating the allegations in the two actions for purposes of the Settlement. The First Amended Complaint in the Class Action is the operative complaint in the Action (“Operative Complaint”).

2.8. The Court has not granted class certification.

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

1 Settlement.

2 **3. MONETARY TERMS**

3 3.1. Gross Settlement Amount. Defendants promise to pay \$900,000.00 as the Gross
4 Settlement Amount, unless increased pursuant to Paragraphs 9.1 and/or 9.2 of this Agreement,
5 and to separately pay any and all employer payroll taxes owed on the Wage Portions of the
6 Individual Class Payments. Specifically, Caplugs promises to pay \$675,000.00 and BRS
7 promises to pay \$225,000.00, for a total of \$900,000.00 Gross Settlement Amount. Each
8 Defendant will pay its respective share in employer payroll taxes owed on the Wage Portions of
9 the Individual Class Payments to its respective Class Members. Defendants have no obligation
10 to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in
11 Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
12 Amount without asking or requiring Participating Class Members or Aggrieved Employees to
13 submit any claim as a condition of payment. None of the Gross Settlement Amount will revert
14 to Defendants.

15 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
16 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
17 in the Final Approval:

18 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than
19 \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA
20 Payment Plaintiff is entitled to receive as a Participating Class Member. Defendants
21 will not oppose Plaintiff's request for a Class Representative Service Payment that does
22 not exceed this amount. As part of the motion for Class Counsel Fees Payment and
23 Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
24 Representative Service Payments prior to the Final Approval Hearing. If the Court
25 approves a Class Representative Service Payment less than the amount requested, the
26 Administrator will retain the remainder in the Net Settlement Amount. The
27 Administrator will pay the Class Representative Service Payment using IRS Form 1099.
28 Plaintiff assumes full responsibility and liability for employee taxes owed on the Class

Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35% of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 9.1 and/or 9.2 of this Agreement, is currently estimated to be \$315,000.00 and a Class Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendants will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will endeavor to file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendants harmless, and indemnifies Defendants, from any dispute or controversy regarding any division or sharing of any of these Payments. There will be no additional charge of any kind to either the Settlement Class Members or request for additional consideration from Defendants for such work unless, Defendants materially breach this Agreement, including any term regarding funding, and further efforts are necessary from Class Counsel to remedy said breach, including, without limitation, moving the Court to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation costs and expenses in amounts that are less than the amounts provided for herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$8,000.00 except for a showing of good cause and as approved by the Court. To the

extent the Administration Expenses are less or the Court approves payment less than \$8,000.00, 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 Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 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 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest 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 of \$90,000.00 to be paid from the Gross Settlement Amount, with 65% (\$58,500.00) allocated to the LWDA PAGA Payment and 35% (\$31,500.00) 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 (\$31,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b)

1 multiplying the result by each Aggrieved Employee's PAGA Period Pay
2 Periods. Aggrieved Employees assume full responsibility and liability for any
3 taxes owed on their Individual PAGA Payment.

4 3.2.5.2. If the Court approves PAGA Penalties of less than the
5 amount requested, the Administrator will allocate the remainder to the Net
6 Settlement Amount. The Administrator will report the Individual PAGA
7 Payments on IRS 1099 Forms.

8 **4. SETTLEMENT FUNDING AND PAYMENTS**

9 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of their
10 records to date, Defendants estimate there are 276 Class Members who collectively worked a
11 total of 31,000 Workweeks, and 114 of Aggrieved Employees who worked a total of 13,074
12 PAGA Pay Periods. Specifically, Caplugs estimates there are 147 Caplugs Class Members who
13 collectively worked 22,400 Workweeks and BRS estimates there are 129 BRS Class Members
14 who collectively worked 8,600 Workweeks.

15 4.2. Class Data. Not later than 15 calendar days after the Court grants Preliminary Approval
16 of the Settlement, each Defendant will simultaneously deliver its respective Class Data to the
17 Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy
18 rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for
19 purposes of this Settlement and for no other purpose, and restrict access to the Class Data to
20 Administrator employees who need access to the Class Data to effect and perform under this
21 Agreement. Defendants have a continuing duty to immediately notify Class Counsel if they
22 discover that the Class Data omitted class member identifying information and to provide
23 corrected or updated Class Data as soon as reasonably feasible. Without any extension of the
24 deadline by which Defendants must send the Class Data to the Administrator, the Parties and
25 their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve
26 any issues related to missing or omitted Class Data.

27 4.3. Funding of Gross Settlement Amount. Each Defendant shall fully fund its respective
28 share in the Gross Settlement Amount, and also fund the amounts necessary to fully pay its share

of payroll taxes by transmitting the funds to the Administrator no later than 7 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 7 days after Defendants fund 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 the 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 U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. 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 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 USPS forwarding address. Within 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 cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the *cy pres* recipient, Legal Aid at Work.

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendants 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. RELEASE OF CLAIMS

Effective upon entry of Judgment, the Order granting Final Approval of this Settlement, and on the date when Defendants fully fund the entire Gross Settlement Amount and fund 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 and his or her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA Notice. ("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

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

4 5.1.1. Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
5 purposes of Plaintiff's Release only, Plaintiff expressly waives and relinquish the
6 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
7 which reads:

8 A general release does not extend to claims that the creditor or releasing party does not
9 know or suspect to exist in his or her favor at the time of executing the release, and that
10 if known by him or her would have materially affected his or her settlement with the
11 debtor or Released Party.

12 5.2. Release by Participating Class Members: For the duration of the Class Period, all
13 Participating Class Members, on behalf of themselves and their respective former and present
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the
15 Released Parties from all claims that were alleged, or reasonably could have been alleged, based
16 on the facts stated in the Operative Complaint, including Defendants' alleged violation of the
17 California Business and Professions Code sections 17200, *et seq.*, for, inter alia, failure to pay
18 overtime and minimum wages, failure to pay minimum, straight time and all regular rate wages
19 due (including sick leave pay), failure to provide meal and rest periods and associated premium
20 payments, untimely pay of wages during employment and upon termination, failure to pay vested
21 vacation pay, inaccurate wage statements, failure to reimburse for necessary business expense,
22 any potential penalties, interest or attorneys' fees and costs associate with all such items, and any
23 other claims that could have been brought based on the underlying claims in the Action. The
24 release of each Defendant under this Section shall be conditioned solely upon that Defendant's
25 payment of its respective contribution to the Gross Settlement Amount, and the release of one
26 Defendant shall not be affected by any default or failure to pay by the other Defendant.

27 5.3. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not
28 release any other claims, including claims for vested benefits, wrongful termination, violation of

the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.4. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

6. MUTUAL DEFENDANT RELEASE

6.1. Caplugs and BRS mutually release each other for any and all potential liability resulting from any BRS workers placed with Caplugs during the Class Period. Upon the Effective Date of this Agreement, Caplugs and BRS, on behalf of themselves and their respective past, present and future parents, subsidiaries, affiliates, divisions, predecessors, successors, assigns, officers, directors, shareholders, partners, members, managers, employees, agents, insurers, attorneys, representatives, heirs, executors, and administrators, hereby mutually, fully, and forever release, acquit, and discharge one another from any and all claims, demands, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, liabilities, and obligations of any kind or nature whatsoever, whether known or unknown, suspected or unsuspected, disclosed or undisclosed, matured or unmatured, accrued or unaccrued, contingent or fixed, whether based on contract, tort, statute, or any other theory of recovery, which either party ever had, now has, or hereafter can, shall, or may have against the other arising out of or in any way related to (a) the claims, allegations, facts, or circumstances asserted in the Action; (b) the employment of Plaintiff or any Class Member or allegedly Aggrieved Employee, including any claims by Class Members who opt out of the settlement or who bring separate actions; (c) any indemnification, contribution, or other claims relating to the Action or the Settlement; and (d) any other matters that were or could have been asserted between Caplugs and BRS in connection with the Action (the "Mutual Defendant Release"). This Mutual Defendant Release shall survive any failure of the Court to grant preliminary or final approval of

the settlement, any termination of the settlement, or any default by either Defendant on its payment obligations hereunder. Caplugs and BRS acknowledge that any of them may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true but agree, nonetheless, that Mutual Defendant Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

6.1.1. Defendants' Waiver of Rights Under California Civil Code Section 1542. For purposes of Mutual Defendant Release only, Defendants expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, cited in Paragraph 5.1.1 of this Agreement.

7. MOTION FOR PRELIMINARY APPROVAL

The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

7.1. Defendants' Declaration in Support of Preliminary Approval. Within 7 days of full execution of this Agreement, Defendants will prepare and deliver to Class Counsel a signed declaration from Defendants and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient.

7.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel 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 and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense

Counsel; (v) 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; (v) a signed declaration from each 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 the Administrator.

7.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

7.4. 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 and conferring, 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 and conferring, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION

8.1. Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators ("Phoenix") to serve as the Administrator and verified that, as a condition of appointment, Phoenix 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. 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.

8.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

8.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

8.4. Notice to Class Members

8.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

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

8.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class

Members whose Class Notice is returned by the USPS a second time.

8.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the 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.

8.4.5. If the Administrator, Defendants 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, 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 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

8.5. Requests for Exclusion (Opt-Outs).

8.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her 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 postmarked by the Response Deadline.

8.5.2. 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

1 to be excluded. The Administrator's determination shall be final and not appealable or
2 otherwise susceptible to challenge. If the Administrator has reason to question the
3 authenticity of a Request for Exclusion, the Administrator may demand additional proof
4 of the Class Member's identity. The Administrator's determination of authenticity shall
5 be final and not appealable or otherwise susceptible to challenge.

6 8.5.3. Every Class Member who does not submit a timely and valid Request for
7 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
8 to all benefits and bound by all terms and conditions of the Settlement, including the
9 Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement,
10 regardless whether the Participating Class Member actually receives the Class Notice
11 or objects to the Settlement.

12 8.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
13 Non-Participating Class Member and shall not receive an Individual Class Payment or
14 have the right to object to the class action components of the Settlement. Because future
15 PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
16 Participating Class Members who are Aggrieved Employees are deemed to release the
17 claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual
18 PAGA Payment.

19 8.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
20 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
21 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods
22 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge
23 the allocation by communicating with the Administrator via mail. The Administrator must
24 encourage the challenging Class Member to submit supporting documentation. In the absence
25 of any contrary documentation, the Administrator is entitled to presume that the Workweeks
26 contained in the Class Notice are correct so long as they are consistent with the Class Data. The
27 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
28 Periods shall be final and not appealable or otherwise susceptible to challenge. The

1 Administrator shall promptly provide copies of all challenges to calculation of Workweeks
2 and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination
3 the challenges.

4 8.7. Objections to Settlement

5 8.7.1. Only Participating Class Members may object to the class action components of
6 the Settlement and/or this Agreement, including contesting the fairness of the
7 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
8 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

9 8.7.2. Participating Class Members may send written objections to the Administrator by
10 mail. In the alternative, Participating Class Members may appear in Court (or hire an
11 attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
12 A Participating Class Member who elects to send a written objection to the
13 Administrator must do so not later than 45 days after the Administrator's mailing of the
14 Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-
15 mailed).

16 8.7.3. Non-Participating Class Members have no right to object to any of the class action
17 components of the Settlement.

18 8.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
19 performed or observed by the Administrator contained in this Agreement or otherwise.

20 8.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain
21 and use an internet website to post information of interest to Class Members including
22 the date, time and location for the Final Approval Hearing and copies of the Settlement
23 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
24 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
25 Class Counsel Litigation Expenses Payment and Class Representative Service Payment,
26 the Final Approval and the Judgment. The Administrator will also maintain and monitor
27 an email address and a toll-free telephone number to receive Class Member calls and
28 emails.

1 8.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
2 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
3 Not later than 5 days after the expiration of the deadline for submitting Requests for
4 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
5 containing (a) the names and other identifying information of Class Members who have
6 timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and
7 other identifying information of Class Members who have submitted invalid Requests
8 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
9 (whether valid or invalid).

10 8.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
11 reports to Class Counsel and Defense Counsel that, among other things, tally the number
12 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
13 Exclusion (whether valid or invalid) received, objections received, challenges to
14 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
15 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
16 Weekly Reports must include provide the Administrator’s assessment of the validity of
17 Requests for Exclusion and attach copies of all Requests for Exclusion and objections
18 received.

19 8.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
20 address and make final decisions consistent with the terms of this Agreement on all
21 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
22 Administrator’s decision shall be final and not appealable or otherwise susceptible to
23 challenge.

24 8.8.5. Administrator’s Declaration. Before the date by which Plaintiff is required to file
25 the Motion for Final Approval of the Settlement, the Administrator will provide to Class
26 Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its
27 due diligence and compliance with all of its obligations under this Agreement,
28 including, but not limited to, its mailing of Class Notice, the Class Notices returned as

undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

8.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days 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.

9. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE

Based on its records, Defendants estimate that, as of the date of this Settlement Agreement, (1) there are 276 Class Members and 31,000 Total Workweeks during the Class Period and (2) there are 114 Aggrieved Employees who worked 13,074 Pay Periods during the PAGA Period. Specifically, Caplugs estimates there are 147 Caplugs Class Members who collectively worked 22,400 Workweeks and BRS estimates there are 129 BRS Class Members who collectively worked 8,600 Workweeks.

9.1. Increase in Caplugs Workweeks. Caplugs represents that there are no more than 22,400 Workweeks during the Caplugs Class Period. In the event the number of Workweeks during the Caplugs Class Period increases by more than 10%, or 2,240 Workweeks, then, at Caplugs' election: (1) the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 24,640 multiplied by the Workweek Value; or (2) the Caplugs Class Period shall end on the date the number of Workweeks reaches 24,640. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 31,000. The Parties agree that the Workweek Value amounts to \$29 per Workweek (\$900,000.00 / 31,000 Workweeks). Thus, for example, should

1 there be 24,700 Workweeks in the Caplugs Class Period, then the Gross Settlement Amount shall
2 be increased by \$1,740.00. (24,700 Workweeks – 24,640 Workweeks x \$29/Workweek.).
3 Caplugs shall provide the class data to the administrator no later than 7 days after the Court grants
4 preliminary approval of the Settlement. Caplugs shall make its election regarding the above no
5 later than 7 days after receiving information from the Administrator regarding the Workweek
6 count. Should Caplugs fail to make its election within the above timeframe, then option (1) shall
7 automatically apply.

8 9.2. Increase in BRS Workweeks. BRS represents that there are no more than 8,600
9 Workweeks during the BRS Class Period. In the event the number of Workweeks during the
10 BRS Class Period increases by more than 10%, or 860 Workweeks, then, at BRS' election: (1)
11 the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of
12 9,460 multiplied by the Workweek Value; or (2) the BRS Class Period shall end on the date the
13 number of Workweeks reaches 9,460. The Workweek Value shall be calculated by dividing the
14 Gross Settlement Amount by 31,000. The Parties agree that the Workweek Value amounts to
15 \$29 per Workweek (\$900,000.00 / 31,000 Workweeks). Thus, for example, should there be
16 9,500 Workweeks in the BRS Class Period, then the Gross Settlement Amount shall be increased
17 by \$1,160. (9,500 Workweeks – 9,460 Workweeks x \$29/Workweek.). BRS shall provide the
18 class data to the administrator no later than 7 days after the Court grants preliminary approval of
19 the Settlement. BRS shall make its election regarding the above no later than 7 days after
20 receiving information from the Administrator regarding the Workweek count. Should BRS fail
21 to make its election within the above timeframe, then option (1) shall automatically apply.

22 9.3. Caplugs' and/or BRS' election under Paragraph 9.1 and/or 9.2 of this Agreement shall be
23 independent and shall not affect the other Defendant's obligations or Class Period. Caplugs'
24 and/or BRS' escalator obligation under the applicable Paragraph(s) shall be calculated and
25 applied independently, and neither Caplugs nor BRS shall be liable for any increase attributable
26 to the other's Workweeks.

10. DEFENDANTS' RIGHT TO WITHDRAW

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Either Defendant may, but is not obligated, elect to withdraw from the Settlement as to itself if the number of valid Requests for Exclusion identified in the Exclusion List exceeds five percent (5%) of all its Class Members. The Parties agree that, if a Defendant withdraws, the Settlement shall be void ab initio and have no force or effect whatsoever between Plaintiff and the withdrawing Defendant, and that neither Plaintiff nor the withdrawing Defendant will have any further obligation to perform under this Agreement; provided, however, the withdrawing Defendant will remain responsible for paying its share in the Settlement Administration Expenses incurred to that point. Each Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel. Late elections will have no effect. The exercise of this right by one Defendant shall not affect the settlement as to the other Defendant, which shall remain in full force and effect unless that Defendant independently exercises its own right to withdraw under this Paragraph.

11. MOTION FOR FINAL APPROVAL

Prior to the calendared Final Approval Hearing, 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 endeavor to 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, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

11.1. 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 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of

1 release to be granted by Class Members), the Parties will expeditiously work together in good
2 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
3 Approval. The Court's decision to award less than the amounts requested for the Class
4 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
5 Expenses Payment, Administrator Expenses Payment and/or individual claims of plaintiff for
6 alleged wrongful termination, shall not constitute a material modification to the Agreement
7 within the meaning of this paragraph.

8 11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
9 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
10 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
11 and (iii) addressing such post-Judgment matters as are permitted by law.

12 11.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
13 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
14 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their
15 respective counsel, and all Participating Class Members who did not object to the Settlement as
16 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
17 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
18 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
19 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
20 Parties' obligations to perform under this Agreement will be suspended until such time as the
21 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
22 the amount of the Net Settlement Amount.

23 11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
24 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
25 modification of this Agreement (including, but not limited to, the scope of release to be granted
26 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
27 expeditiously work together in good faith to address the appellate court's concerns and to obtain
28 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration

1 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
2 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
3 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
4 as long as the Gross Settlement Amount remains unchanged

5 **12. AMENDED JUDGMENT**

6 If any amended judgment is required under Code of Civil Procedure section 384, the
7 Parties will work together in good faith to jointly submit and a proposed amended judgment.

8 **13. ADDITIONAL PROVISIONS**

9 **13.1. No Admission of Liability, Class Certification or Representative Manageability for Other**
10 **Purposes.** This Agreement represents a compromise and settlement of highly disputed claims.
11 Nothing in this Agreement is intended or should be construed as an admission by Defendants
12 that any of the allegations in the Operative Complaint have merit or that Defendants have any
13 liability for any claims asserted; nor should it be intended or construed as an admission by
14 Plaintiff that Defendants' defenses in the Action have merit. The Parties agree that class
15 certification and representative treatment is for purposes of this Settlement only. If, for any
16 reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendants
17 reserve the right to contest certification of any class for any reasons, and Defendants reserve all
18 available defenses to the claims in the Action, and Plaintiff reserves the right to move for class
19 certification on any grounds available and to contest Defendants' defenses. The Settlement, this
20 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be
21 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
22 Settlement and this Agreement).

23 **13.2. Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Defendants and
24 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
25 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
26 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
27 or indirectly, specifically or generally, to any person, corporation, association, government
28 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom

1 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
2 extent necessary to report income to appropriate taxing authorities; (4) in response to a court
3 order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
4 government agency. Each Party agrees to immediately notify each other Party of any judicial or
5 agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel,
6 Defendants and Defense Counsel separately agree not to, directly or indirectly, initiate any
7 conversation or other communication, before the filing of the Motion for Preliminary Approval,
8 any with third party regarding this Agreement or the matters giving rise to this Agreement except
9 to respond only that “the matter was resolved,” or words to that effect. This paragraph does not
10 restrict Class Counsel’s communications with Class Members in accordance with Class
11 Counsel’s ethical obligations owed to Class Members.

12 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and
13 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
14 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s
15 ability to communicate with Class Members in accordance with Class Counsel’s ethical
16 obligations owed to Class Members.

17 13.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
18 together with its attached exhibits shall constitute the entire agreement between the Parties
19 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
20 inducements made to or by any Party.

21 13.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
22 represent that they are authorized by Plaintiff and Defendants, respectively, to take all appropriate
23 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
24 its terms, and to execute any other documents reasonably required to effectuate the terms of this
25 Agreement including any amendments to this Agreement.

26 13.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
27 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
28 Settlement Agreement, submitting supplemental evidence and supplementing points and

1 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
2 or content of any document necessary to implement the Settlement, or on any modification of the
3 Agreement that may become necessary to implement the Settlement, the Parties will seek the
4 assistance of a mediator and/or the Court for resolution.

5 13.7. No Prior Assignments. The Parties separately represent and warrant that they have not
6 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
7 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
8 action, or right released and discharged by the Party in this Settlement.

9 13.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel are
10 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
11 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
12 Part 10, as amended) or otherwise.

13 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
14 modified, changed, or waived only by an express written instrument signed or agreed to by all
15 Parties or their representatives, and approved by the Court. Plaintiff and Defendants expressly
16 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
17 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
18 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
19 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
20 the use of signatures previously provided by the Parties.

21 13.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
22 the benefit of, the successors of each of the Parties.

23 13.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
24 governed by and interpreted according to the internal laws of the state of California, without
25 regard to conflict of law principles.

26 13.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
27 this Agreement. This Agreement will not be construed against any Party on the basis that the
28 Party was the drafter or participated in the drafting

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

13.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

13.15. 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.

13.16. 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.

13.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or 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.

13.18. 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 that 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.

13.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants’ Counsel

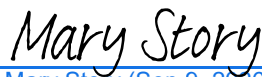
and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

13.20. Defendants' Several Liability. Defendants' obligations under this Agreement are several and not joint. Each Defendant shall be responsible solely for its respective share in the Gross Settlement Amount and employer payroll taxes owed on the Wage Portions of the Individual Class Payments to its respective Class Members, and any increases thereof attributable to an increase in the number of its Workweeks pursuant to Paragraphs 9.1 or 9.2 of this Agreement, whichever is applicable. Neither Defendant shall be liable for the obligations of the other Defendant, and any default by one Defendant shall not affect the obligations or rights of the non-defaulting Defendant under this Agreement. Plaintiff shall have no right to seek contribution, payment, or recovery from one Defendant for any amounts owed by the other Defendant.

///

[SIGNATURE PAGE TO FOLLOW]

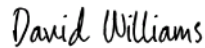
IT IS SO AGREED:



Mary Story (Sep 9, 2026 13:47:31 PDT)

Plaintiff, Ana Ortiz-Gomez

For Defendant, Beyond Resource Solutions,
Inc.



For Defendant, Caplugs, Inc.



Defendant, Jorge Mejia

AGREED AS TO FORM ONLY:



David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

Kevin M. Erwin
Semarnpreet Kaur
Counsel for Defendant, Beyond
Resource Solutions, Inc.



Hieu T. Williams
Margeaux M. Pelusi
Counsel for Defendants, Caplugs, Inc., and
Jorge Mejia

IT IS SO AGREED:

Ana Maria Ortiz-Gomez

08/19/2026

Plaintiff, Ana Ortiz-Gomez

For Defendant, Beyond Resource Solutions,
Inc.

For Defendant, Caplugs, Inc.

Defendant, Jorge Mejia

AGREED AS TO FORM ONLY:

David D. Bibiyan

08/21/2026

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

Kevin M. Erwin
Semarnpreet Kaur
Counsel for Defendant, Beyond
Resource Solutions, Inc.

Hieu T. Williams
Margeaux M. Pelusi
Counsel for Defendants, Caplugs, Inc., and
Jorge Mejia

EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Ortiz-Gomez v. Beyond Resource Solutions, Inc., et al.

(County of Los Angeles, California Superior Court Case No. 24STCV15833)

As a current or former non-exempt, hourly-paid California employee of Beyond Resource Solutions, Inc., Caplugs, Inc., and Jorge Mejia, you are entitled to receive money from a class action settlement.

Please read this Notice carefully. This Notice relates to a proposed settlement of class action litigation. If you are a Class Member, it contains important information about your right to receive a payment from the Settlement fund.

You have received this Notice of Class Action Settlement because the records of defendants Beyond Resource Solutions, Inc., Caplugs, Inc., and Jorge Mejia, erroneously sued as George Portillo (collectively, “Defendants”), show that you are a “Class Member” and, therefore, entitled to a payment from this class action settlement. Class Members are comprised of: (1) “Caplugs Class Members” which means all persons directly employed by defendant Caplugs, Inc. (“Caplugs”) in California and classified as non-exempt, hourly-paid employees who worked for Caplugs during the period from August 26, 2021 through the date of preliminary approval of the settlement [or [REDACTED]] (“Caplugs Class Period”); and (2) “BRS Class Members” which means all persons employed by defendant Beyond Resource Solutions, Inc. (“BRS”) in California and classified as non-exempt, hourly-paid employees, who were placed to work for Caplugs, during the period from June 25, 2020 through [REDACTED] (“BRS Class Period”).

- The settlement is to resolve a class action lawsuit, *Ortiz-Gomez v. Beyond Resource Solutions, Inc. et al.*, pending in the Superior Court of California for the County of Los Angeles, Case Number 24STCV15833 (the “Lawsuit”), alleging causes of action against Defendants for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to pay all wages due upon separation from employment; (6) failure to provide accurate wage statements; (7) failure to timely pay wages during employment; (8) failure to indemnify for business expenses; (9) failure to pay unused vested vacation time; and (10) unfair competition within the meaning of Business and Professions Code section 17200. Plaintiff also seeks civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) for violations of the Labor Code.
- On [REDACTED], the Los Angeles County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants vigorously deny the claims in the Lawsuit and contend that they fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	otherwise be released by the settlement of the Lawsuit. If you worked at any time during the period from June 19, 2023 through the date of preliminary approval of settlement, or September 14, 2026, whichever comes sooner (“PAGA Period”) as a non-exempt, hourly-paid employee of Defendants, you will be deemed an “Aggrieved Employee.” You will still receive your share of the proceeds available from the settlement of the Released PAGA Claims, defined below, (your “Individual PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, [REDACTED], explaining why you object to the settlement. The Administrator will forward your concerns to counsel, which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing, scheduled for [REDACTED], in Department 9 of the Spring Street Courthouse of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012.

The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held on [REDACTED], in the Spring Street Courthouse of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012, in Department 9. You are not required to attend the hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants’ records show that you currently work, or previously worked, for Defendants, as an hourly-paid, non-exempt employee in the State of California at some point during the Class Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

What is This Case About?

Ana Ortiz-Gomez was an hourly-paid, non-exempt employee of Defendants. She is the “Plaintiff” in this case and is suing on behalf of herself and Class Members for Defendants’ alleged, failure to pay overtime wages, failure to pay minimum wages, failure to provide meal periods or compensation in lieu thereof, failure to provide rest periods or compensation in lieu thereof, failure to pay all wages due upon separation from employment, failure to provide accurate wage statements, failure to timely pay wages during employment, failure to indemnify for business expenses, failure to pay unused vested vacation time, and unfair competition within the meaning of

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Business and Professions Code section 17200.

Based on the alleged Labor Code violations mentioned above and other alleged Labor Code violations, Plaintiff also seeks penalties under the California Labor Code Private Attorneys General Act (“PAGA”).

Defendants deny all the allegations made by Plaintiff and deny that they violated any law. The Court has made no ruling on the merits of Plaintiff’s claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Summary of the Settlement Terms

Plaintiff and Defendants have agreed to settle this case on behalf of themselves and Class Members and Aggrieved Employees for the Gross Settlement Amount of \$900,000.00, unless increased pursuant to the Settlement Agreement. Specifically, Caplugs agrees to pay \$675,000.00 and BRS agrees to pay \$225,000.00, for a total of \$900,000.00 Gross Settlement Amount. The Gross Settlement includes (1) Administration Costs up to \$8,000.00; (2) a service award of not more than \$10,000.00 to Plaintiff for her time and effort in pursuing this case; (3) up to thirty-five percent (35%) of the Gross Settlement Amount in attorneys’ fees which, unless increased pursuant to the Settlement Agreement, amounting to \$315,000.00; (4) up to \$30,000.00 in litigation costs to Class Counsel, according to proof; and (5) payment allocated to PAGA penalties in the amount of \$90,000.00 of the Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, sixty-five percent (65%) of the amount allocated toward PAGA, or \$58,500.00, will be paid to the LWDA and thirty-five percent (35%), or \$31,500.00, will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than \$ [REDACTED] will be available for distribution to Class Members (“Net Settlement Amount”).

Increase in Caplugs Workweeks. Caplugs represents that there are no more than 22,400 Period increases by more than 10%, or 2,240 Workweeks, then, at Caplugs’ election: (1) the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 24,640 multiplied by the Workweek Value; or (2) the Caplugs Class Period shall end on the date the number of Workweeks reaches 24,640. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 31,000. The Parties agree that the Workweek Value amounts to \$29 per Workweek (\$900,000.00 / 31,000 Workweeks). Thus, for example, should there be 24,700 Workweeks in the Caplugs Class Period, then the Gross Settlement Amount shall be increased by \$1,740.00. (24,700 Workweeks – 24,640 Workweeks x \$29/Workweek.). Caplugs shall provide the class data to the administrator no later than 7 days after the Court grants preliminary approval of the Settlement. Caplugs shall make its election regarding the above no later than 7 days after receiving information from the Administrator regarding the Workweek count. Should Caplugs fail to make its election within the above timeframe, then option (1) shall automatically apply.

Increase in BRS Workweeks. BRS represents that there are no more than 8,600 Workweeks during the BRS Class Period. In the event the number of Workweeks during the BRS Class Period increases by more than 10%, or 860 Workweeks, then, at BRS’ election: (1) the Gross Settlement Amount shall be increased proportionally by the Workweeks in excess of 9,460 multiplied by the Workweek Value; or (2) the BRS Class Period shall end on the date the number of Workweeks reaches 9,460. The Workweek Value shall be calculated by dividing the Gross Settlement Amount by 31,000. The Parties agree that the Workweek Value amounts to \$29 per Workweek (\$900,000.00 / 31,000 Workweeks). Thus, for example, should there be 9,500 Workweeks in the BRS Class Period, then the Gross Settlement Amount shall be increased by \$1,160. (9,500 Workweeks – 9,460 Workweeks x \$29/Workweek.). BRS shall provide the class data to the administrator no later than 7 days after the Court grants preliminary approval of the Settlement. BRS shall make its election regarding the above no later than 7

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

days after receiving information from the Administrator regarding the Workweek count. Should BRS fail to make its election within the above timeframe, then option (1) shall automatically apply.

Caplugs' and/or BRS' election under the Agreement shall be independent and shall not affect the other defendant's obligations or Class Period. Caplugs' and/or BRS' escalator obligation under the the Agreement shall be calculated and applied independently, and neither Caplugs nor BRS shall be liable for any increase attributable to the other's Workweeks.

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of weeks worked by Participating Class Members in hourly-paid, non-exempt positions for Defendants in California during the Class Period ("Eligible Workweeks"). Specifically, Class Members' payments will be calculated by dividing the Net Settlement Amount by the total number of Eligible Workweeks worked by all Participating Class Members during the Class Period, multiplied by the number of Eligible Workweeks attributed to the Class Member. Otherwise stated, the formula for a Class Member is: (Net Settlement Amount ÷ total Settlement Class Eligible Workweeks) × Individual's Eligible Workweeks. In addition, Class Members who worked during the PAGA Period (i.e., Aggrieved Employees) will receive a pro rata share of the \$31,500.00 allocated to Aggrieved Employees as PAGA penalties, whether or not they opt out, based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period.

Defendants' records indicate that you worked [Eligible Workweeks] Workweeks as a non-exempt, hourly-paid employee in California during the Class Period and [Eligible Pay Periods] Workweeks during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment as an Aggrieved Employee would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator no later than [Response Deadline]. Please include any documentation you have that you contend supports your dispute. You should send copies rather than originals because the documents will not be returned to you.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties and reported on IRS Form 1099. 20% of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and 80% will be allocated as penalties and interest and reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks will be cancelled and the funds associated will be transmitted to the the *cy pres* recipient, Legal Aid at Work.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Class Payment (i.e., your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all “Released Claims” he or she may have or had upon final approval of this Settlement and payment by Defendants to the Settlement Administrator.

Effective upon entry of Judgment, the Order granting Final Approval of the Settlement, and on the date when Defendants fully fund the entire Gross Settlement Amount and fund 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:

Released Class Claims: For the duration of the Class Period, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint, including Defendants’ alleged violation of the California Business and Professions Code sections 17200, *et seq.*, for, inter alia, failure to pay overtime and minimum wages, failure to pay minimum, straight time and all regular rate wages due (including sick leave pay), failure to provide meal and rest periods and associated premium payments, untimely pay of wages during employment and upon termination, failure to pay vested vacation pay, inaccurate wage statements, failure to reimburse for necessary business expense, any potential penalties, interest or attorneys’ fees and costs associate with all such items, and any other claims that could have been brought based on the underlying claims in the Action. The release of each defendant under this Section shall be conditioned solely upon that defendant's payment of its respective contribution to the Gross Settlement Amount, and the release of one defendant shall not be affected by any default or failure to pay by the other defendant.

Released PAGA Claims: For the duration of the PAGA Period, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

“Released Parties” means Defendants, and each of their former, present and future owners, parents, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

Option 2 – Opt Out of the Settlement

If you do not wish to receive your Individual Class Payment or release the Released Class Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must include your name, address, email address or telephone number, last four (4) digits of your Social Security Number and any statement standing for the proposition that you do not wish to participate in the settlement. Sign, date, and mail your written request for exclusion to the address below.

[Settlement Administrator]
[Mailing Address]

To be valid, your written request for exclusion must be mailed and postmarked to the Administrator not later than

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

[RESPONSE DEADLINE].

The proposed settlement includes the settlement of the Released PAGA Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the settlement, if you are an Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the Released PAGA Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – *Submit an Objection to the Settlement*

If you wish to object to the Settlement, you may submit an objection in writing by mail, stating why you object to the Settlement. Your written objection must provide your name, address, email address or telephone number, last four (4) digits of your Social Security Number, signature, a statement of whether you plan to appear at the Final Approval Hearing, and a statement of the reason(s), along with whatever legal authority, if any, why you believe that the Court should not approve the Settlement. Your written objection must be mailed to the Administrator no later than **[RESPONSE DEADLINE]**. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Even if you don't submit a written objection, you may appear at the Final Approval Hearing and provide a verbal objection before the Court.

Final Approval Hearing

You may, if you wish, appear at the Final Approval Hearing set for [REDACTED] at [REDACTED] a.m. in Department 9 of the Spring Street Courthouse of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at <https://lacc.lacourt.org/>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at **[PHONE NUMBER]** or Class Counsel, whose information appears below:

BIBIYAN LAW GROUP, P.C.

Vedang J. Patel (SBN 328647)
vedang@tomorrowlaw.com
Keaton Mendoza (SBN 321172)
kmendoza@tomorrowlaw.com
1460 Westwood Boulevard
Los Angeles, California 90024
Tel: (310) 438-5555; Fax: (310) 300-1705

You may also visit the Settlement Administrator's website at **[WEBSITE]** to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

Questions? Contact the Settlement Administrator toll free at **[PHONE NUMBER]**

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at Department 9 of the Spring Street Courthouse of the Los Angeles County Superior, located at 312 North Spring Street, Los Angeles, CA 90012, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://lacc.lacourt.org/>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANTS, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.**

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]