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1 5. The operative complaints in the Action (together, “Operative Complaint”) allege a total
2 of ten (10) causes of action for violations of the California Labor Code for failure to pay minimum
3 wages, failure to pay overtime wages, failure to provide compliant meal periods and premium
4 payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu
5 thereof, failure to timely pay wages during employment, failure to provide compliant wage statements,
6 failure to timely pay wages upon termination, and failure to reimburse necessary business expenses,
7 for violations of California Business & Professions Code Section 17200, *et seq.* based on the
8 aforementioned California Labor Code violations, and for civil penalties under PAGA based on the
9 aforementioned California Labor Code violations.

10 6. Defendant denies all material allegations set forth in the Action and has asserted
11 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
12 Defendant desires to fully and finally settle the Action, Released Class Claims (as defined herein), and
13 Released PAGA Claims (as defined herein).

14 7. Class Counsel diligently investigated the class and PAGA claims against Defendant,
15 including any and all applicable defenses and the applicable law. The investigation included, *inter*
16 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
17 The Parties have engaged in sufficient formal and informal discovery and investigation to assess the
18 relative merits of the claims and contentions of the Parties.

19 8. On October 29, 2025, the Parties participated in mediation with Tagore Subramaniam,
20 Esq (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance
21 of the Mediator’s evaluations, the Parties ultimately reached the settlement that is memorialized
22 herein. The Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the
23 result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation
24 to the costs and risks associated with continued litigation. Based on Class Counsel’s investigation and
25 evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the
26 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest
27 of the Class Members, State of California, and PAGA Employees in light of all known facts and
28 circumstances, including the risk of significant delay and uncertainty associated with litigation and

various defenses asserted by Defendant.

9. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

10. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 13.

b. “Class” or “Class Member(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Miriam L. Schimmel, Joana Fang Alexandra Rose, Jared C. Osborne, and Theodore R. Tang of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendant during the Class Period; and (5) total number of Workweeks and Pay Periods.

e. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “**Exhibit A**.”

f. “Class Period” means the period from July 16, 2020, through December 28, 2025.

g. “Class Settlement” means the settlement and resolution of all Released Class Claims.

h. “Court” means the Superior Court of the State of California for the County of Sacramento.

i. “Defendant’s Counsel” means Mollie M. Burks, Sat Sang Keeling, and Kristina Pedroso of Gordon Rees Scully Mansukhani, LLP.

j. “Dispute” means a letter submitted by a Class Member disputing the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

k. “Effective Date” means the following: (i) if no Settlement Class Member objects to the Class Settlement, then the Effective Date will be the date of Final Approval; or (ii) if any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (iii) if an appeal is initiated by an objector, then the Effective Date will be the day after final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

l. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant in addition to the Gross Settlement Amount.

m. “Enhancement Payment” means the amount to be paid to Plaintiff, in recognition of her effort and work in prosecuting the Action on behalf of Class Members and PAGA Employees, and general release of claims, as set forth in Paragraph 14.

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n. “Final Approval” means the determination by the Court that the Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

o. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

p. “Final Approval Order and Judgment” means the order granting final approval of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

q. “Gross Settlement Amount” means the amount of One Million Three Hundred Ninety-Five Thousand Dollars and Zero Cents (\$1,395,000.00) to be paid by Defendant in full satisfaction of the Action, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross Settlement Amount is subject to increase, as provided in Paragraph 17.

r. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 19.

s. “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 20.

t. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 18.

u. “LWDA Payment” means the amount of Forty-Five Thousand Five Hundred Dollars and Zero Cents (\$45,500.00), i.e., 65% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 15.

v. “Net Settlement Amount” means the portion of the Gross Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and Settlement Administration Costs.

w. “Notice of Objection” means a Settlement Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

x. “PAGA Amount” means the allocation of Seventy Thousand Dollars and Zero Cents (\$70,000.00) from the Gross Settlement Amount for the PAGA Settlement. Sixty-five percent (65%) of the PAGA Amount, or \$45,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining thirty-five percent (35%), or \$24,500.00, will be distributed to the PAGA Employees (i.e., the PAGA Employee Amount).

y. “PAGA Employee(s)” means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period.

z. “PAGA Employee Amount” means the amount of Twenty-Four thousand Five Hundred Dollars and Zero Cents (\$24,500.00), i.e., 35% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their Pay Periods.

aa. “PAGA Period” means the period from July 15, 2023, through December 28, 2025.

bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA Claims.

cc. “Pay Periods” means the number of pay periods each PAGA Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period.

1 dd. "Preliminary Approval" means the date on which the Court enters the
2 Preliminary Approval Order.

3 ee. "Preliminary Approval Order" means the order granting preliminary approval
4 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
5 the Court.

6 ff. "Released Class Claims" means any and all claims which were alleged or which
7 could have been reasonably alleged based on the factual allegations in the Operative Complaint,
8 arising during the Class Period, which shall specifically include claims for Defendant's alleged failure
9 to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium
10 payments, timely pay wages during employment and upon termination, provide accurate wage
11 statements, and reimburse necessary business-related expenses in violation of California Labor Code
12 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 246, 510, 512(a), 558.1, 1194, 1197, 1197.1, 1198,
13 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business
14 and Professions Code sections 17200, *et seq.*

15 gg. "Released PAGA Claims" means any and all claims arising from any of the
16 factual allegations in the PAGA Letter and the Operative Complaint, arising during the PAGA Period,
17 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections
18 2698 *et seq.*, which shall specifically include claims for Defendant's alleged failure to pay overtime
19 and minimum wages, provide compliant meal and rest periods and associated premium payments,
20 timely pay wages during employment and upon termination, provide compliant wage statements,
21 maintain complete and accurate payroll records, and reimburse necessary business-related expenses
22 in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 246, 510,
23 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare
24 Commission Wage Order.

25 hh. "Released Parties" means Defendant and its current and former officers,
26 directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, agents,
27 employees who are not Class Members, assigns, and any other person or entity who could be
28 reasonably be alleged to be a joint employer.

1 ii. “Request for Exclusion” means a letter submitted by a Class Member indicating
2 a request to be excluded from the Class Settlement, which must: (a) contain the case name and number
3 of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and
4 last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class
5 Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
6 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

7 jj. “Response Deadline” means the deadline by which Class Members must submit
8 a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is sixty (60)
9 calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class
10 Members, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response
11 Deadline will be extended to the next day on which the United States Postal service is open. The
12 Response Deadline may also be extended by express agreement between Class Counsel and
13 Defendant’s Counsel. In the event a Class Notice is re-mailed to a Class Member, the Response
14 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
15 Response Deadline.

16 kk. “Settlement Administrator” means Phoenix Settlement Administrators, or any
17 other third-party class action settlement administrator agreed to by the Parties and approved by the
18 Court for purposes of administering the Settlement. The Parties and their counsel each represent that
19 they do not have any financial interest in the Settlement Administrator or otherwise have a relationship
20 with the Settlement Administrator that could create a conflict of interest.

21 ll. “Settlement Administration Costs” means the costs payable from the Gross
22 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
23 Paragraph 16.

24 mm. “Settlement Class” or “Settlement Class Member(s)” means all Class Members
25 who do not submit a timely and valid Request for Exclusion.

26 nn. “Workweeks” means the number of weeks each Class Member worked for
27 Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period.

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CLASS CERTIFICATION

11. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

12. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF THE AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

13. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$488,250.00 if the Gross Settlement Amount is \$1,395,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action, in an amount not to exceed Thirty-Thousand Dollars and Zero Cents (\$30,000.00), both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Action, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

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14. Enhancement Payment. Defendant agrees not to oppose or impede any application or motion by Plaintiff for an Enhancement Payment in the amount up to Ten Thousand Dollars and Zero Cents (\$10,000.00). The Enhancement Payment, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to their Individual Settlement Payment as a Settlement Class Member. Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

15. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Seventy Thousand Dollars and Zero Cents (\$70,000.00) shall be allocated from the Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which sixty-five percent (65%), or \$45,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and thirty-five percent (35%), or \$24,500.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e., the Individual PAGA Payments).

16. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Eight Thousand Dollars and Zero Cents (\$8,000.00). These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process the Settlement, and as requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded

Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

17. Escalator Clause. Defendant has represented that the Class Members worked a total of 40,495 Workweeks during the Class Period. If it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 40,495 by more than 10% (i.e., if the Workweeks exceed 44,544), then the Gross Settlement Amount will be increased by \$34.45 (\$1,395,000/40,495) for every additional Workweek worked by the Class Members. For example, if the number of Workweeks is 44,545, the Gross Settlement Amount will increase to \$1,395,034.45.

18. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to yield each Settlement Class Member's final Individual Settlement Share.

19. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

20. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

21. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

22. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

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

24. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee to additional compensation or benefits under any new or additional compensation or benefits, or any

bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiff, Settlement Class Members, or any PAGA Employee to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

25. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval Order seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as the representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing by First Class U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether Final Approval of the Settlement should be granted.

26. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(s)(2), Class Counsel shall notify the LWDA of the Settlement.

27. Delivery of Class List. Within thirty (30) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

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1 28. Notice by First-Class U.S. Mail.

2 a. Within ten (10) business days after receiving the Class List from Defendant, the
3 Settlement Administrator will perform a search based on the National Change of Address Database or
4 any other similar services available, such as provided by Experian, for information to update and
5 correct for any known or identifiable address changes, and will mail a Class Notice in English (in the
6 form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S.
7 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

8 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
9 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
10 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
11 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
12 attempt to determine the correct address using a skip-trace or other search, using the name, address,
13 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
14 calendar days.

15 c. Compliance with the procedures described herein above shall constitute due and
16 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
17 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
18 provide notice of the Settlement.

19 29. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
20 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
21 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
22 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
23 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
24 has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data
25 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
26 Member, Defendant's records will be presumed to be correct and determinative of the dispute.
27 However, if a Class Member produces information and/or documents to the contrary, the Settlement
28 Administrator will evaluate the materials submitted by the Class Member and the Settlement

1 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
2 the disputing Class Member should be credited with under the Settlement. The Settlement
3 Administrator's decision on such disputes are subject to approval by the Court.

4 30. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
5 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
6 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
7 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
8 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
9 Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are
10 submitted, and also identify the individuals who have submitted a timely and valid Request for
11 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
12 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
13 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
14 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
15 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
16 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
17 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
18 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
19 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
20 Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to
21 the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they
22 submit a Request for Exclusion.

23 31. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
24 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
25 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
26 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
27 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
28 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely

1 and complete and which were not), and also attach them to a declaration that is to be filed with the
2 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
3 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
4 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
5 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
6 whether they have submitted a Notice of Objection.

7 32. Reports by the Settlement Administrator. The Settlement Administrator shall provide
8 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
9 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
10 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
11 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
12 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
13 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
14 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a
15 Dispute.

16 33. Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members
17 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement
18 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
19 Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of the
20 number of Class Members who have submitted timely and valid Requests for Exclusion following the
21 Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
22 administration owed to the Settlement Administrator incurred up to that date.

23 34. Certification of Completion. Upon completion of administration of the Settlement, the
24 Settlement Administrator will provide a written declaration under oath to certify such completion to
25 the Court and counsel for all Parties.

26 35. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
27 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
28 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)

Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final Approval Order and Judgment, which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Settlement Class;
- c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- d. Approval of the application for Enhancement Payment to Plaintiff;
- e. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- f. Entering judgment in the Action, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

36. Funding of the Gross Settlement Amount. No later than thirty (30) business days after the Effective Date, Defendant will deposit a payment equivalent to thirty-three percent (33%) of the Gross Settlement Amount and Employer Taxes into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator. One hundred and eighty (180) calendar days thereafter, Defendant shall make a second payment of thirty-three percent (33%) of the Gross Settlement Amount, and the third and final payment shall be made on or before December 23, 2027. However, if the Effective Date occurs after December 23, 2027, then Defendant shall pay the entirety of the Gross Settlement Amount within thirty (30) calendar days after the Effective Date.. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than five (5) business days after the Effective Date ("Employer Tax Information"). The Settlement Administrator shall calculate the additional amount due as the Employer's Taxes and report the same to Defendant within five (5) business days after receipt of the

1 Employer Tax Information.

2 37. Distribution of the Gross Settlement Amount. Within five (5) business days after the
3 funding in full of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
4 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
5 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class
6 Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set
7 aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and
8 timely forward these to the appropriate government authorities.

9 38. Settlement Checks. The Settlement Administrator will be responsible for undertaking
10 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
11 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
12 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
13 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
14 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
15 Members and PAGA Employees are not required to submit a claim to be issued an Individual
16 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
17 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
18 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
19 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
20 of California's Unclaimed Property Division in the name of the Settlement Class Member and/or
21 PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under
22 California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to
23 Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendant
24 will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake
25 amended and/or supplemental tax filings and reporting required under applicable local, state, and
26 federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment
27 and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement
28 Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA
Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the

1 PAGA Settlement.

2 39. Class Settlement Release. Upon the Effective Date and full funding of the Gross
3 Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally,
4 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
5 Released Class Claims.

6 40. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
7 Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all
8 PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,
9 relinquished, and discharged the Released Parties of all Released PAGA Claims.

10 41. Plaintiff's General Release. Upon the Effective Date and full funding of the Gross
11 Settlement Amount, Plaintiff, individually and on her own behalf, will be deemed to have fully, finally,
12 and forever released, settled, compromised, relinquished, and discharged the Released Parties from any
13 and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees,
14 damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or
15 unsuspected, asserted or unasserted, arising out of, relating to, or resulting from her employment and/or
16 separation of employment with Defendant, which Plaintiff, at any time up until the execution of the
17 Settlement Agreement, had or claimed to have or may have It is agreed that this is a general release
18 and is to be broadly construed as a release of all claims, provided that, notwithstanding the foregoing,
19 this Paragraph expressly does not include a release of any claims that cannot be released hereunder by
20 law. Any and all rights granted under any state or federal law or regulation limiting the effect of the
21 Settlement Agreement, including the provisions of Section 1542 of the California Civil Code, ARE
22 HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

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

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2 42. Final Approval Order and Judgment. The Parties shall provide the Settlement
3 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
4 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
5 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
6 Class will be required.

7 43. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
8 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
9 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
10 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
11 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
12 Settlement Agreement.

13 44. Effects of Termination or Rescission of Settlement. Termination or rescission of the
14 Settlement Agreement shall have the following effects:

15 a. The Settlement Agreement shall be void and shall have no force or effect, and
16 no Party shall be bound by any of its terms;

17 b. In the event the Settlement Agreement is terminated, Defendant shall have no
18 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
19 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
20 Administrator is notified that the Settlement has been terminated;

21 c. The Preliminary Approval Order and Final Approval Order and Judgment,
22 including any order certifying the Class, shall be vacated;

23 d. The Settlement Agreement and all negotiations, statements, and proceedings
24 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
25 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

26 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
27 statements, or filings in furtherance of the Settlement (including all matters associated with the
28 mediation) shall be admissible or offered into evidence in the Action or any other action for any

1 purpose whatsoever; and

2 f. Any documents generated to bring the Settlement into effect, will be null and
3 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
4 likewise be treated as void from the beginning.

5 45. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
6 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
7 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
8 of action or right herein released and discharged.

9 46. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set
10 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
11 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

12 47. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
13 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
14 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
15 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
16 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
17 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
18 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
19 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
20 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
21 Agreement.

22 48. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
23 the Action (including with respect to California Code of Civil Procedure Section 583.310), except
24 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
25 Approval Hearing to be conducted by the Court.

26 49. Amendment or Modification. Prior to the filing of the motion for preliminary approval
27 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
28 except by written agreement signed by counsel for all Parties. After the filing of the motion for
preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
Settlement Agreement except by written agreement signed by counsel for all the Parties and subject

1 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
2 constitute a waiver of any other provision.

3 50. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
4 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
5 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
6 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
7 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
8 full authority to enter into this Settlement Agreement and further intend that this Settlement
9 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
10 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
11 confidentiality provisions that otherwise might apply under state or federal law.

12 51. Signatories. It is agreed that because the members of the Class are so numerous, it is
13 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
14 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
15 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
16 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
17 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
18 Member and PAGA Employee.

19 52. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
20 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

21 53. California Law Governs. All terms of this Settlement Agreement and attached exhibits
22 hereto will be governed by and interpreted according to the laws of the State of California.

23 54. Execution and Counterparts. This Settlement Agreement is subject only to the
24 execution of all Parties. However, this Settlement Agreement may be executed in one or more
25 counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned
26 copies of the signature page, will be deemed to be one and the same instrument.

27 55. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
28 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into

1 account all relevant factors, present and potential. The Parties further acknowledge that they are each
2 represented by competent counsel and that they have had an opportunity to consult with their counsel
3 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
4 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
5 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
6 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

7 56. Invalidity of Any Provision. Before declaring any provision of this Settlement
8 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
9 possible consistent with applicable precedents so as to define all provisions of this Settlement
10 Agreement valid and enforceable.

11 57. Enforcement Action. In the event that one or more of the Parties institutes any legal
12 action or other proceeding against any other Party or Parties to enforce the provisions of this
13 Settlement Agreement or to declare rights and/or obligations under this Settlement, the successful
14 Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys'
15 fees and costs, including expert witness fees, in connection with any enforcement actions.

16 58. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
17 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
18 to implement the Settlement.

19 59. Non-Admission of Liability. The Parties enter into this Settlement Agreement to
20 resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of
21 continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and
22 specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines
23 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
24 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
25 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
26 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
27 construed as an admission or concession by Defendant of any such violations or failures to comply
28 with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement

1 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
2 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant
3 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
4 federal, state, local, or other applicable law.

5 60. Captions. The captions and paragraph numbers in this Settlement Agreement are
6 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
7 intent of the provisions of this Settlement Agreement.

8 61. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
9 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
10 construed more strictly against one Party than another merely by virtue of the fact that it may have
11 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
12 negotiations between the Parties, all Parties have contributed equally to the preparation of this
13 Settlement Agreement.

14 62. Representation By Counsel. The Parties acknowledge that they have been represented
15 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
16 that this Settlement Agreement has been executed with the consent and advice of counsel, and
17 reviewed in full.

18 63. All Terms Subject to Final Court Approval. All amounts and procedures described in
19 this Settlement Agreement herein will be subject to final Court approval.

20 64. Notices. All notices, demands, and other communications to be provided concerning
21 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
22 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
23 as follows:

24 To Plaintiff and Class Counsel:
25 Jonathan M. Genish
jgenish@blackstonepc.com
26 Miriam Schimmel
mschimmel@blackstonepc.com
27 Joana Fang
jfang@blackstonepc.com
28 Alexandra Rose
arose@blackstonepc.com

Jared C. Osborne
 josborne@blackstonepc.com
 Theodore R. Tang
 ttang@blackstonepc.com
BLACKSTONE LAW, APC
 8383 Wilshire Boulevard, Suite 745
 Beverly Hills, California 90211
 Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendant:
 Mollie M. Burks
 mburks@grsm.com
 Sat Sang Keeling
 skhalsa@grsm.com
 Kristina M. Pedroso
 kpedroso@grsm.com
GORDON REES SCULLY MANSUKHANI, LLP
 100 Pringle Avenue, Suite 300
 Walnut Creek, California 94596

65. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF CECELIA GUERRERO

Dated: 08/17/2026

Cecelia Guerrero
 Plaintiff Cecelia Guerrero

**DEFENDANT BENEFIT & RISK
 MANAGEMENT SERVICES**

Dated: August 12, 2026

DocuSigned by:
Matt Schafer
 Matt Schafer
 CEO Benefit & Risk Management Services

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Cecilia Guerrero v. Benefit & Risk Management Services
Superior Court of California for the County of Sacramento, Case No. 24CV014147
Superior Court of California for the County of Sacramento, Case No. 24CV018752

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Cecilia Guerrero ("Plaintiff") and Defendant Benefit & Risk Management Services ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the cases entitled *Cecilia Guerrero v. Benefit & Risk Management Services*, Sacramento County Superior Court, Case No. 24CV014147 ("Class Action") and *Cecilia Guerrero v. Benefit & Risk Management Services*, Sacramento County Superior Court, Case No. 24CV018752 ("PAGA Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the Class Period.

"Class Period" means the period from July 16, 2020, through December 28, 2025.

"Class Settlement" means the settlement and resolution of all Released Class Claims.

"PAGA Employee(s)" means all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period.

"PAGA Period" means the period from July 15, 2023, through December 28, 2025.

"PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On July 15, 2024, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On July 16, 2024, Plaintiff commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Class Action. On September 19, 2024, Plaintiff commenced a separate lawsuit by filing a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* in the PAGA Action, which alleged a cause of action under the Private Attorneys General Act of 2004 ("PAGA"). On May 2, 2025, the Court issued an order consolidating the Class Action and PAGA Action (together referred to as the "Action"). The operative complaints in the Action are together referred to as the "Operative Complaint".

Plaintiff contends that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period

premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Cecilia Guerrero as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Miriam L. Schimmel
Joana Fang
Alexandra Rose
Jared C. Osborne
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Three Hundred Ninety-Five Thousand Dollars and Zero Cents (\$1,395,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$488,250.00), and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00) to Plaintiff for her services in the Action; (3) the amount of Seventy Thousand Dollars and Zero Cents (\$70,000.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 65% (\$45,500.00) ("LWDA Payment") and the remaining 35% (\$24,500.00) will be distributed to PAGA Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed Eight Thousand Dollars and Zero Cents (\$8,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period ("Workweeks"). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated

Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each PAGA Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 35% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the “PAGA Pay Period Value,” and multiplied each PAGA Employee’s individual Pay Periods by the Pay Period Value to yield each PAGA Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Defendant’s deadline to fully fund the Gross Settlement Amount is December 23, 2027. Within five (5) business days after the funding of the Gross Settlement Amount, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant’s Records

According to Defendant’s records:

- **From July 16, 2020, through December 28, 2025 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From July 15, 2023, through December 28, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Guerrero v. Benefit & Risk Management Services*, Case No. 24CV014147 or 24CV018752); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and

will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

“Released Class Claims” means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 246, 510, 512(a), 558.1, 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq.*

“Released PAGA Claims” means any and all claims arising from any of the factual allegations in the PAGA Letter and the Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, which shall specifically include claims for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 246, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

“Released Parties” means Defendant and its current and former officers, directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, agents, employees who are not Class Members, assigns, and any other person or entity who could be reasonably be alleged to be a joint employer.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$488,250.00) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) (“Enhancement Payment”), in recognition of her services in connection with the Action. The Enhancement Payment will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to her Individual Settlement Payment and Individual PAGA Payment that her is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Eight Thousand Dollars and Zero Cents (\$8,000.00)

(“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter (“Request for Exclusion”) to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Guerrero v. Benefit & Risk Management Services*, Case No. 24CV014147 or 24CV018752); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection (“Notice of Objection”) to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Guerrero v. Benefit & Risk Management Services*, Case No. 24CV01414 or 24CV0187527); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection

accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 8B of the Sacramento County Superior Court, located at 500 G Street, Sacramento, California, 95814 on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

If you wish to appear remotely, you may connect via Zoom at <https://saccourt-ca-gov.zoomgov.com/j/16184738886> or by dialing (833) 568 8864 and using Meeting ID 161 8473 8886. A clickable link to join via Zoom may be found at <https://www.saccourt.ca.gov/civil/docs/civil-court-zoom-links.pdf>.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by visiting the clerk's office or by going to <https://www.saccourt.ca.gov/indexes/new-portal-info.aspx> and searching by case number 24CV014147.

You may also visit the Settlement Administrator's website at **[redacted]** for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**