

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement is entered into by and between Plaintiffs Elsa Chavez and Orlando A. Rojas (collectively, “Plaintiffs”), individually and in their representative capacities on behalf of the putative class and alleged aggrieved employees as private attorneys general on behalf of the State of California, and Defendant TLD Logistics Services, Inc. (“Defendant”), and is approved by their respective counsel of record, subject to the terms and conditions hereof and the Court’s approval.

A. DEFINITIONS

1. “Action” means the case entitled *Elsa Chavez v. TLD Logistics Services, Inc.*, San Bernardino County Superior Court Case No. CIVSB2314330 [the “Chavez Action”], including all PAGA notices filed by Plaintiffs Chavez and Rojas, and the Second Amended Complaint¹ that will be filed adding Orlando Rojas as a Plaintiff and claims pleaded in the Orlando Rojas lawsuit (*Orlando A. Rojas v. TLD Logistics Services, Inc.*, San Bernardino County Superior Court Case No. CIVSB2419980, [the “Rojas Action”]) to the Chavez Action. The Chavez Action and the Rojas Action were noticed as related cases, on or around July 11, 2024, with the Chavez Action assigned as the lead case for purposes of this Action.

2. “Aggrieved Employees” means all current and former non-exempt hourly employees who worked for Defendant within California from June 22, 2022, through the Preliminary Approval Date.

3. “Agreement,” “Settlement Agreement,” or “Settlement” means this Class Action and PAGA Settlement Agreement, including any attached Exhibits.

4. “Class” or “Class Members” means all of Defendant’s current and former non-exempt hourly employees that worked for Defendant in the State of California from June 22, 2019, through the Preliminary Approval Date.

¹ The Parties have entered into a stipulation for the filing of the Second Amended Complaint. If that stipulation is not granted by the Court and the Second Amended Complaint is not filed by the hearing on the motion for preliminary approval, Defendant may elect, but is not obligated, to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement.

1 5. “Released Class Claims” means the claims being released as described in Paragraph
2 [54], below.

3 6. “Class Counsel” means Manny Star and Adam Rose of Frontier Law Center, Mehrdad
4 Bokhour of Bokhour Law Group, P.C., and Sam Rezvani of Venture Law, P.C.

5 7. “Class Data” means a complete list of Class Members, including each Class Member’s
6 full name, last known mailing address, telephone number, Social Security Number, workweek and
7 pay period numbers where feasible, and hire and termination dates where workweek/pay period
8 numbers are not provided.

9 8. “Class Period” shall mean June 22, 2019, through the Preliminary Approval Date,
10 except as set forth in the Escalator Provision in Paragraph 96, below.

11 9. “Class Representative” means the named Plaintiffs in the Action, Elsa Chavez and
12 Orlando Rojas, who are seeking Court approval to serve as Class Representatives.

13 10. “Complaint” means, collectively, the operative Complaint in the Action, and any
14 amendments thereto.

15 11. “Court” means the Superior Court of California, County of San Bernardino.

16 12. “Defendant” means TLD Logistics Services, Inc.

17 13. “Defendant’s Counsel” or “Defense Counsel” means Jon G. Miller, P. Dustin
18 Bodaghi, and Jackson A. Zimmerman of Little Mendelson, P.C.

19 14. “Effective Date” means the date by which all of the following have occurred: (a) the
20 Court enters a judgment on its Order Granting Final Approval of the Settlement; (b) the judgment is
21 final; and (c) 65 days have passed and the period of time to appeal has lapsed. The judgment is final
22 as of the latest of the following occurrences: (a) if no participating Settlement Class Member objects
23 to the Settlement, 90 days after the Court enters judgment and the time to appeal lapses; (b) if one or
24 more participating Settlement Class Members objects to the Settlement, the day after the deadline for
25 filing a notice of appeal from the judgment; or if a timely appeal from the judgment is filed, the day
26 after the appellate court affirms the judgment and issues a remittitur. “Final” means that the
27 Settlement has been granted “Final Approval” by the Court and the “Effective Date” has occurred.

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

and entering judgment.

16. “Final Settlement Class” means, collectively, all Participating Class Members and Aggrieved Employees.

17. “Gross Settlement Amount” means the total amount that Defendant shall pay in connection with this Settlement in exchange for the release of claims described in Paragraph [5] of this Agreement. The Gross Settlement Amount is the gross sum of Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) (the “Gross Settlement Amount”). The Gross Settlement Amount includes Individual Settlement Amounts (including PAGA payments to the Aggrieved Employees), attorneys’ fees of Class Counsel, costs and expenses, the Service Payment to the Class Representatives, all Settlement Administration Costs, and payment to the Labor Workforce Development Agency (“LWDA”) for PAGA penalties. Defendant shall separately pay the employers’ share of applicable payroll taxes.

18. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph [49(b)] below.

19. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph [49(a)] below.

20. “Notice” means the Court approved Notice of Class Action and PAGA Settlement to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** to this Agreement and incorporated by reference into this Agreement.

21. “Notice Response Deadline” is forty-five (45) calendar days from the date the Notice is mailed to the Settlement Class Members.

22. “Objecting Settlement Class Member” means a Settlement Class Member, other than Plaintiffs, who submits a valid and timely objection to the terms of this Agreement with respect to the Class Claims pursuant to Paragraph [69(c)] below.

23. “PAGA” shall refer to the California Private Attorneys General Act of 2004, California Labor Code §§ 2698, et seq.

24. “Released PAGA Claims” shall mean the PAGA claims being released as described in Paragraph [55], below.

1 25. “PAGA Notice” shall refer, collectively, to all of the notices sent by Plaintiffs, by and
2 through counsel, to the LWDA and to Defendant, alleging that Defendant engaged in violations of
3 the California Labor Code and California Wage Order(s).

4 26. “PAGA Penalties” means the total amount of \$22,500 in PAGA penalties to be paid
5 from the Gross Settlement Amount, 25% of which, or \$5,625, shall be paid out to Aggrieved
6 Employees in settlement of the Released PAGA Claims.

7 27. “PAGA Period” shall mean June 22, 2022, through the Preliminary Approval Date,
8 except as set forth in the Escalator Provision in Paragraph 96, below.

9 28. “Participating Class Member” means a Class Member who does not opt out of the
10 Settlement by submitting a valid and timely Request for Exclusion.

11 29. “Parties” or “Settling Parties” mean Plaintiffs, the Settlement Class Members, the
12 Aggrieved Employees, and Defendant, collectively.

13 30. “Preliminary Approval Date” means the date the Court preliminarily approves the
14 Settlement Agreement, and the exhibits thereto, and enters the Preliminary Approval Order.

15 31. “Preliminary Approval Order” means the judicial Order to be entered by the Court,
16 upon the application or motion of the Plaintiffs, preliminarily approving this Settlement and providing
17 for the issuance of the Notice to the Settlement Class Members, an opportunity to opt out of settlement
18 of the Class Claims, an opportunity to submit timely objections to the terms of this Settlement related
19 to the Class Claims, and setting a hearing on the fairness of the terms of Settlement, including
20 approval of attorneys’ fees and costs.

21 32. “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator
22 for the benefit of the Final Settlement Class, and from which the settlement and individual PAGA
23 payments shall be made, and which is intended to be a fund that qualifies under US Treasury
24 Regulation Section 468B-1.

25 33. “Release” shall mean the release and discharge of the Class Claims by Plaintiffs and
26 all of the Participating Class Members and the release and discharge of the PAGA Claims by
27 Plaintiffs, the State of California, and all of the Aggrieved Employees.

28 34. “Released Parties” shall refer to Defendant and all of Defendant’s past, present and

1 future parent companies, subsidiaries, affiliates, shareholders, members, agents, predecessors,
2 successors, acquirers, parent, related entities, owners, officers, directors, shareholders, employees,
3 agents, principals, representatives, accountants, auditors, consultants, insurers and reinsurers and
4 assigns.

5 35. "Request for Exclusion" shall have the meaning ascribed to it in Paragraph [69(a)]
6 below.

7 36. "Service Payments" or "Service Awards" means the amount approved by the Court to
8 be paid to each of the Class Representatives, not to exceed Ten Thousand Dollars (\$10,000) each, in
9 addition to their respective Individual Settlement Amount as a Participating Class Member.

10 37. "Settlement Administration Costs" means the costs payable from the Gross Settlement
11 Amount to the Settlement Administrator for administering this Settlement, including, but not limited
12 to, printing, distributing, and tracking documents for this Settlement, tax reporting, due diligence,
13 reporting and remittance obligations, distributing the Net Settlement Amount, and providing
14 necessary reports and declarations, as requested by the Parties.

15 38. "Settlement Administrator" means and refers to Phoenix Class Action Administration
16 Solutions, which the Parties have mutually agreed will provide the Notice to the Class Members and
17 distribute payments from the Gross Settlement Amount as described in this Agreement.

18 39. "Settlement Class Member" refers to individual members of the Settlement Class.

19 40. "Settlement Class" and "Settlement Class Members" refers to all persons who are or
20 were previously employed by Defendant in California classified as a non-exempt employee during
21 the Class Period.

22 41. "Workweek" means any week during which a Class Member worked at least one shift
23 for Defendant during the Class Period, as applicable. Workweeks shall not include weeks where a
24 Class Member only had sick time, vacation time, was on leave, or otherwise did not perform any
25 actual work for Defendant. Workweeks will be calculated based on Defendant's business records.

26 **B. GENERAL TERMS**

27 42. On or about June 22, 2023, Plaintiff Chavez filed a putative wage-and-hour class
28 action lawsuit in San Bernardino County Superior Court against Defendant stemming from its alleged

1 (1) failure to pay all minimum and overtime wages, (2) meal and rest period violations, (3) wage
2 statement violations, (4) sick pay violations, and (5) unfair competition. On the same day, Plaintiff
3 Chavez notified Defendant and the LWDA of the same alleged Labor Code violations and its intent
4 to seek penalties for the underlying violations under the PAGA. On or about October 16, 2023,
5 Plaintiff Chavez filed her First Amended Complaint to add a cause of action seeking PAGA penalties.
6 On or about June 17, 2024, Plaintiff Rojas filed a substantially similar lawsuit with similar
7 overlapping claims, with additional claims for Defendant's alleged (1) failure to maintain accurate
8 employment records, (2) failure to pay wages timely during employment, (3) failure to pay all earned
9 wages due to separated employees, and (4) failure to reimburse necessary business expenses.
10 Considering the extent of the Plaintiffs' overlapping allegations, and in the interest of reaching a
11 mutually agreeable resolution for all involved parties, Plaintiff Chavez and Plaintiff Rojas agreed to
12 participate jointly in a mediation to resolve their claims against Defendant.

13 43. Defendant denies Plaintiffs' claims and allegations and further contends that the
14 Action is not suitable for class certification and/or representative treatment.

15 44. Class Representatives believe they can proceed with their class and representative
16 claims, that the Action is meritorious, and that class certification is appropriate.

17 45. The Parties have conducted a thorough investigation into the facts of the Action. This
18 includes conducting extensive exchange of informal discovery, including Defendant's written
19 policies and practices and the production of payroll and timekeeping records for Settlement Class
20 Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done
21 extensive research with respect to the applicable law and potential defenses to the claims of the
22 Settlement Class Members and Aggrieved Employees. Class Counsel has diligently pursued an
23 investigation of the Class Members' claims against Defendant. Based on the foregoing data and on
24 their own independent investigation and evaluation, Class Counsel is of the opinion that the
25 settlement with Defendant for the consideration and on the terms set forth in this Settlement
26 Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class
27 Members and Aggrieved Employees in light of all known facts and circumstances, including the risk
28 of significant delay and uncertainty associated with litigation, various defenses asserted by

1 Defendant, and numerous potential appellate issues.

2 46. On July 16, 2024, the Parties participated in mediation before David Phillips, Esq., a
3 highly experienced class action mediator, and reached a settlement.

4 47. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to
5 be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement, shall
6 be construed as an admission by Defendant of any wrongdoing or as a violation of any statute or law
7 or liability on the claims or allegations in the Action.

8 48. Stipulation for Class Certification and Representative Treatment. For settlement
9 purposes only, Defendant will stipulate that the Settlement Class Members described herein who do
10 not Request Exclusion from the Settlement Class may be conditionally certified as a settlement class
11 and that the Aggrieved Employees are appropriate for representative treatment for purposes of
12 settlement. This stipulation to certification and representative treatment is in no way an admission
13 that class action certification and/or representative treatment is proper and shall not be admissible in
14 this or in any other action except for the sole purposes of enforcing this Agreement. Should, for
15 whatever reason, the Court fail to issue Final Approval, the Parties' stipulation to class certification
16 and representative treatment and Memorandum of Understanding that was executed as part of the
17 Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be
18 admissible in connection with, the issue of whether or not class certification and/or representative
19 treatment would be appropriate in a non-settlement context. Defendant expressly reserves its rights
20 and declares that it will continue to oppose class certification, representative treatment, and the
21 substantive merits of the case should the Court fail to issue Final Approval. Plaintiffs expressly
22 reserve their rights and declare that they will continue to pursue class certification and representative
23 treatment and a trial should the Court fail to issue Final Approval.

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26 **C. TERMS OF SETTLEMENT**
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1 49. The financial terms of the Settlement are as follows: the Settlement Administrator will
2 make and deduct the following payments from the Gross Settlement Amount, in the amounts
3 specified by the Court in the Final Approval.

4 (a) Net Settlement Amount: The “Net Settlement Amount” is defined as the Gross
5 Settlement Amount less the Attorneys’ Fees and Costs as approved and awarded by the Court, the
6 Service Payments to each Class Representative as approved and awarded by the Court, the Settlement
7 Administration Costs as approved and awarded by the Court, and Twenty-Two Thousand Five
8 Hundred Dollars (\$22,500.00) allocated to payment for PAGA penalties as described in paragraph
9 [49(b)(i)] below. In the event that the Court reduces the attorneys’ fees and litigation costs, Service
10 Awards, or Settlement Administration Costs, or either increases or decreases the amount allocated to
11 PAGA penalties, the Net Settlement Amount shall be increased or decreased accordingly.

12 (b) Individual Settlement Amounts for the Settlement Class: The Settlement
13 Administrator will use the Class Data provided by Defendant to calculate each Participating Class
14 Member’s and Aggrieved Employee’s Individual Settlement Amounts based on the following
15 formulas:

16 i. PAGA Amount: \$22,500 of the Gross Settlement Amount has been
17 designated to PAGA Penalties. Twenty-five percent (25%), or \$5,625, shall be paid out to Aggrieved
18 Employees, while seventy-five percent (75%), or \$16,875, will be paid to the LWDA. Each
19 Aggrieved Employee shall receive a portion of the \$5,625 proportionate to the number of pay periods
20 worked by the Aggrieved Employees during the PAGA Period compared to the total number of
21 PAGA Pay periods worked by all Aggrieved Employees during the PAGA Period. Aggrieved
22 Employees shall have their settlement amount for the Released PAGA claims paid one hundred
23 percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement
24 Administrator will issue a Form 1099.

25 ii. Class Amount: The Net Settlement Amount shall be allocated to each
26 Participating Class Member based on his/her/their proportionate Workweeks Worked during the
27 Class Period. This is determined by multiplying the Net Settlement Amount by a fraction, the
28 numerator of which is the Participating Class Member’s total Workweeks Worked during the Class

1 Period, and the denominator of which is the total Workweeks Worked by all Participating Class
2 Members during the Class Period. If there are any timely submitted Requests for Exclusion, the
3 Settlement Administrator shall proportionately increase the Individual Settlement Amounts for each
4 Participating Class Member so that the amount actually distributed to Participating Class Members
5 equals 100% of the Net Settlement Amount allocated toward Released Class Claims.

6 (c) Allocation of Individual Settlement Amounts: The Individual Settlement
7 Amounts will be allocated for tax purposes based on the allegations in the Action as follows: twenty-
8 five percent (25%) will be paid as wages subject to withholding of all applicable local, state, and
9 federal taxes; and seventy-five percent (75%) will be paid as settlement of claims for interest and
10 non-statutory damages (pursuant to, *e.g.*, California Labor Code §§ 203, 226) from which no taxes
11 will be withheld. The Settlement Administrator will issue to each Participating Class Member an
12 Internal Revenue Service ("IRS") Form W-2 and comparable state forms with respect to the wage
13 allocation and a Form 1099 with respect to the civil penalties and interest allocations.

14 (d) Service Payments to Class Representatives: The amount awarded to each Class
15 Representative as a Service Payment will be set by the Court in its discretion, not to exceed \$10,000
16 each. Defendant agrees not to oppose this request. The Service Payments to Class Representatives
17 will be paid out of the Gross Settlement Amount. Class Representatives will be issued an IRS Form
18 1099 in connection with this payment. Plaintiffs shall be solely and legally responsible to pay any
19 and all applicable taxes on their respective payment. The Parties agree that any amount awarded by
20 the Court as the Service Payment to Plaintiffs less than the requested amount shall not be a basis for
21 Plaintiffs or Class Counsel to void this Settlement Agreement. Should the Court approve a lesser
22 amount for the Service Payments, the difference shall be added to the Net Settlement Amount to be
23 distributed to the Participating Class Members. In the event of any appeal of the amount of the Service
24 Awards, ,, any portion(s) not awarded to Class Representatives shall, after the exhaustion of such
25 appellate review, be added to the Net Settlement Amount to be distributed to the Participating Class
26 Members.

27 (e) Attorneys' Fees and Costs: Defendant agrees not to oppose a request by Class
28 Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of the Gross Settlement

1 Amount (approximately \$75,000.00), plus reasonable litigation costs not to exceed \$25,000.00
2 (“Attorneys’ Fees and Cost Award”). For purposes of this Settlement, Defendant agrees not to oppose
3 any contention by Class Counsel that attorneys’ fees should be based on the common fund theory.
4 The Attorneys’ Fees and Cost Award shall be paid from the Gross Settlement Amount, and except
5 for this award, Defendant shall have no further obligation to pay any attorneys’ fees, costs, or
6 expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by Class
7 Counsel, the difference shall be added to the Net Settlement Amount to be distributed to the
8 Participating Class Members. Any Court order awarding less than the amount sought by Class
9 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement.
10 In the event of any appeal of the amount of the Attorneys’ Fees and Cost Award approved by the
11 Court, final funding and administration of the portion of the Attorneys’ Fees and Cost Award in
12 dispute will be segregated and stayed pending the exhaustion of appellate review. After the
13 exhaustion of any such appellate review, any portion(s) not awarded to Class Counsel shall be added
14 to the Net Settlement Amount to be distributed to the Participating Class Members and/or Aggrieved
15 Employees. The Settlement Administrator shall issue to Class Counsel an IRS Form 1099 reflecting
16 the amount of Attorneys’ Fees and Cost Award. Class Counsel agrees that any allocation of fees and
17 costs between or among Class Counsel and any other attorney representing or claiming to represent
18 the Class Members shall be the sole responsibility of Class Counsel.

19 (f) Settlement Administration Costs: The fees and other charges of the Settlement
20 Administrator will be paid from the Gross Settlement Amount, not to exceed \$5,950 subject to Court
21 approval, unless approved by all Parties and the Court.

22 (g) Tax Liability: Class Counsel, Defendant, and Defendant’s Counsel make no
23 representations as to the tax treatment or legal effect of settlement distributions called for hereunder,
24 and Plaintiffs and the Settlement Class Members are not relying on any statement or representation
25 by Class Counsel, Defendant, or Defendant’s Counsel in this regard. Plaintiffs and Final Settlement
26 Class Members understand and agree that they will be solely responsible for the payment of any taxes
27 and penalties assessed on their respective settlement proceeds described herein. Income tax
28 withholding will also be made pursuant to applicable federal, state, and/or local withholding codes or

1 regulations. The Settlement Administrator will distribute Forms W-2 and/or Forms 1099 at times and
2 in the manner required by the Internal Revenue Code of 1986 (the “Code”) and consistent with this
3 Agreement.

4 (h) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT
5 (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH
6 PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
7 “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
8 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
9 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
10 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
11 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
12 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
13 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
14 UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
15 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS
16 NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF
17 ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C)
18 IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
19 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT
20 MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR
21 ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS
22 THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES
23 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
24 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
25 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION
26 CONTEMPLATED BY THIS AGREEMENT.

27 50. No Credit Towards Benefit Plans. The Individual Settlement Payments and Individual
28 PAGA Payments made to Participating Class Members and/or Aggrieved Employees under this

1 Settlement, as well as any other payment or other consideration made pursuant to this Settlement,
2 will not be utilized to calculate any additional benefits under any benefit plans to which any Class
3 Members and/or Aggrieved Employees may be eligible, including, but not limited to, profit-sharing
4 plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans,
5 and any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
6 affect the rights, contributions, or amounts to which any Class Member and/or Aggrieved Employee
7 may be entitled under benefit plans.

8 51. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under no
9 circumstances will any portion of the Gross Settlement Amount revert to Defendant. Final Settlement
10 Class Members will not have to make a claim to receive an Individual Settlement Amount.
11 Distributions, in the form of Individual Settlement Amounts, will be made directly to each Final
12 Settlement Class Member. The Settlement Administrator shall be responsible for accurately and
13 timely reporting any remittance obligations with respect to unclaimed funds as a result of a Final
14 Settlement Class Member not cashing an Individual Settlement Amount by the check cashing
15 deadline, as set forth herein.

16 52. Class Counsel and Plaintiffs believe that the Settlement is fair, reasonable, and
17 adequate, and will so represent the same to the Court.

18 **D. RELEASE OF CLAIMS**

19 53. Upon the Effective Date of this Settlement, Plaintiffs, each Participating Class
20 Member, and each Aggrieved Employee shall have forever completely released and discharged all
21 Released Parties as follows:

22 54. Release By Participating Class Members. Each Participating Class Member, on behalf
23 of themselves, their respective spouses, domestic partners, marital community, children, estates,
24 trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators,
25 trustees, conservators, guardians, assigns, and representatives (whether current or former), shall be
26 deemed to have forever completely released and discharged the Released Parties from any and all
27 causes of action, claims, rights, damages, punitive or statutory damages, penalties of any kind,
28 liabilities, expenses, and losses including, but not limited to, the causes of action described in the

1 Action or LWDA notice, any violation of any other statute, ordinance, rule, or regulation, whether
 2 federal, state, or administrative, or any other causes of action that any Class Member has or might
 3 have, known or unknown, contingent or vested, in law or in equity, of any kind whatsoever, arising
 4 at any time during the Class Period that was alleged, or reasonably could have been alleged based on
 5 the factual allegations contained in the Second Amended Complaint, along with all related claims
 6 and all associated penalties (“Released Class Claims”). The Released Class Claims include, without
 7 limiting the foregoing, those claims that were alleged, or reasonably could have been alleged based
 8 on the factual allegations contained in the Second Amended Complaint that arose during the Class
 9 Period, including, but not limited to, claims for: 1) Minimum Wage Violations; 2) Overtime
 10 Violations; 3) Meal Period Violations; 4) Rest Period Violations; 5) Wage Statement Penalties; 6)
 11 Sick Pay Violations; 7) Violation of Unfair Competition Law; 8) Untimely Payment of Wages During
 12 Employment; 9) Failure to Pay Wages due upon Discharge or Termination; 10) Failure to Maintain
 13 Required Records; 11) Failure to provide employment records, and 12) Failure to reimburse necessary
 14 business expenses, as well as any claims under the California Labor Code for violations of Labor
 15 Code sections, 201, 202, 203, 204, 204.2, 210, 212, 216, 218, 218.5, 221, 223, 224, 225.5, 226, 226.6,
 16 226.7, 227.3, 233, 234, 245, 245.5, 246, 246.5, 247, 247.5, 248.1, 248.2, 249, 256, 510, 512, 551,
 17 558, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2800, 2802, 2810.5, and
 18 applicable IWC Wage Orders, and California Code of Regulations, Title 8, section 11000 *et seq.*, and
 19 any and all other claims under California common law, the California Labor Code, the Fair Labor
 20 Standards Act, California Industrial Welfare Commission Wage Orders, and the California
 21 Business and Professions Code alleged in or that could have been alleged under the facts,
 22 allegations and/or claims pleaded in the Action.

23 Class Representatives, on behalf of themselves and the Participating Settlement Class
 24 Members, each acknowledge and agree that the Released Class Claims are disputed in good faith and
 25 that the payments set forth herein constitute payment of all sums allegedly due to him or her. Class
 26 Representatives, on behalf of themselves and the Participating Settlement Class Members, each
 27 acknowledges and agrees that California Labor Code § 206.5 is not applicable to the Parties hereto.

28 55. Release by Aggrieved Employees. Plaintiffs, the State of California, and each

1 Aggrieved Employee, on behalf of themselves and their respective spouses, domestic partners,
 2 marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees,
 3 legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives
 4 (whether current or former), shall be deemed to have forever completely released and discharged the
 5 Released Parties from any and all claims for civil penalties pursuant to PAGA arising at any time
 6 during the PAGA period and alleged in the pleadings, alleged in the LWDA notice, prosecuted in this
 7 lawsuit, as well as claims for civil penalties arising at any time during the PAGA period that could
 8 have been alleged based on the facts alleged in the Second Amended Complaint, stated in the LWDA
 9 notice, or raised in the Action (“Released PAGA Claims”). The Released PAGA Claims shall
 10 include, without limiting the foregoing, all claims for PAGA penalties that were alleged, or
 11 reasonably could have been alleged, based on the facts stated in the Second Amended Complaint,
 12 and the PAGA Notices, including, any and all claims for PAGA penalties involving any
 13 allegations that Defendant failed to pay minimum wages and/or overtime wages, failed to
 14 provide legally-compliant meal and rest breaks and failed to pay premium pay for missed, late,
 15 interrupted or short meal and rest breaks; failed to timely pay all earned wages at least twice a month;
 16 failed to maintain and provide accurate itemized wage statements; failed to properly pay sick pay; failed to
 17 maintain required records; failed to provide employment records; failed to reimburse necessary business
 18 expenses; and failed to provide timely final pay, as well as any claims under the California Labor
 19 Code for violations of Labor Code sections, 201, 202, 203, 204, 204.2, 210, 212, 216, 218, 218.5,
 20 221, 223, 224, 225.5, 226, 226.6, 226.7, 227.3, 233, 234, 245, 245.5, 246, 246.5, 247, 247.5, 248.1,
 21 248.2, 249, 256, 510, 512, 551, 558, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5,
 22 1199, 2800, 2802, 2810.5, and applicable IWC Wage Orders, and California Code of Regulations,
 23 Title 8, section 11000 *et seq.*

24 56. Plaintiffs and Defendant intend that the Settlement described in this Agreement will
 25 release and preclude any further claim, whether by lawsuit (including any and all pending lawsuits),
 26 administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the
 27 Settlement Class Members, Aggrieved Employees, and the State of California to obtain a recovery
 28 based on, arising out of, and/or related to any and all of the respective Released Class Claims and the

Released PAGA Claims. The Settlement Class Members shall be so notified in the Notice. This paragraph does not apply to any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims.

57. Release by Class Representative. In addition to Class Representatives' release of the Released Class Claims and Released PAGA Claims, as discussed in Paragraphs [53 through 56] above, Class Representatives do hereby, for themselves and for their spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives (whether current or former), forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including, but not limited to, for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Settlement Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including, but not limited to, all claims arising out of, based upon, or relating to Class Representatives' employment with Defendant or the remuneration for, or termination of, such employment (collectively, the "Class Representatives' Claims").

58. Without limiting the generality of the foregoing, Class Representatives also expressly release all claims or rights against Released Parties arising out of, or relating to, alleged violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any tort, including but not limited to, negligence, fraud, misrepresentation and violation of California Labor Code § 970, negligent infliction of emotional distress, intentional infliction of emotional distress, defamation, "retaliation" claims and claims for violation of public policy, any claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages, unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, and alleged "off the clock" work under federal and state law, including, but not limited to, California Labor Code §§ 204 and 558, waiting time penalties pursuant to California Labor § 203, damages, or penalties pursuant to California Labor

1 Code § 226, meal period and rest break payments and penalties pursuant to California Labor Code
2 §§ 226.7 and 512, failure to provide itemized wage statements pursuant to California Labor Code §
3 226, statutory or civil penalties pursuant to California Labor Code § 210, failure to indemnify for
4 business expenses pursuant to Labor Code § 2802, failure to provide one day of rest in seven pursuant
5 to California Labor Code §§ 551 and 552, unfair competition and unfair business practices pursuant
6 to Business and Professions Code §§ 17200 *et seq.*, interest and costs pursuant to California Civil
7 Code § 3287 and California Labor Code § 218.6, any right or claims pursuant to the NLRA, statutory
8 or common law rights to attorneys' fees and costs, including those pursuant to California Labor Code
9 §§ 1194 *et seq.*; claims under the Private Attorneys General Act of 2004, Labor Code §§ 2698, *et*
10 *seq.*, and the alleged violation or breach of any other state or federal statute, rule, and or regulation;
11 including all applicable Industrial Welfare Commission Wage Orders, and all similar causes of action,
12 including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs, or
13 attorneys' fees in connection with any of the foregoing, negligent infliction of emotional distress,
14 intentional infliction of emotional distress, and defamation; any "wrongful discharge," "constructive
15 discharge," and "retaliation" claims; any claims relating to any breach of public policy; any legal
16 restrictions on Defendant's right to discharge employees; and any federal, state, or other
17 governmental statute, regulation, or ordinance, including, without limitation: (1) Title VII of the
18 Civil Rights Act of 1964 (race, color, religion, sex, and national origin discrimination or harassment,
19 including retaliation for reporting discrimination or harassment); (2) 42 U.S.C. § 1981
20 (discrimination); (3) Equal Pay Act, 29 U.S.C. § 209(d)(1) and California Labor Code § 1197.5 (equal
21 pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 *et seq.* (disability discrimination); (5)
22 Family and Medical Leave Act, 29 U.S.C. § 2601 *et seq.* (family/medical leave); (6) California Fair
23 Employment and Housing Act, Cal. Government Code § 12900 *et seq.* (discrimination or harassment
24 in employment and/or housing, including but not limited to discrimination or harassment based on
25 race, religious creed, color, national origin, ancestry, disability, marital status, sex (including
26 pregnancy), or age, including retaliation for reporting discrimination or harassment); (7) California
27 Family Rights Act, Cal. Government Code § 12945.1 *et seq.* (family/medical leave); (8) California
28 Labor Code, including Section 1720 *et seq.* or any Industrial Welfare Commission Wage Order; (9)

Executive Order 11246 (race, color, religion, sex, and national origin discrimination or harassment); (10) Executive Order 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation Act of 1973 (handicap discrimination); (12) the Fair Labor Standards Act; (13) Employee Retirement Income Security Act, 29 U.S.C. § 1000 *et seq.* (employee benefits); (14) the California Civil Code; (15) the California Labor Code; (16) the California Constitution; (17) the National Labor Relations Act; (18) the Age Discrimination in Employment Act; and (18) any other federal, state, or local statute or legislation.

59. Class Representatives expressly waive and relinquish all rights, provisions, and benefits, if any, of Section 1542 of the Civil Code of the State of California and do so understanding and acknowledging the significance of the waiver of Section 1542 of the California Civil Code, which states:

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

Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and complete release and discharge of all parties, Class Representatives and Class Counsel expressly acknowledge that this Settlement Agreement is intended to include in its effect, without limitation, all claims that Class Representatives knew of, as well as all claims that they do not know or suspect to exist in their favor against the Released Parties, or any of them, for the time period from the beginning of time to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates the extinguishment of any such Class Representatives' claims.

E. INTERIM STAY OF PROCEEDINGS

60. Pending completion of all prerequisites necessary to effectuate this Settlement, including seeking approval, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action except such as are necessary to effectuate the Settlement.

1 **F. NOTICE PROCESS**

2 61. Appointment of Settlement Administrator. The Parties have agreed to the appointment
3 of the Settlement Administrator to perform the duties of a settlement administrator, including mailing
4 the Notice, using standard devices to obtain forwarding addresses, independently reviewing and
5 verifying documentation associated with any claims or opt-out requests, resolving any disputes
6 regarding the calculation or application of the formula for determining the Individual Settlement
7 Amounts, calculating employer-side taxes, drafting and mailing the settlement checks to Final
8 Settlement Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities, due
9 diligence, reporting and remittance obligations, and performing such other tasks as set forth herein,
10 as the Parties mutually agree, or that the Court orders.

11 62. Disputes Regarding Settlement Administration. Any and all disputes relating to the
12 administration of the Settlement by the Settlement Administrator (except for disputes regarding Class
13 Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction over the
14 terms and conditions of this Settlement Agreement, until the Parties notify the Court that all payments
15 and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to
16 presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the
17 dispute without the necessity of Court intervention. The Settlement Administrator shall also be
18 responsible for issuing to Plaintiffs, Final Settlement Class Members, and Class Counsel any Forms
19 W-2, Forms 1099, or other tax forms as may be required by law for all amounts paid pursuant to this
20 Agreement. The Settlement Administrator shall also be responsible for setting up all necessary tax
21 accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.

22 63. Class Data. Within thirty (30) days after the Court's signing of the Preliminary
23 Approval Order, Defendant shall provide the Class Data to the Settlement Administrator. The
24 Settlement Administrator will check the Class Members' addresses against those on file with the U.S.
25 Postal Service's National Change of Address List. The Class Data provided to the Settlement
26 Administrator will not be provided to Class Counsel, and it will remain confidential; it shall be used
27 solely to administer the Settlement, and it will not be used or disclosed to anyone, except as required
28 by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the

1 Court.

2 64. Notice. The Notice, as approved by the Court, shall be sent by the Settlement
3 Administrator to the Settlement Class Members, by first class mail, in English and Spanish, within
4 seven (7) calendar days following the Settlement Administrator's receipt of the Class Data. The
5 Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding
6 addresses of Settlement Class Members if any envelopes are returned.

7 65. Returned Notices. The Settlement Administrator will take steps to ensure that the
8 Notice is received by all Settlement Class Members, including utilization of the National Change of
9 Address Database maintained by the United States Postal Service to review the accuracy of and, if
10 possible, update a mailing address. If no forwarding address is provided, the Settlement Administrator
11 will promptly attempt to determine the correct address using a skip trace or other search using the
12 name, address, and/or Social Security number of the Class Member involved and will then perform a
13 single re-mailing. In the event the procedures in this Paragraph are followed and the intended recipient
14 of a Notice Packet still does not receive the Notice Packet, the Class Member shall be bound by all
15 terms of the Settlement and any Judgment entered by the Court if the Settlement is approved by the
16 Court. Notices will be re-mailed to any Settlement Class Member for whom an updated address is
17 located within ten (10) calendar days following the Settlement Administrator's learning of the failed
18 mailing and its receipt of the updated address. The Notice shall be identical to the original Notice,
19 except that it shall notify the Settlement Class Member that the exclusion (opt out) request or
20 objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after the
21 re-mailing of the Notice.

22 66. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an
23 envelope has not been returned within thirty (30) days of the mailing the Settlement Class Member
24 received the Notice.

25 67. Disputes Regarding Class Data. Settlement Class Members are deemed to participate
26 in the Settlement unless they opt out. The Notice will inform Settlement Class Members of
27 his/her/their estimated Individual Settlement Amount and the number of Workweeks Worked during
28 the Class Period and pay periods worked during the PAGA Period. Settlement Class Members may

1 dispute their Workweeks Worked if they feel they were employed more workweeks in the Class
2 Period in California than the Defendant's records show by timely submitting evidence to the
3 Settlement Administrator. Defendant's records will be presumed determinative absent reliable
4 evidence to rebut Defendant's records, but the Settlement Administrator will evaluate the evidence
5 submitted by the Settlement Class Member and provide the evidence submitted to Class Counsel and
6 Defense Counsel who agree to meet and confer in good faith about the evidence to determine the
7 Class Member's actual number of Workweeks Worked and estimated Individual Settlement Amount.
8 If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the
9 Settlement Administrator to render a final, non-appealable decision. All disputes will be decided
10 within ten (10) business days of the Notice Response Deadline. Settlement Class Members will have
11 until the Notice Response Deadline to dispute Workweeks Worked, object, or opt out, unless
12 extended by the Court. In the event that the Settlement Administrator increases the number of
13 Workweeks Worked for any Settlement Class Member, then the Settlement Administrator will
14 recalculate the Participating Class Members' Individual Settlement Amounts; accordingly, in no
15 event will Defendant be required to increase the Gross Settlement Amount.

16 68. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for
17 the Parties, at least twenty-five (25) days prior to the final approval hearing, a declaration of due
18 diligence and proof of mailing with regard to the mailing of the Notice.

19 69. Settlement Class Members' Rights. The Notice shall fully advise each Settlement
20 Class Member of the Settlement, the ability to object to the provisions in the Settlement related to the
21 Class Claims, and the ability to opt out or request exclusion from the Class Claims provisions of the
22 Settlement. The Notice will inform the Settlement Class Members of the Court-established deadlines
23 for filing objections or requesting exclusion from the Class Claims provisions of the Settlement in
24 accordance with the following guidelines:

25 (a) Requests for Exclusion from Participating Settlement Class. Any Settlement
26 Class Member, other than Plaintiffs, may request to be excluded from the Participating Settlement
27 Class by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or
28 before the Notice Response Deadline. The Request for Exclusion should state in words substantially

1 to this effect:

2 I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE TLD
3 LOGISTICS SERVICES CLASS ACTION LAWSUIT. I UNDERSTAND THAT
4 IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT
5 RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS
6 CLAIMS IN THIS LAWSUIT.

7 Any Request for Exclusion must include the full name, address, telephone number, last four
8 digits of the social security number or date of birth, and signature of the Settlement Class Member
9 requesting exclusion. The Request for Exclusion must be returned by mail to the Settlement
10 Administrator at the specified address. Any such Request must be made in accordance with the terms
11 set forth in the Notice. A Request for Exclusion will be timely only if postmarked by the Notice
12 Response Deadline, unless the Parties otherwise agree in writing. Any Settlement Class Member who
13 timely requests exclusion in compliance with these requirements: (i) will not have any rights under
14 this Agreement with respect to the Class Claims, including the right to object, appeal, or comment on
15 the Settlement; (ii) will not be entitled to receive any payments under this Agreement with respect to
16 Class Claims; and (iii) will not be bound by this Agreement, or the Judgment, with respect to the
17 Class Claims. However, all such Class Members shall still be bound by the PAGA Claims release.

18 (b) Binding Effect on Final Settlement Class Members. Except for those
19 Settlement Class Members who timely exclude themselves in compliance with the procedures set
20 forth above, all Settlement Class Members will: (i) be deemed to be Final Settlement Class Members
21 for all purposes under this Agreement; (ii) be bound by the terms and conditions of this Agreement,
22 the Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, be
23 deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy
24 of the Settlement.

25 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
26 other than Plaintiffs, may object to the terms of this Agreement with respect to the Class Claims and
27 may appear at the Final Approval Hearing and object, whether or not they have filed a written
28 objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement

1 Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice
2 Response Deadline at the address set forth in the Notice. Such objection shall include the full name,
3 address, telephone number, dates of employment with Defendant of the Objecting Settlement Class
4 Member, the case name and number, the basis for the objection, including any legal support and each
5 specific reason in support of the objection, as well as any documentation or evidence in support
6 thereof, and, if the Objecting Settlement Class Member is represented by counsel, the name and
7 address of his/her/their counsel. If any Objecting Settlement Class Member wishes to speak at the
8 Final Approval Hearing with respect to the Class Claims, that Objecting Settlement Class Member's
9 written submission should include a request to be heard, and the Court will determine whether
10 Objecting Settlement Class Members will be permitted to speak. The Settlement Administrator shall
11 provide objections, if any, to Class Counsel and Defense Counsel within three (3) days of receipt,
12 and the Settlement Administrator shall attach the same to its declaration of due diligence it files with
13 the Court prior to the Final Approval Hearing. Any Participating Class Member who files an objection
14 remains eligible to receive monetary compensation from the Settlement. Plaintiffs and Defendant
15 shall not be responsible for any fees, costs, or expenses incurred by any Class Member and/or
16 his/her/their counsel related to any objections to the Settlement. Submitting an objection does not
17 preserve the right to appeal a final judgment. Rather, the right to appeal is preserved only by becoming
18 a party of record by timely and properly intervening or filing a motion to vacate the judgment under
19 Code of Civil Procedure § 663. Settlement Class Members and Aggrieved Employees may not object
20 to, or opt out of, the Settlement with respect to the PAGA Claims. At no time will any of the Parties
21 or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to
22 the Settlement or appeal from the Judgment. To the extent a timely Notice of Objection is withdrawn
23 before final approval, such an objection shall be treated as though no objection has been made.

24 (d) Failure to Object. Any Settlement Class Member who desires to object with
25 respect to the Class Claims but fails to timely submit a written objection waives any right to object
26 and will be foreclosed from making any objection to this Settlement. Any Settlement Class Member
27 who does not timely and properly become a party of record by intervening or filing a motion to vacate
28 the Judgment waives any and all rights to appeal from the Judgment, including all rights to any post-

1 judgment proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new
2 trial, a motion under California Code of Civil Procedure § 473, and extraordinary writs.

3 (e) Responses to Objections. Counsel for the Parties may file a response to any
4 objections submitted by Objecting Settlement Class Members at least five (5) court days before the
5 date of the Final Approval Hearing.

6 70. Settlement Class Members will have until the Notice Response Deadline to object or
7 submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement
8 Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or
9 Requests for Exclusion were timely submitted on a weekly basis, and upon the request of Class
10 Counsel or Defense Counsel.

11 71. Funding of the Gross Settlement Amount. Defendant shall make a one-time deposit
12 into the QSF of the Gross Settlement Amount, as described in Paragraph [32] above, that is necessary
13 to make all payments required under this Settlement within thirty (30) days after the Effective Date;
14 plus Defendant shall separately pay its share of employer payroll taxes as calculated and directed by
15 the Settlement Administrator within such time.

16 72. Distribution of Funds. No later than fourteen (14) calendar days after deposit of the
17 payment into the QSF, the Settlement Administrator will mail the payments to the Participating Class
18 Members, the payment for the attorneys' fees and costs to Class Counsel, any Service Payment to the
19 Class Representatives, the payment to the LWDA for PAGA penalties, and will pay itself the
20 Settlement Administration Costs. Notwithstanding the foregoing, the Settlement Administrator will
21 not release the amount designated for the Service Payments to the Class Representatives if a Plaintiff
22 provides notice of revocation within the Revocation Period set forth in Paragraph [59] above. In the
23 event such Plaintiff provides timely notice of revocation, the amount designated for the Service
24 Payment to that Class Representative shall be allocated to the payments to the Participating Class
25 Members. Individual Settlement Amount checks shall include language indicating that the Class
26 Member's signature on the check constitutes an opt-in to the release of claims under the Fair Labor
27 Standards Act.

28 73. Deadline for Cashing Settlement Checks. Final Settlement Class Members shall have

1 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. If
2 any Final Settlement Class Member's check is not cashed within that period, the check will be void,
3 and a stop-payment will be issued. All unclaimed funds shall be sent to the California State Controller
4 for deposit in the Unclaimed Property Fund in the name of the class member whose check was
5 uncashed. The Release will be binding upon all Final Settlement Class Members including those who
6 do not cash their checks within the 180-day period. In the event that any settlement check is returned
7 to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will, within
8 five (5) business days of receipt of the returned settlement check, perform a skip trace to locate the
9 individual. If a new address is located by these means, the Administrator will have ten (10) business
10 days to re-issue the check and will notify Defense Counsel and Class Counsel that a re-issued check
11 has been sent. Neither Defendant, Defense Counsel, Class Counsel, Plaintiffs, nor the Settlement
12 Administrator will have any liability for lost or stolen settlement checks, forged signatures on
13 settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing,
14 in the event a Final Settlement Class Member notifies the Settlement Administrator that he/she/they
15 believe that a settlement check has been lost or stolen, the Settlement Administrator shall immediately
16 stop payment on such check. If the check in question has not been negotiated prior to the stop payment
17 order, the Settlement Administrator will issue a replacement check.

18 74. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiffs,
19 Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or reports
20 made in accordance with or pursuant to this Agreement. This provision does not, however, prevent a
21 Party from seeking enforcement of this Agreement.

22 75. Without prejudice to any other remedies, the Settlement Administrator shall agree to
23 be responsible for any breach of its obligations (whether committed by the Settlement Administrator
24 or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all
25 liabilities, claims, causes of action, costs, and expenses (including legal fees and expenses) arising
26 out of any breach committed by the Settlement Administrator or its agents.

27 **G. DUTIES OF THE PARTIES PRIOR TO THE COURT'S APPROVAL**

28 76. Plaintiffs will move the Court for Preliminary Approval of this Settlement and entry

1 of the Preliminary Approval Order accomplishing the following:

- 2 (a) Scheduling the Final Approval Hearing on the issue of whether this Settlement
- 3 should be finally approved as fair, reasonable, and adequate as to the Class Members and a hearing
- 4 on fees, costs, and the Service Payments;
- 5 (b) Approving as to form and content the proposed Notice;
- 6 (c) Directing the mailing of the Notice by first class mail to the Settlement Class
- 7 Members;
- 8 (d) Preliminarily approving this Settlement; and
- 9 (e) Preliminarily certifying the class for purposes of this Settlement.

10 77. In conjunction with the Preliminary Approval Hearing, Plaintiffs will submit this

11 Settlement Agreement and will include the proposed Notice Packet, which will include the Notice of

12 Class Action Settlement document and proposed Mailing Envelope.

13 78. In accordance with Section 2699(1)(2) of the California Labor Code, Plaintiffs shall

14 provide a copy of this Settlement Agreement to the LWDA on the same day that Plaintiffs file their

15 motion for Preliminary Approval of this Settlement with the Court.

16 79. Reallocation of Settlement Proceeds. In the event the Court fails, on its first hearing,

17 to approve this Agreement because the amount of the PAGA penalties is not adequate, then the Parties

18 shall cooperate in good faith to reallocate the total settlement proceeds, within this Agreement, to try

19 to achieve Final Approval of the Agreement upon any subsequent Court hearings (with no further

20 payment by Defendant being required).

21 **H. DUTIES OF THE PARTIES FOLLOWING COURT'S FINAL APPROVAL**

22 80. In connection with the Final Approval Hearing provided for in this Settlement

23 Agreement, Class Counsel shall submit a proposed Final Approval Order:

- 24 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
- 25 adequate, and directing consummation of its terms and provisions;
- 26 (b) Approving Class Counsel's application for an award of attorneys' fees and
- 27 reimbursement of litigation costs and expenses, the Service Payments to the Class Representatives,
- 28 and the payment to the Settlement Administrator for costs of administering the settlement; and

(c) Entering judgment approving settlement, thereby permanently barring all Participating Class Members from prosecuting any Released Class Claims against any of the Released Parties and permanently barring all Aggrieved Employees and the LWDA from prosecuting any Released PAGA Claims against any of the Released Parties.

I. VOIDING THE AGREEMENT

81. If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Settlement Agreement that effects a fundamental change of the Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to all Parties herein at the option of either Party.

82. If the Settlement is voided or fails for any reason, Plaintiffs and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Settlement.

83. If the Settlement is voided or fails for any reason, any costs incurred by the Settlement Administrator shall be borne equally by Defendant, on the one hand, and Plaintiffs on the other, unless otherwise specified in this Agreement.

J. OTHER TERMS

84. Full and Complete Defense. This Agreement may be pleaded by any Released Party as a full and complete defense to, and may be used as the basis for an injunction and/or an affirmative defense against, any action, suit, or other proceeding that has been or may be instituted, prosecuted, or attempted, asserting any Released Claim.

85. Waiver. The waiver by one Party of any breach of this Agreement by another Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

86. Parties' Authority. The signatories hereto represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

87. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated

1 by this Settlement Agreement and any other efforts that may become necessary by order of the Court,
2 or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as
3 practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and
4 cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the Court's
5 preliminary and final approval of the settlement and the final entry of judgment.

6 88. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they
7 have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or
8 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action,
9 or right released and discharged by this Settlement Agreement. This is a material term of this
10 Agreement.

11 89. No Admission. Defendant denies any and all liability to Plaintiffs and/or any
12 Settlement Class Member in this Action, as to any and all causes of action that were asserted or that
13 might have been asserted in this Action. Nonetheless, Defendant wishes to settle and compromise to
14 avoid further substantial expense and the inconvenience and distraction of protracted litigation.
15 Defendant has considered the uncertainty and risks inherent in litigation, and without conceding any
16 infirmity in the defenses that Defendant has asserted or could assert against Plaintiffs, determined
17 that it is desirable and beneficial that Plaintiffs' claims be settled in the manner and upon the terms
18 and conditions set forth in this Agreement.

19 90. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
20 Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
21 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of
22 Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
23 Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant
24 inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with
25 all related documents such as the notices, and motions for preliminary and final approval, shall,
26 pursuant to California Evidence Code § 1152 and/or Federal Rule of Evidence 408, be inadmissible
27 in evidence in any proceeding, except an action or proceeding to approve the settlement and/or to
28 interpret or enforce this Settlement Agreement and the rights and benefits hereunder. The stipulation

for class certification as part of this Settlement Agreement is for settlement purposes only, and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

91. Notices. Unless otherwise specifically provided herein, all notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

To the Settlement Class Members and Aggrieved Employees:

FRONTIER LAW CENTER Manny Starr, Esq. manny@frontierlawcenter.com Adam Rose, Esq. adam@frontierlawcenter.com 23901 Calabasas Rd., Suite 1084 Calabasas, CA 91302 T: (818) 914-3433	BOKHOUR LAW GROUP, PC Mehrddad Bokhour, Esq. 1901 Avenue of the Stars, Suite 450 Los Angeles, CA 90067 T: (310) 975-1493 F: (310) 675-0861 mehrdad@bokhourlaw.com
VENTURE LAW, PC Sam Rezvani, Esq. 1901 Avenue of the Stars, Ste. 450 Los Angeles, CA 90067 T: (310) 893-3402 F: (310) 602-0551 srezvani@venturelawpc.com	

To Defendant:

LITTLER MENDELSON, P.C.
Jon G. Miller, Esq.: jmiller@littler.com
P. Dustin Bodaghi, Esq.
dbodaghi@littler.com
Jackson A. Zimmerman, Esq.
jzimmerman@littler.com
18565 Jamboree Road
Suite 800
Irvine, California 92612
Telephone: 949.705.3000
Fax No.: 949.724.1201

92. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arm's length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiffs and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be, in all cases, construed as a whole, according to its fair meaning.

93. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

94. Modification. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

95. Defendant's Right to Withdraw. If the number of valid Requests for Exclusion is 5% or more of the total of all Class Members, Defendant may elect, but is not obligated, to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; however, Defendant will remain responsible for paying the reasonable Settlement Administration expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 10 business days after the Settlement Administrator sends the final Exclusion List to Defense Counsel.

96. Escalator Clause. The Gross Settlement Amount is based on Defendant's estimate that there were approximately 5,614 workweeks worked by Class Members between June 22, 2019 and July 16, 2024. Should the qualifying workweeks worked by the Class Members during the Class Period ultimately increase by more than 10% (i.e., if the workweeks exceed 6,175) through the date

1 of preliminary approval, Defendant, at its option, may choose either: (1) to cut off the end date for
2 the Class Period as of the date on which the number of workweeks reaches 6,175, or (2) to increase
3 the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of
4 workweeks worked by the Class Members above the 10% threshold through the date selected by
5 Defendant to end the Class Period (i.e., if there was an 11% increase in the number workweeks during
6 the Class Period, Defendant would agree to increase the Gross Settlement Amount by 1%).

7 97. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this
8 Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written
9 notice to the other Party and allow an opportunity to cure the alleged deficiencies; and Plaintiffs and
10 Defendant agree to seek the help of the mediator identified in this Agreement to resolve any dispute
11 they are unable to resolve informally. During this period, the Parties shall bear their own attorneys'
12 fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any
13 person or entity other than Plaintiffs or Defendant.

14 98. Press Release. Plaintiffs and Class Counsel agree that they will not issue any press
15 release, social media post, internet or website announcement or otherwise initiate any contact with
16 the press regarding the existence or terms of this settlement, unless court ordered.

17 99. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of
18 dismissal pursuant to the terms of this Agreement, pursuant to Code of Civil Procedure § 664.6, the
19 Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to
20 interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

21 100. Enforceability. Pursuant to California Evidence Code § 1123(a) and (b), this
22 Agreement is intended by the Parties to be, and shall be, enforceable, binding, and admissible in a
23 court of law.

24 101. Choice of Law. This Settlement Agreement shall be governed by, and construed,
25 enforced, and administered in accordance with, the laws of the State of California, without regard to
26 its conflicts-of-law rules.

27 102. Integration Clause. This Settlement Agreement contains the entire agreement between
28 the Parties relating to the settlement and transaction contemplated hereby, and all prior or

1 contemporaneous agreements, understandings, representations, and statements, whether oral or
2 written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder
3 may be waived except in writing.

4 103. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to
5 the benefit of the Parties hereto, the Released Parties, and their respective heirs, trustees, executors,
6 administrators, successors, and assigns.

7 104. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because
8 the members of the Settlement Class are numerous, it is impossible or impractical to have each Final
9 Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class
10 Members of the binding nature of the releases provided herein and such shall have the same force
11 and effect as if this Settlement Agreement were executed by each Final Settlement Class Member.

12 105. Counterparts. This Settlement Agreement may be executed in counterparts, and when
13 each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed
14 an original and, when taken together with other signed counterparts, shall constitute one fully signed
15 Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic
16 signatures shall have the same force and effect as an original.

1 **APPROVAL AND EXECUTION BY PARTIES:**

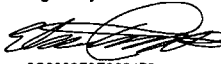
11/11/2024

2 Dated: November ____, 2024

CLASS REPRESENTATIVES:

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Signed by:

2C2303F9E862473...

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ELSA CHAVEZ

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ORLANDO ROJAS

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10

11 Dated: November ____, 2024
11/18/2024

DEFENDANT:

12

TLD LOGISTICS SERVICES, INC.

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By: Corey Beck
Its: Chief Executive Officer

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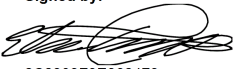
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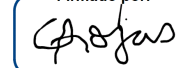
1 **APPROVAL AND EXECUTION BY PARTIES:**

2 Dated: November 11/11/2024, 2024

CLASS REPRESENTATIVES:

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4 Signed by:

2C2303F9E862473...

5
6 ELSA CHAVEZ

7 Firmado por:

8B9346C808B643B...

8
9 ORLANDO ROJAS

10
11 Dated: November ____, 2024

DEFENDANT:

12
13 **TLD LOGISTICS SERVICES, INC.**

14
15 By:
16 Its:

1 **APPROVED AS TO FORM:**

2 11/11/2024
3 Dated: November ___, 2024

CLASS COUNSEL:
FRONTIER LAW CENTER

DocuSigned by:
MANNY STARR
82E9DC9ABE854A6...
Manny Starr
Attorneys for Plaintiffs and the Putative Class

7 11/12/2024
8 Dated: November ___, 2024

BOKHOUR LAW GROUP, P.C.

Signed by:
MEHRDAD BOKHOUR
D8D3643F271940F...
Mehrdad Bokhour
Attorneys for Plaintiffs and the Putative Class

12 11/12/2024
13 Dated: November ___, 2024

VENTURE LAW, P.C.

DocuSigned by:
Sam Rezvani
EF807FFB26524AF...
Sam Rezvani
Attorneys for Plaintiffs and the Putative Class

18 Dated: November ___, 2024

DEFENDANT’S COUNSEL:

LITTLER MENENDLSON, P.C.

P. Dustin Bodaghi
Attorneys for Defendant,
TLD Logistics Services, Inc.

1 **APPROVED AS TO FORM:**

2 11/11/2024

3 Dated: November ___, 2024

CLASS COUNSEL:

FRONTIER LAW CENTER

DocuSigned by:

MANNY STARR

82E9DC9ABF854A6

Manny Starr

Attorneys for Plaintiffs and the Putative Class

8 Dated: November ___, 2024

BOKHOUR LAW GROUP, P.C.

Mehrdad Bokhour

Attorneys for Plaintiffs and the Putative Class

13 Dated: November ___, 2024

VENTURE LAW, P.C.

Sam Rezvani

Attorneys for Plaintiffs and the Putative Class

18 Dated: November 18, 2024

DEFENDANT'S COUNSEL:

LITTLER MENENDLSON, P.C.

P. Dustin Bodaghi

Attorneys for Defendant,

TLD Logistics Services, Inc.