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11 *Attorneys for Plaintiffs and the putative class*

12 **SUPERIOR COURT OF CALIFORNIA**

13 **CONTRA COSTA COUNTY**

14 JOAQUIN RECINOS, individually and on
15 behalf of all others similarly situated,
16
17 Plaintiff,
18
19 v.
20
21 AMPORTS, INC., and DOES 1 through 10,
22 inclusive,
23
24 Defendant.

Case No. C24-02244
**DECLARATION OF EDWARD J.
WYNNE IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND PAGA SETTLEMENT**
Date:
Time:
Dept.: 39
Hon. Edward G. Weil
Complaint Filed: August 21, 2024

1 I, EDWARD J. WYNNE, declare that:

2 1. I am an attorney at law duly licensed to practice in all the courts of the state of
3 California and am admitted to practice before all state and federal courts in California. I am the
4 principal of Wynne Law Firm, the attorneys of record for Plaintiff Joaquin Recinos.

5 **Adequacy of Counsel**

6 2. I graduated with honors from the University of California at Berkeley in 1989. I
7 graduated from the University of Santa Clara Law School in 1992. I am admitted to practice law
8 before the following courts: United States Court of Appeals, Ninth Circuit, United States District
9 Court for all Districts of California, and all of California's state courts.

10 3. My practice has been devoted to complex class action litigation for the past twenty-
11 five years. Much of this litigation has involved class action prosecution of the wage and hour laws
12 in both state and federal courts.

13 4. I have tried to judgment the only known misclassification class action in California
14 at both the liability and damages phases which resulted in the published opinion *Duran et al. v.*
15 *U.S. Bank, N.A.*, 59 Cal.4th 1 (2014). The Supreme Court called it "an exceedingly rare beast."
16 *Id.* at 12. After getting the case certified and prevailing at trial, the judgment was reversed by the
17 Court of Appeal, affirmed by the Supreme Court, and plaintiffs' second effort at certification in
18 the Superior Court was denied (and affirmed by the Court of Appeal) after 17 years of hard-fought
19 litigation. While the judgment has been reversed, the opinion is a watershed case that will stand
20 with *Sav-on v. Superior Court*, 34 Cal.4th 319 (2004) and *Brinker Restaurant Corp. v. Superior*
21 *Court*, 53 Cal.4th 1004 (2012) as one of the pillars in wage and hour litigation because it holds
22 that "[s]tatistical sampling may provide an appropriate means of proving liability and damages"
23 in class action litigation (*id.* at 13), and found that defendants do "not have an unfettered right to
24 present individualized evidence in support of a defense," let alone "a due process right to litigate
25 an affirmative defense as to each individual class member." *Id.* at 34, 38. In addition, the opinion
26 reaffirmed in the strongest sense California's public policy in favor of the class action device and
27 employee protections, by, inter alia, citing with approval Justice Werdegar's concurring opinion
28 in *Brinker*.

1 5. In 2012, I tried, along with co-counsel, a certified wage and hour class action that
2 was in its fourth month of trial in San Diego County when it settled. The case - *Puchalski et al.*
3 *v. Taco Bell Corp.* (San Diego County Superior Court Case GIC 870429) - was tried under
4 California's executive exemption. The case was single phased for liability and damages with a
5 planned second penalty phase. The case settled after Plaintiffs completed their case-in-chief.

6 6. I was counsel in *Sav-on v. Superior Court*, 34 Cal.4th 319 (2004), a certified class
7 action of over 1,500 managers of Sav-on stores in California seeking earned and unpaid overtime
8 compensation and derivative penalties under the California Labor Code. The California Supreme
9 Court opinion affirmed the trial court's grant of class certification which had been reversed by the
10 court of appeal in a published decision. The issue at the heart of the Sav-on opinion is of
11 paramount importance to all California attorneys practicing in the area of wage and hour law
12 because it focuses on the whether the predominance element of certification can be established in
13 an action seeking overtime compensation. The issue has been, and continues to be, one of hot
14 debate among practitioners in this field due to the "fact intensive inquiry" articulated in *Ramirez*
15 *v. Yosemite Water Company*, 20 Cal.4th 785 (1999) under California's quantitative standard.
16 Should Wynne Law Firm and its co-counsel not have prevailed before the California Supreme
17 Court, there is little doubt employees would have faced tremendous hurdles in recovering back
18 wages in anything but single-plaintiff cases which puts the employee at a decided disadvantage to
19 the employer.

20 7. I have been recognized as one of California's "Top Labor and Employment
21 Lawyers" by the Daily Journal in 2014. I have been recognized by Northern California Super
22 Lawyers Magazine in the area of Labor and Employment every year since 2012.

23 8. I have invited to speak and write specifically on wage and hour issues before
24 various forums including, the Labor and Employment Section of the California State Bar
25 Association's 2004 Annual Meeting in Anaheim, California, the Los Angeles County Bar
26 Association in Los Angeles, California, the Santa Clara County Bar Association in Santa Clara,
27 California, Bridgeport's 2007, 2009, 2010, 2012, 2016 and 2019 Continuing Education
28 Conferences in San Francisco, California, the Employment Law Reporter of the Labor and

1 Employment Section of the California State Bar, the radio program “Your Legal Rights” of
2 KALW, San Francisco, California, and Mealy’s Wage & Hour Litigation Teleconference.

3 9. I have litigated or am in the process of litigation over 75 wage and hour class and
4 collective actions in both state and federal court on the issues of overtime compensation (*Albrecht*
5 *v. Rite Aid Corp.*, San Diego County Superior Court, 729219), meal and rest breaks (*Winfrey v.*
6 *Chief Auto Parts*, San Francisco County Superior Court, CGC 95-974016), vacation pay (*Leung*
7 *v. Rite Aid Corp.*, Los Angeles County Superior Court, BC 214742), final payments at time of
8 termination (*Nelson-Rupp v. The Gap*, Orange County Superior Court, 00CC12661), off-the-clock
9 compensation (*Scura v. Shurgard*, USDC, N. Cal., 02-4506), and minimum wage violations
10 (*Iriarte v. Rubio Arts*, Los Angeles County Superior Court, BC340377), to name a few. I have
11 litigated or am litigating class actions under the executive exemption (*Aguardo v. Pizza Hut, Inc.*,
12 San Francisco County Superior Court, 994947), the administrative exemption (*Burakoff et al. v.*
13 *USBancorp*, Los Angeles County Superior Court, BC341430), the outside sales exemption
14 (*Duran v. US Bank*, Alameda County Superior Court, 2001-035537), the commissioned sales
15 exemption (*Schmoekel v. VALIC*, USDC, C. Cal., 06-5282), the professional exemption (*Kress et*
16 *al. v. PricewaterhouseCoopers LLP*, USDC E. Cal. 08-00965) and the exemption for drivers
17 (*O’Donnell v. Starving Students*, Marin County Superior Court, CV 004930).

18 **Procedural Statement**

19 10. On August 15, 2024, Plaintiff submitted a PAGA notice to the LWDA and had it
20 served on Defendant Amports, Inc. alleging violations of Labor Code § 2802 for failure to
21 reimburse for mobile phone expenses.

22 11. On August 21, 2024, Plaintiff filed his class action complaint in the Contra Costa
23 Superior Court alleging two causes of action: one under Labor Code § 2802 and another under
24 Bus. & Prof. Code § 17200. Plaintiff defined the class as follows: All current and former
25 employees of Amports (except facility managers) in California who have not been reimbursed for
26 reasonable and necessary business expenses in violation of Labor Code § 2802. On October 21,
27 2024, Plaintiff filed his First Amended Complaint adding a third cause of action under PAGA.

28 12. Prior to the first case management conference on January 8, 2025, the Parties

discussed resolving the case through private mediation. Defendant provided relevant information prior to mediation to allow Plaintiff to adequately analyze the claims and defenses.

13. On May 29, 2025, the Parties participated in a full-day mediation before mediator Michael J. Loeb. The matter did not settle on that date. After additional post-mediation negotiations, the Parties reached a settlement of the case on September 15, 2025 which is now before the Court for preliminary approval. On September 15, 2025, as a condition of settlement, Plaintiff filed an amended PAGA charge adding APS West Coast, Inc. as a named defendant. The LWDA has not notified either Party of its intent to investigate the amended charge as of this writing per Labor Code § 2699.3(c). The statutory 65 days expires on November 19, 2025 at which time Plaintiff will file his Second Amended Complaint if the LWDA has not provided notice of an intent to investigate by that time. The Second Amended Complaint adds APS West Coast, Inc. as a named defendant.

Summary of Settlement Terms

14. The details of the settlement are set forth in the Class Action Settlement Agreement and Release marked and attached hereto as **Exhibit 1**.

15. **Settlement Fund:** In return for a release of the claims, Amports shall create a non-reversionary \$210,000.00 settlement fund entitled, “Gross Settlement Amount” or “GSA.” Because this is not a claims-made settlement, Class Members will not be required to make a submission to participate in the settlement. The GSA will be deposited into an interest-bearing account maintained by the Settlement Administrator within seven (7) days of the Effective Date as defined in the Settlement Agreement.

16. After certain deductions identified below, all Class Members will be paid on a pro rata basis based on the number of work weeks they worked for Defendants in California between August 21, 2020 and July 29, 2025. The deductions from the GSA include attorneys’ fees and costs, class representative enhancement award, payment to the California Labor Workforce Development Agency and the cost of settlement administration.

17. **Release By Class Members:** In exchange for the settlement payments, all Class Members who have not opted out of this lawsuit shall release the Released Parties as defined in

1 the Agreement from all claims, rights, damages, liquidated damages, wages, compensation,
2 reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses,
3 attorneys' fees, interest, restitution, equitable relief, injunctive relief, declaratory relief,
4 accounting, losses, or causes of action alleged in the Action and/or that could have been alleged
5 based on the facts alleged in the Action during the Class Period. This shall include, but is not
6 limited to, any claims during the Class Period for the purported payment or nonpayment of all
7 reasonable business expenses under any applicable law including the California Labor Code,
8 applicable wage orders, and California Business and Professions Code.

9 **18. Class Representatives and Class Counsel:** Subject to Court approval and for
10 settlement purposes only, the Parties have stipulated that Plaintiff, Joaquin Recinos, will be
11 appointed class representative. Also subject to Court approval, the Parties have stipulated that
12 Edward J. Wynne of Wynne Law Firm shall be appointed class counsel.

13 **19. Notice Procedure:** Subject to Court approval, the Parties have agreed on CPT
14 Group, Inc. ("CPT" or "Settlement Administrator") as the Settlement Administrator. The
15 Settlement Administrator will perform a search on the National Change of Address database to
16 update the Settlement Class Members' addresses after receiving the Class Member database from
17 Defendants. The Settlement Administrator shall be responsible for preparing, printing, mailing
18 and emailing the Settlement Notice to all Class Members. The Settlement Administrator shall also
19 create a static website with important information and documents and the ability to update Class
20 Member contact information as well as a toll-free telephone number to field telephone inquiries
21 from Class Members during the notice and settlement administration periods. The Settlement
22 Administrator will be directed to take the call center down after the 90-day check cashing period
23 for Settlement Award Checks. The Settlement Administrator shall also post the Final Judgment
24 on the static website. The Class Notice will include the estimated settlement amount to each Class
25 Member, and instructions on how to opt-out of or object to the settlement.

26 **20. Class Recovery:** After deductions for the Class Counsel Award, the Class Counsel
27 Costs, the Class Representative Service Award, the Settlement Administration Costs, and the
28 PAGA Allocation, the remaining amount for distribution to the Class is estimated to be at

1 approximately \$103,500. Payments to individual Class Members will be calculated and
2 apportioned from the remaining amount based on the number of work weeks each Class Members
3 actually worked during the Class Period.

4 21. **Service Award:** Pursuant to the Parties' agreement, Plaintiff will seek, and
5 Amports will not oppose, a payment of \$5,000.00 to the Plaintiff as a Service Award.

6 22. **Class Counsel's Fees and Costs:** Pursuant to the Parties' agreement, the Court
7 may award Class Counsel for the services they have rendered and will render to Plaintiff and the
8 Class Members in relation to prosecuting the claims involved in this lawsuit. Class Counsel will
9 seek a fee award not to exceed \$70,000.00 or one-third of the GSA. Class Counsel will also seek
10 reimbursement of costs in an amount not to exceed \$15,000. Because this is a non-reversionary,
11 common fund settlement, any portion of the requested fees and costs that are not approved by the
12 Court would be distributed to the Class Members.

13 23. **LWDA Payment:** Ten Thousand Dollars and Zero Cents (\$10,000.00) from the
14 Gross Settlement Amount has been allocated to claims for civil penalties brought under the
15 PAGA. The Parties have agreed to pay the LWDA \$6,500.00, or 65%, of the \$10,000.00 allocation
16 per Labor Code § 2699(m). The Parties have submitted this settlement to the California Labor
17 Workforce's Development Agency ("LWDA") per California Labor Code section 2699(s)(2).
18 The remaining 35% (\$3,500.00) will be payable to the Aggrieved Employees as defined in the
19 Agreement.

20 24. **Settlement Administrator:** The proposed Settlement Administrator, CPT Group,
21 has agreed to cap its fee at \$10,000.00. Attached hereto as **Exhibit 2** is a true and correct copy of
22 the bid from CPT. Class Counsel solicited bids from two other well-known settlement
23 administrators and CPT Group was the most competitive.

24 **Class Certification for Purposes of Settlement**

25 25. **Numerosity and Ascertainability:** Defendants have represented that there are 299
26 Class Members. Numerosity is met here as the proposed Class includes approximately 300
27 individuals making joinder of the respective parties impractical and meeting the numerosity
28 requirement.

1 26. **Commonality:** Plaintiff alleges that Defendants require Class Members to use
2 their personal mobile phones to perform work-related tasks, but did not reimburse them for the
3 use of their personal mobile phones. These is a class-wide policy and practice common to the
4 Class which unite all Class Members. Accordingly, the commonality requirement is satisfied.

5 27. **Typicality:** Plaintiff was employed by Amports during the Class Period. Plaintiff
6 alleges that he was not provided a mobile phone by Defendants and therefore had to rely on his
7 personal mobile device to carry out the reasonable and necessary functions of his job. Plaintiff
8 alleges that Defendants knew or should have known that he was using his personal mobile phone
9 for work related functions. Plaintiff alleges the he was not reimbursed for these expenses. These
10 are the identical claims that he brings on behalf of the Class. Accordingly, typicality is therefore
11 satisfied.

12 28. **Adequacy:** Plaintiff has no interest that is antagonistic to those of the Class
13 Members because he has not brought any individual non-class claims in this case. Also, Plaintiff
14 has retained counsel who are experienced in employment class actions, and specifically, claims
15 alleging unreimbursed business expenses.

16 29. **Predominance:** Plaintiff alleges that predominant common questions exist as to
17 the Plaintiff's claim for unreimbursed business expenses related to the use of personal mobile
18 phones. Defendant's alleged lack of a policy providing for business expense reimbursement is
19 common to all employees. Stated another way, Defendant's alleged policy of failing to reimburse
20 for business expenses, in this case, personal mobile phones, is common to all employees. The
21 employees customarily and regularly use their personal phones to carry out all aspects of their job,
22 including communicating with their supervisors. There is no employer-provided practical
23 alternative device for texting and walkie-talkies are severely limited and impractical. Personal
24 phone use for work is pervasive and the default method of communication. Plaintiff alleges that
25 Defendants know that employees use their personal phones for work and have paid nothing for
26 personal mobile phone use. These facts support a finding of predominance.

27 30. The facts here raise the common question, namely, whether it was reasonable for
28 Amports employees to use their personal mobile phones to carry-out of their job duties. For the

1 reasons set forth above comparing personal mobile phones to walkie-talkies, Plaintiff contends
2 the answer is in the affirmative. Therefore, predominance is satisfied.

3 **Recommendation of Counsel**

4 31. Based on my experience in *Duran v. U.S. Bank N.A.*, 59 Cal.4th 1 (2014) perhaps
5 best exemplifies the risk, expense, complexity and duration of further litigation. Counsel herein
6 was successful in obtaining certification for that case and subsequently prevailed at trial after eight
7 years of litigation only to have the entire judgment and certification ultimately reversed by the
8 California Supreme Court after an additional five years of litigation.

9 32. Prior to mediation, Defendants provided summary data for the Class. The data
10 indicated that there are 299 employees covered by the case who worked 30,546 work weeks
11 through April, 3 2025.

12 33. Because this case was filed in August 2024, PAGA's newly amended rules apply.
13 For purposes here, the amendments that affect this litigation are: (1) a penalty of \$100 per pay
14 period (Section 2699(f)), and (2) a 35/65 split between employees and the State (Section 2699(m)).

15 34. Mobile phone bills are due on a monthly basis and most employers reimburse their
16 employees for business expenses on a monthly basis. Thus, it is reasonable to use a month to
17 calculate pay periods for purposes of PAGA penalties. As stated above, there are 8,749 work
18 months at issue. At \$100 per pay period, the PAGA penalties are \$874,900. However, in the
19 context of settlement, PAGA penalties are typically steeply discounted taking into account, *inter*
20 *alia*, the Court's discretion to reduce PAGA penalties per Labor Code § 2699(i).

21 35. Although the Parties did not complete formal discovery, the informal discovery
22 outlined above is significant and meaningful, and allowed Plaintiffs to make a reasoned and
23 informed decision about the potential exposure and the litigation risks going forward.

24 36. While the recommendations of counsel proposing the settlement are not
25 conclusive, the court can properly take them into account, particularly if they have been involved
26 in litigation for some period of time, appear to be competent, have experience with this type of
27 litigation, and significant discovery has been completed. In this case, Plaintiffs and the Class
28 Members are represented by competent and experienced counsel. Plaintiff's counsel recommends

1 the proposed settlement as fair, adequate and reasonable to the class members and in their best
2 interests.

3 I declare under penalty of perjury under the laws of the State of California that the
4 foregoing is true and correct. Executed this 22nd day of October, 2025, at Larkspur, California.

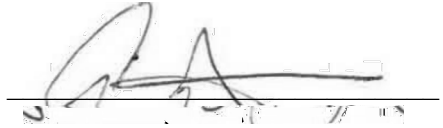
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EXHIBIT 1

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

1. This Class Action Settlement Agreement and Release (the “Settlement Agreement,” “Settlement,” or “Agreement”) is entered into between Plaintiff Joaquin Recinos, individually and on behalf of all other similarly situated persons, and Defendants APS West Coast, Inc. and Amports, Inc., subject to the approval of the Court. Named Plaintiff and Defendants are collectively referred to as the “Parties.”

DEFINITIONS

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

a. “Action” means the action *Joaquin Recinos, individually, on behalf of all others similarly situated v. Amports, Inc.*, Contra Costa County Superior Court, Case No. C24-02244, including any and all complaints filed and any amended complaint necessary to effectuate release of the Released Claims, including the Operative Complaint, any and all related letters to the Labor and Workforce Development Agency (“LWDA”) and any amended letters necessary to effectuate release of the Released Claims, as referenced in Paragraph 17.a below.

b. “Aggrieved Employees” means all persons who are employed or have been employed by any of Defendants in the State of California at any time during the PAGA Period.

c. “Class” or “Class Members” or “Members of the Class” means all persons who are employed or have been employed by any of Defendants in the State of California (other than facility managers) during the Class Period.

d. “Class Counsel” means Edward J. Wynne, and George R. Nemiroff of the Wynne Law Firm.

e. “Class Counsel’s Costs” refers to the actual amount of reasonable litigation expenses Class Counsel incurred in connection with the Action, including their pre-filing investigation, their filing of the Action and all related litigation activities, translation of the Settlement Agreement and Settlement Notices, and all post-Settlement compliance procedures.

f. “Class List” means an electronic database containing a list of Class Members that Defendants will compile from their records. The Class List shall include: each Class Member’s: (1) full name; (2) last known address; (3) last known telephone number (if any); (4) last known email address (if any); and (5) Social Security number or tax ID number. The Class List shall also include: (6) the total number of workweeks that each Class Member worked in the State of California during the Class Period; and (7) and the total number of pay periods that each Aggrieved Employee worked in the state of California during the PAGA Period. The total number of workweeks may be determined by reference to weeks worked and/or dates of employment as reflected in Defendants’ employment and/or payroll records.

g. “Class Period” shall mean August 21, 2020 through the date Defendants elect pursuant to Paragraph 33.

h. “Costs Award” means the award of attorneys’ costs that the Court authorizes to be paid to Class Counsel for the costs they advanced to Named Plaintiff and the Class in the Action in an amount not to exceed \$15,000. The Cost Award is in addition to the Fee Award as set forth in Paragraph 2.m.

i. “Court” means the Superior Court of the State of California for the County of Contra Costa.

j. “Defendants” means Amports, Inc. and/or APS West Coast, Inc.

k. “Defendants’ Counsel” means Constangy, Brooks, Smith & Prophete LLP.

l. “Effective” or “Effective Date” means three (3) calendar days after the Settlement becomes Final, as set forth in Paragraph 2.n.

m. “Fee Award” means the award of attorneys’ fees that the Court authorizes to be paid to Class Counsel for the services they rendered to Named Plaintiff and the Class in the Action. Class Counsel will not seek more than one-third or 33.33% of the Gross Settlement Amount as their Fee Award.

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

o. “Final Approval” or “Final Approval Order” means the Court’s final approval order approving the Settlement.

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

q. “Gross Settlement Amount” means the maximum non-reversionary total amount that Defendants shall pay in connection with this Settlement in exchange for the release of the Released Claims. The Gross Settlement Amount is the gross sum of Two Hundred and Ten Thousand Dollars (\$210,000.00). The Gross Settlement Amount includes: (a) all Settlement Awards to Participating Individuals (as set forth in paragraph 2.x); (b) the LWDA PAGA Amount; (c) Named Plaintiff’s Service Award; (d) Fee Award and Costs Award; and (e) Settlement Administrator Costs. The Parties agree that Defendants will have no obligation to pay any amount in connection with this Settlement Agreement apart from the Gross Settlement Amount and

Defendants' employer's portion of payroll taxes on Settlement Awards to Participating Individuals and subject to the Escalator Clause. There will be no reversion.

r. "Named Plaintiff" means Joaquin Recinos.

s. "Net PAGA Amount" means the thirty-five percent (35%) of the \$10,000.00 PAGA Payment payable to the Aggrieved Employees, or \$3,500.00.

t. "Net Settlement Amount" means the Gross Settlement Amount less: (i) Named Plaintiff's Service Award; (ii) Class Counsel's Fee Award; (iii) Class Counsel's Costs Award; (iv) Settlement Administrator Costs; and (v) the PAGA Payment. The Parties acknowledge that all of these amounts are subject to the Court's approval.

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

v. "PAGA Payment" means the amount of the Gross Settlement Amount allocated to settle all claims and remedies under the Private Attorneys General Act, California Labor Code sections 2698 et seq. ("PAGA"). The PAGA Payment shall be \$10,000, or an amount to be approved by the Court, of which 65%, or \$6,500, shall be paid to the LWDA out of the Gross Settlement Amount ("LWDA PAGA Amount") and 35%, or \$3,500, shall be paid to the Aggrieved Employees out of the Gross Settlement Amount.

w. "PAGA Period" means the period from August 15, 2023 through the date Defendants elect pursuant to Paragraph 33.

x. "Participating Individual(s)" means (a) any Class Member(s) who do not submit a valid letter requesting to be excluded from the Settlement, consistent with the terms set forth in this Settlement Agreement and (b) all Aggrieved Employees. All Participating Individuals will be bound by all terms and conditions of the Settlement Agreement, including the release of the Class Released Claims and PAGA Released Claims (as set forth in Paragraphs 14 and 15).

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

z. "Released Claims" means Class Released Claims (as set forth in Paragraph 14) and PAGA Released Claims (as set forth in Paragraph 15) and Named Plaintiff's Released Claims (as set forth in Paragraph 16).

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

bb. “Service Award” means the payment to the Named Plaintiff for his efforts in bringing and prosecuting the cases against the Defendants. The Service Award will not exceed the following amount: Five Thousand Dollars (\$5,000.00).

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

dd. “Settlement Administrator Costs” refer to the costs the Settlement Administrator will incur to distribute the Settlement Notice to Class Members, including translation of the Settlement Agreement and Settlement Notice, and to distribute the Settlement Awards to Participating Individuals, which are estimated to be less than Ten Thousand Dollars (\$10,000.00).

ee. “Settlement Award” means the payment that each Participating Individual shall be entitled to receive pursuant to the terms of this Settlement Agreement.

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

gg. “Workweeks” means the total number of weeks worked by any Class Member during the Class Period less any days not worked based on Defendants’ employment and/or payroll records.

RECITALS

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

4. On or around August 21, 2024, Named Plaintiff filed the Action.

5. On or around August 15, 2024, Named Plaintiff sent a PAGA Notice to the LWDA. On or around October 21, 2024, Named Plaintiff amended the Action to add a PAGA claim.

6. On May 29, 2025, the Parties participated in a full-day mediation before mediator Michael J. Loeb. The Parties thereafter negotiated the specific terms of this Settlement and have agreed to settle all pending claims as provided in this Settlement Agreement.

7. Class Counsel has made a thorough and independent investigation of the facts and law relating to the allegations in the Action and of other potential claims that could have been asserted in the Action. In agreeing to this Settlement Agreement, Named Plaintiff has considered: (a) the facts developed during pre-mediation, informal discovery and the Parties’ mediation process, and the law applicable thereto; (b) the attendant risks of continued litigation and the uncertainty of the outcome of the claims alleged against the Released Parties; and (c) the desirability of consummating this Settlement according to the terms of this Settlement Agreement. Named Plaintiff has concluded that the terms of this Settlement are fair, reasonable, and adequate, and that it is in the best interests of the Class and Aggrieved Employees to settle their claims against the Released Parties pursuant to the terms set forth herein.

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

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

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

11. If the Court does not approve this Settlement, the Parties shall meet and confer to make reasonable efforts to obtain approval of this Settlement and secure a release of the claims against the Released Parties in the Operative Complaint in the Action. Defendants shall not be required under any circumstances to increase or pay more than the Gross Settlement Amount, except as provided in Paragraph 33 below. If the Parties cannot obtain judicial approval of this Settlement and secure a release of the claims against the Released Parties in the Action, this Settlement Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used in the Action or any other legal proceeding.

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

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

RELEASES

Named Plaintiff, on behalf of the LWDA and the State of California, Participating Individuals, and Class Counsel will release all claims against all the Released Parties as follows:

14. **Class Released Claims.** Upon Final Approval of this Settlement Agreement, Named Plaintiff on his own behalf and as the class representative, all Class Members who did not opt out of this lawsuit by filing a timely, valid request for exclusion from the settlement pursuant to Paragraph 20, and all persons purporting to act on their behalf, including, but not limited to, their dependents, attorneys, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity (collectively, the “Releasing Parties”) shall and hereby do release and discharge all Released Parties, finally, irrevocably, forever, and with prejudice, from all claims, rights, damages, liquidated damages, wages, compensation, reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses, attorneys’ fees, interest, restitution, equitable relief, injunctive relief, declaratory relief, accounting, losses, or causes of action alleged in the Action and/or that could have been alleged based on the facts alleged in the Action during the Class Period. This shall include, but is not limited to, any claims during the Class Period for the purported payment or nonpayment of all reasonable business expenses under any applicable law including the California Labor Code, applicable wage orders, and California Business and Professions Code. The foregoing shall collectively be referenced as “Class Released Claims.”

15. **PAGA Released Claims.** Upon Final Approval of this Settlement Agreement, Named Plaintiff, on behalf of the LWDA and the State of California, and Aggrieved Employees, shall and hereby do release and discharge all Released Parties, finally, forever and with prejudice, from any and all claims and rights to recover civil penalties, costs, expenses, attorneys’ fees, interest, injunctive relief, declaratory relief, and/or accounting, from any and all causes of action under the Private Attorneys General Act (“PAGA”) pled in the Action and/or that could have been alleged based on the facts alleged in the Action during the PAGA Period. This shall include, but is not limited to, any claims during the PAGA Period for civil penalties pursuant to PAGA for the purported payment or nonpayment of reasonable business expenses under any applicable law. The foregoing shall collectively be referenced as “PAGA Released Claims.”

The Parties agree that there shall be no right for any Aggrieved Employees to opt out or otherwise exclude themselves from the release of PAGA Released claims. The Parties intend and agree that the Final Approval Order and the Judgment entered as a result of this Settlement shall have res judicata and preclusive effect to the fullest extent allowed by law and shall also be effective to adjudicate and release the claims and/or rights of the LWDA to recover civil penalties against the Released Parties on behalf of the Aggrieved Employees for any PAGA Released Claims (i.e., the Judgment on this Settlement will have res judicata effect as to those claims of Aggrieved Employees, the LWDA, and State of the California, whether pursued directly by the LWDA or by a representative pursuant to PAGA).

a. Class Counsel releases, on behalf of its present and former attorneys, employees, agents, successors and assigns, the Released Parties from all claims for attorneys’ fees and costs in connection with the PAGA claims pled in the Action and/or

that could have been alleged based on the facts alleged in the Action during the PAGA Period.

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

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

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

CERTIFICATION, NOTICE, AND SETTLEMENT IMPLEMENTATION

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

- a. **Amended PAGA Letter.** The Parties stipulate and agree that, prior to filing the Operative Complaint, Named Plaintiff shall file an amended PAGA

letter(s) (“Amended PAGA Letter”) with the LWDA to effectuate the release of the PAGA Released Claims in this Settlement Agreement. The Amended PAGA Letter will be in the form attached hereto as **Exhibit 2**, or a substantially similar form. Named Plaintiff shall file the Amended PAGA Letter before the filing of the Motion for Preliminary Approval of Settlement Agreement discussed in Paragraph 17.c. and shall take any other necessary steps to effectuate the release of the PAGA Released Claims in this Settlement Agreement. The Settlement is expressly conditioned upon the approval by all Parties of the Amended PAGA Letter.

- b. **Complaint.** The Parties stipulate and agree that for settlement purposes only, the Parties consent to the filing of the Operative Complaint to effectuate the release of the Class Released Claims in this Settlement Agreement. The Operative Complaint will be in the form attached hereto as **Exhibit 3**, or a substantially similar form. Named Plaintiff shall file, with Defendants’ stipulation, the Operative Complaint in the Court before the filing of the Motion for Preliminary Approval of Settlement Agreement discussed in Paragraph 17.c and shall take any other necessary steps to effectuate the release of the Class Released Claims in this Settlement Agreement. The Settlement is expressly conditioned upon the approval by all Parties of the Operative Complaint.
- c. **Request for Class Certification and Preliminary Approval Order.** Named Plaintiff shall file a Motion for Preliminary Approval of Settlement Agreement, requesting that the Court certify the Class for the sole purpose of settlement; preliminarily approve the Settlement Agreement and its terms; approve the proposed form of the Settlement Notice and find that the proposed method of disseminating the Settlement Notice meets the requirements of due process and is the best notice practicable under the circumstances; set a date for Named Plaintiff’s Motion for Final Approval of the Settlement, and approval of the requested Service Award, Fee Award, Costs Award, and Settlement Administrator’s Costs; and set a date for the Final Approval Hearing. Class Counsel shall provide Defendants’ Counsel a copy of a draft Motion for Preliminary Approval of Settlement Agreement at least five (5) business days in advance of filing it with the Court.
- d. **Notice.** The Settlement Administrator shall be responsible for preparing, printing, mailing and emailing the Settlement Notice to all Class Members. The Settlement Administrator shall also create a static website with important information and documents and the ability to update Class Member contact information as well as a toll-free telephone number to field telephone inquiries from Class Members during the notice and settlement administration periods. The Settlement Administrator will be directed to take the call center down after the 90-day check cashing period for Settlement Award Checks. The Settlement Administrator shall also post the Final Judgment on the static website.

- e. Within fifteen (15) calendar days after the Court's Preliminary Approval of the Settlement, Defendants shall provide to the Settlement Administrator the Class List.
- f. In order to provide the best notice practicable, prior to emailing and mailing the Settlement Notice, the Settlement Administrator will take reasonable efforts to identify current addresses via public and proprietary systems.
- g. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class List, the Settlement Administrator shall send to all Class Members identified in the Class List, via email and first-class United States Postal Service ("USPS") mail, the Settlement Notice (with Spanish translation) substantially in the form attached to this Settlement Agreement as **Exhibit 1**. The first page of the Settlement Notice shall prominently estimate the dollar amounts of any Settlement Award to Class Members, and the number of Workweeks used to calculate these amounts. Before mailing Settlement Notices, the Administrator shall update Class Members' addresses using the National Change of Address database. Any Settlement Notice returned to the Settlement Administrator with a forwarding address shall be re-mailed within three (3) business days following receipt of the returned mail. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved and shall re-mail the Notice of Settlement. Under no circumstances shall such re-mailing extend the Notice Deadline.

18. **Disputes Regarding Workweeks.** To the extent that any Class Member disputes the number of Workweeks that the Class Member worked, as shown in their Settlement Notice, such Class Members may produce evidence to the Settlement Administrator establishing the dates they contend to have worked for Defendants. Weeks "worked" for purposes of this settlement will be determined by reference to Workweeks and/or dates of employment in Defendants' employment and/or payroll records. The deadline for Class Members to submit disputes pursuant to this Paragraph is the Notice Deadline (disputes must be postmarked by the Notice Deadline). Defendants' records are presumed to be correct. The Settlement Administrator shall notify counsel for the Parties of any disputes it receives. Defendants shall review their records and provide further information to the Settlement Administrator, as necessary. The Settlement Administrator shall provide a recommendation to counsel for the Parties. Counsel for the Parties shall then meet and confer in an effort to resolve the dispute. If the dispute cannot be resolved by the Parties, it shall be presented to the Court for a resolution. The Settlement Administrator will notify the disputing Class Member of the decision.

19. **Objections.** The Settlement Notice shall provide that Class Members who wish to object to the Settlement must, on or before the Notice Deadline, file with the Court a written statement objecting to the Settlement. Such objection shall not be valid unless it includes the information specified in the Settlement Notice. The statement must be signed personally by the objector or his or her legal representative, and must include the objector's name, address, telephone

number, email address (if applicable), the factual and legal grounds for the objection, and whether the objector intends to appear at the Final Approval Hearing. The Settlement Notice shall advise Class Members that objections shall only be considered if the Class Member has not opted out of the Settlement. None of the Parties, their counsel, nor any person on their behalf, shall seek to solicit or otherwise encourage anyone to object to the Settlement, or appeal from any order of the Court that is consistent with the terms of this Settlement.

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

21. **Termination or Revocation of Settlement.** If five percent (5%) or more of the Class Members submit valid and timely Requests for Exclusion from the Settlement, Defendants may, at their election and in their sole discretion, rescind and nullify the Settlement Agreement. Defendants must exercise this right of rescission in a writing that is provided to Class Counsel within fourteen (14) calendar days after the Settlement Administrator notifies the Parties of the total number of Requests for Exclusion received by the Response Deadline. This Paragraph is not intended to limit or restrict any other basis for rescission by Defendants.

- a. If Defendants exercise their right to rescind and or nullify the Settlement Agreement pursuant to this Paragraph, Defendants shall pay the Settlement Administrator Costs incurred by the Settlement Administrator as of the date of Defendants’ rescission and/or nullification.

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

23. **Final Approval Hearing.** Class Counsel will be responsible for drafting the Motion for Final Approval of Settlement Agreement and for requesting approval of the Service Award, Fee Award, Class Counsel’s Costs, and Settlement Administrator’s Costs to be heard at the Final Approval Hearing. Class Counsel shall provide Defendants’ Counsel a copy of a draft Motion for Final Approval of Settlement Agreement at least five (5) calendar days in advance of filing it with the Court. Named Plaintiff shall request that the Court schedule the Final Approval Hearing no earlier than 100 calendar days after Preliminary Approval, and at least thirty (30) calendar days after the Settlement Administrator’s deadline to provide the report of objections,

opt-outs and awards to determine Final Approval of the settlement and to enter a Final Approval Order:

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

24. **Post Judgment Report.** At the conclusion of the 90-day check cashing period set forth below and following receipt of the Settlement Administrator's report showing the total funds that were actually paid to Participating Individuals, Class Counsel shall submit a post-judgment report to the Court of regarding any funds that remain from checks that are returned as undeliverable or are not negotiated.

SETTLEMENT FUNDS AND AWARD CALCULATION

25. **Funding of Settlement.** The Settlement Administrator will administer this Settlement. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1 for the funding of the Gross Settlement Amount. Any interest that accrues on the Gross Settlement Amount sums paid into the QSF prior to distribution by the Administrator will become part of the Gross Settlement Amount for distribution to Participating Class Members and Class Counsel. Within seven (7) calendar days of the Effective Date of the Settlement, Defendants shall deposit the Gross Settlement Amount into the Settlement Administrator's designated account. Defendants shall not have access to the Gross Settlement Amount once those funds are deposited into the Settlement Administrator's designated account, including any earned interest accrued following deposit. The

Gross Settlement Amount is fully non-reversionary. All disbursements shall be made from the Gross Settlement Amount. If, for any reason whatsoever, the Effective Date is not reached, the entire Gross Settlement Amount and all interest earned thereon shall be returned to Defendants subject to payments set forth in Paragraph 21.a.

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

- a. **Service Award to Named Plaintiff.** Named Plaintiff shall receive the Service Award. This payment shall be made within five (5) calendar days after the Effective Date. If the Court approves the Service Award in amounts less than what Named Plaintiff requests, the reduction in the Service Award shall not be a basis for nullification of this Settlement. However, Plaintiff does not waive his right to appeal any reduction in the Service Award. Nor shall a reduction in the Service Award in any way delay or preclude the judgment from becoming a final judgment or the Settlement from becoming Effective. The Named Plaintiff assumes full responsibility for paying all taxes, if any, due as a result of the Service Award.
- b. **Fee Award and Costs Award.**
 - i. Class Counsel shall receive the Fee Award, which will compensate Class Counsel for all work performed in the Action as of the date of this Settlement Agreement as well as all of the work remaining to be performed, including but not limited to documenting the Settlement, securing Court approval of the Settlement, making sure that the Settlement is fairly administered and implemented, and obtaining final judgment in the Action. In addition, Class Counsel shall, subject to Court approval, receive the Costs Award. These payments of attorneys' fees and costs shall be made within five (5) calendar days after the Effective Date.
 - ii. The approved Fee Award and Costs Award, even if less than what Class Counsel requests, shall constitute full satisfaction of the Released Parties' obligations to pay amounts to any person, attorney, or law firm for attorneys' fees or costs in the Action on behalf of Named Plaintiff and/or any other Participating Individual, and shall relieve the Released Parties from any other claims or liability to any other attorney or law firm for any attorneys' fees or costs which any of them may claim to be entitled on behalf of Named Plaintiff or any other Participating Individual. If the Court approves a Fee Award and/or Costs Award in an amount less than what Class Counsel requests, the reduction in the Fee Award and/or Costs Award shall not be a basis for nullification of this Settlement. However, neither Plaintiff nor Class Counsel waive their right to appeal any reduction in the Fee Award and Cost Award.

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

- c. **Labor and Workforce Development Agency Payment and Net PAGA Amount for Distribution.** The Parties agree that the PAGA Payment will be paid from the Gross Settlement Amount in settlement of all individual and representative claims pursuant to PAGA in the Action. Sixty-Five Percent (65%) of the PAGA Payment will be paid to the LWDA. Thirty-Five Percent (35%) of the PAGA Payment will be allocated to the Net PAGA Amount to be distributed to Aggrieved Employees as set forth below. The payment to the LWDA shall be made by the Settlement Administrator within five (5) calendar days after the Effective Date.
- d. **Settlement Administration Costs.** Settlement Administrator's Costs shall be paid from the Gross Settlement Amount. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs incurred in the administration of the Settlement.
- e. **Settlement Awards to Eligible Class Members.** Settlement Awards shall be made to Participating Individuals as set forth below in Paragraph 30.

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

CALCULATION AND DISTRIBUTION OF SETTLEMENT AWARDS

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

29. Any Class Member who fails to submit a timely request to exclude themselves from the Settlement by following the procedure set forth in the Settlement Notice shall automatically be deemed a Participating Individual whose rights and claims with respect to the issues raised in the Action are determined by any order the Court enters granting Final Approval, and any judgment the Court ultimately enters in the Action and are subject to the Class Released Claims (as defined in Paragraph 14 above). Any such Class Member's rights to pursue any Class Released Claims will be extinguished if they do not timely request exclusion. Any Aggrieved Employee will be automatically deemed a Participating Individual as determined by any order by the Court approving the Settlement, and their rights to pursue any PAGA Released Claims (as defined in Paragraph 15 above) will be extinguished. Any Aggrieved Employee will not have a right to request exclusion from the Settlement.

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

- a. Class Members who do not timely request exclusion shall receive a pro rata portion of the Net Settlement Amount as follows: For each week during which the Class Member who did not timely request exclusion performed work for Defendants, they shall be eligible to receive a pro rata portion of the Net Settlement Amount based on the number of Workweeks the Class Member who did not timely request exclusion worked at any time in California during the Class Period. The total number of Workweeks may be determined by reference to weeks worked by and/or dates of employment of any Class Member who did not timely request exclusion as reflected in Defendants' employment and/or payroll records. A Class Member who timely requests exclusion will not receive a pro rata portion of the Net Settlement Amount, other than the payment described in Paragraph 30.b.i.
- b. Aggrieved Employees shall also receive a pro rata portion of the Net PAGA Amount as follows:
 - i. For each pay period during which the Aggrieved Employees performed work for Defendants, they shall be eligible to receive a pro rata portion of the Net PAGA Amount based on the number of workweeks the Aggrieved Employee worked at any time in California during the PAGA Period. The resulting share of the Net PAGA Amount per Participating Individual, if any, will be added to the Participating Individual's share of the Net Settlement Amount, to determine the Participating Individual's Settlement Award. The total number of workweeks may be determined by reference to weeks worked by and/or dates of employment as reflected in Defendants' employment and/or payroll records.

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

32. All Settlement Award determinations shall be based on the pay periods and/or weeks worked (as applicable) as reflected by the Released Parties' employment and/or payroll records. If the Parties determine, based upon further review of available data, that a person previously identified as being a Class Member is not a Class Member, or an individual who was not previously identified as a Class Member is in fact a Class Member but was not so included, the Settlement Administrator shall promptly make such addition or deletion as appropriate.

33. **Escalator Clause:** The Parties agree that this Settlement is based on an estimate of 32,030 workweeks worked by Class Members during the start of the Class Period through July 29, 2025. If the amount of workweeks for this time period is determined to be more than 5% higher than this estimate (i.e., more than 1,601 workweeks higher, or 33,631 workweeks in total),

Defendants will have the option to either (1) increase the Gross Settlement Amount by \$6.56 for each workweek above 32,030, or (2) end the Class Period on the date after the number of workweeks reaches 32,030.

34. **Settlement Award Allocations.** Any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties. For the remainder of each Settlement Award that is provided from the Net Settlement Amount, twenty percent (20%) of each Settlement Award shall be allocated as wages, and eighty percent (80%) of each Settlement Award shall be allocated as penalties and interest. Settlement Awards will be paid out to Participating Individuals subject to reduction for all employees' share of withholdings and taxes associated with the wage-portion of the Settlement Awards, for which Participating Individuals shall be issued an IRS Form W-2 for the portions of the Settlement Awards that are allocated to wages, if any. Participating Individuals will also be issued an IRS Form 1099 for the portions of the Settlement Awards that are allocated to penalties and interest. The Settlement Administrator shall provide Defendants' Counsel with a final Settlement Award calculation award for each Participating Individual within five (5) calendar days after the Effective Date. Amounts withheld will be remitted by the Settlement Administrator from the Net Settlement Amount to the appropriate governmental authorities. Defendants shall cooperate with the Settlement Administrator to provide payroll tax information as necessary to accomplish the income and employment tax withholding on the wage portion of each Settlement Award, and the Form 1099 reporting for the non-wage portion of each Settlement Award.

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

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

37. The Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a final report of all Settlement Awards, no more than seven (7) calendar days after the Effective Date.

38. The Settlement Administrator shall mail all Settlement Awards to Participating Individuals who do not timely request exclusion within five (5) calendar days after Defendants' deadline to deposit the Gross Settlement Amount into the Settlement Administrator's designated account or as soon as reasonably practicable thereafter. The Settlement Administrator shall then provide written certification of mailing to Class Counsel and Defendants' Counsel.

39. All Settlement Award checks shall remain valid and negotiable for ninety (90) calendar days from the date of their issuance and may thereafter automatically be canceled if not

cashed within that time. With forty-five (45) calendar days remaining, a reminder letter, an example of which is attached hereto as **Exhibit 4**, will be sent via emailed and U.S. mail to those who have not yet cashed their settlement check. At the conclusion of the 90-day check cashing deadline, Participating Individuals who have not cashed their Settlement Award checks shall nevertheless be deemed to have finally and forever released the Named Plaintiff's Released Claims or Participating Individuals' Released Claims.

40. **Remaining Monies.** If, at the conclusion of the 90-day check cashing period set forth above, any funds remain from checks that are returned as undeliverable or are not negotiated, those monies shall be distributed, subject to the Court's approval, to the California State Controller Unclaimed Property Fund in the name of the Participating Individual to be held by the Controller's Office for the benefit of the Participating Individual until such time as they claim their property, as allowed by law.

- a. Within twenty-one (21) calendar days after the distribution of any remaining monies to the California State Controller Unclaimed Property Fund, Class Counsel will file a "Post-Distribution Accounting." The Post-Distribution Accounting will set forth the status of the Settlement Administration.

MISCELLANEOUS

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

42. **Confidentiality.** The Named Plaintiff and his Counsel agree to keep the facts and terms of this Settlement confidential until approval of the Settlement is sought from the Court to the extent permitted by law. Thereafter, the Named Plaintiff and his Counsel agree that they will not issue a press release or hold any press conferences or initiate contact with a member of the press, including on social media, about this case and/or the fact, amount or terms of the Settlement to the extent permitted by law. If the Named Plaintiff is contacted by the press about the Settlement, they will respond only that the case has been resolved. Nothing in this Paragraph shall prevent Class Counsel from communicating with the Class Members, the LWDA, or the Court in which the Action are pending, as may be required to carry out the terms of this Settlement and/or fulfill their ethical responsibilities under the Settlement and to their respective clients. Nothing in this provision is intended to violate applicable state law and this provision will be interpreted in accordance with applicable state law.

43. **No Admission of Liability.** Defendants expressly deny all of the allegations in the Action. Defendants expressly deny that the Released Parties have violated the PAGA, California wage and hour laws, or any other provision of federal or state law with respect to any of their employees. This Settlement Agreement and all related documents are not and shall not be construed as an admission by the Released Parties of any fault or liability or wrongdoing. If this

Settlement Agreement does not become Final, this Settlement Agreement, and/or the circumstances leading to this Settlement Agreement, may not be used as an admission by the Released Parties of any wrongdoing or evidence of any wrongdoing by the Released Parties.

44. **Defendants' Legal Fees.** Defendants' legal fees and expenses in the Action shall be borne by Defendants.

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

46. **Reduced Service Award, Fee Award, or Costs Award Not a Basis for Voiding Settlement.** If the Court approves a Service Award, a Fee Award, and/or Costs Award in amounts less than what Named Plaintiff and/or Class Counsel request, the Parties agree that the reduction in the Service Award, Fee Award, and/or Costs Award will not be a basis for nullification of this Settlement. However, neither Plaintiff nor Class Counsel waive their right to appeal any reduction in the Service Award, Fee Award or Cost Award.

47. **Inadmissibility of Settlement Agreement.** Except for purposes of settling the Action, or enforcing this Settlement Agreement's terms (including that claims were settled and released), resolving an alleged breach, or for resolution of other tax or legal issues arising from a payment under this Settlement Agreement, neither this Settlement Agreement, nor its terms, nor any document, statement, proceeding, or conduct related to this Settlement Agreement, nor any reports or accounts thereof, shall be construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to any of the Parties or the Released Parties, including, without limitation, evidence of a presumption, concession, indication, or admission by any of the Parties or the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage.

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

49. **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings in the Action, including filing stipulations and requests for stays and/or extensions, as appropriate, except such proceedings necessary to implement and complete the Settlement. Further, without further order of the Court, the Parties hereto may agree in writing to reasonable extensions of time to carry out any of the provisions of the Settlement.

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

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

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

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

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

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

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

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

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

59. **Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement and all orders and judgments entered in connection therewith, and the Parties and their Counsel submit to the jurisdiction of the Court for this purpose.

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

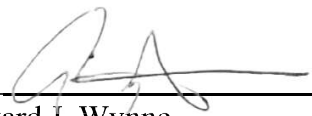
PLAINTIFF:



Joaquin Recinos

9/12/25
Date: _____, 2025

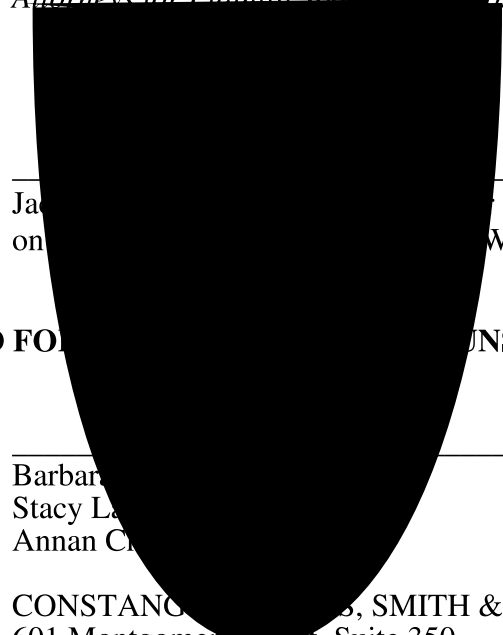
APPROVED BY CLASS COUNSEL:



Edward J. Wynne
George R. Nemiroff
Wynne Law Firm
80 E. Sir Francis Drake, Blvd., Suite 3G
Wood Island
Larkspur, CA 94939

Date: September 12, 2025

Attorneys for Plaintiff Joaquin Recinos



Date: _____, 2025

Ja
on _____ West Coast, Inc.

APPROVED AS TO FORM AND SUBSTANCE BY CLASS COUNSEL:

Barbara
Stacy L
Annan C

Date: _____, 2025

CONSTANTINE, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Attorneys for Defendants Amports, Inc. and APS West Coast, Inc.

APPROVED BY CLASS COUNSEL:

Edward J. Wynne
George R. Nemiroff
Wynne Law Firm
80 E. Sir Francis Drake, Blvd., Suite 3G
Wood Island
Larkspur, CA 94939

Attorneys for Plaintiff Joaquin Recinos

Date: _____, 2025

DEFENDANTS: *Jacob Brown* Date: September 12, 2025
Jacob Brown, Chief Financial Officer
on behalf of Amports, Inc. and APS West Coast, Inc.

APPROVED AS TO FORM BY DEFENDANTS' COUNSEL:

Barbara I. Antonucci
Stacy Lall
Annan Chen

CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Attorneys for Defendants Amports, Inc. and APS West Coast, Inc.

Date: _____, 2025

APPROVED BY CLASS COUNSEL:

Edward J. Wynne
George R. Nemiroff
Wynne Law Firm
80 E. Sir Francis Drake, Blvd., Suite 3G
Wood Island
Larkspur, CA 94939

Date: _____, 2025

Attorneys for Plaintiff Joaquin Recinos

DEFENDANTS:

Jacob Brown, Chief Financial Officer
on behalf of Amports, Inc. and APS West Coast, Inc.

Date: _____, 2025

APPROVED AS TO FORM BY DEFENDANTS' COUNSEL:



Barbara I. Antonucci
Stacy Lall
Annan Chen

Date: September 15, 2025

CONSTANGY, BROOKS, SMITH & PROPHETE LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111

Attorneys for Defendants Amports, Inc. and APS West Coast, Inc.

EXHIBIT 1

*Joaquin Recinos, individually, on behalf of all others similarly situated v.
Amports, Inc. and APS West Coast Inc.
Contra Costa County Superior Court, Case No. C24-02244*

NOTICE OF SETTLEMENT
PLEASE READ THIS NOTICE CAREFULLY.

You received this Notice of Settlement (“Settlement Notice”) because the records of APS West Coast, Inc. and Amports, Inc. (collectively “Defendants” or “Amports”) show you performed work for Defendants in California sometime between August 21, 2020 and July 29, 2025. Since you fit this definition, **you may be entitled to receive money from a Settlement¹ in this case, as described below.**

1. Why Should You Read This Settlement Notice?

This Settlement Notice explains your right to share in the monetary proceeds of this Settlement, exclude yourself (“opt out”) from the Settlement, or object to the Settlement. If you object to the Settlement, you cannot opt out of the Settlement, and you will be bound by the terms of Settlement in the event the Court denies your objection.

The Superior Court of California, Contra Costa County has preliminarily approved the Settlement as fair and reasonable. The Court will hold a Final Approval Hearing on _____, 2025 at __: __, before the Honorable Edward G. Weil at the Martinez-Wakefield Taylor Courthouse, 725 Court St Ste 103, Martinez, California, 94553, Department 39.

2. What Is This Case About?

This lawsuit (the “Action”) alleges that all persons (other than facility managers) who are employed or have been employed by any of Defendants between August 21, 2020 and July 29, 2025 (“Class Period”) in the State of California (“Class Members”) and all persons who are employed or have been employed by any of Defendants between August 15, 2023 and July 29, 2025 (“PAGA Period”) in the State of California (“Aggrieved Employees”) and were not reimbursed for reasonable business expenses. The Action seeks recovery of compensatory damages, statutory damages, civil penalties under the California Labor Code Private Attorneys General Act (“PAGA”), restitution, interest, injunctive relief, declaratory relief, and attorneys’ fees and costs. The claims in this lawsuit are brought under California law.

Defendants contend that they have legal and factual defenses to these claims, but recognize the risks, distractions, and costs associated with litigation. Defendants contend that the reimbursement policies and practices at issue are lawful and have been lawful throughout the relevant time period. Defendants also contend that Plaintiff’s claims do not meet the requirements for class certification.

¹ This notice summarizes the proposed Settlement. The capitalized terms in this Settlement Notice have defined meanings that are set out in detail in the Settlement Agreement. To review a copy of the Settlement Agreement, please visit the Settlement website at [\[INSERT URL\]](#).

This Settlement is the result of good faith, arm's length negotiations between Plaintiff and Defendants, through their respective attorneys. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and in the best interests of the Class Members. This Settlement is a compromise and is not an admission of liability on the part of Defendants.

The Court has not ruled on the merits of Plaintiff's claims or Defendants' defenses.

The Settlement Administrator has created a Settlement website, which can be accessed at [INSERT URL]. The Settlement website allows interested persons to view the Settlement Agreement, all papers filed by Class Counsel to obtain Court approval of the Settlement Agreement, and this Settlement Notice (in generic form). The Settlement website also provides contact information for Class Counsel and the Settlement Administrator.

3. What Are the Terms of the Settlement?

Defendants have agreed to pay Two Hundred and Ten Thousand Dollars (\$210,000) to settle the Action ("Gross Settlement Amount"). Deductions from this amount will be made for:

- (1) attorneys' fees and costs for Class Counsel (up to \$70,000 in attorneys' fees, plus actual attorneys' costs not to exceed \$15,000; *see* Section 9 below),
- (2) settlement administration costs (estimated to be less than \$10,000),
- (3) a service award in the amount not to exceed Five Thousand Dollars (\$5,000) to Joaquin Recinos ("Named Plaintiff") for his service to the Class, and
- (4) penalties of Six Thousand and Five Hundred Dollars (\$6,500) to the Labor and Workforce Development Agency.

After deductions of these amounts, what remains of the Gross Settlement Amount ("Net Settlement Amount") will be distributed as follows. Class Members who do not timely request exclusion shall receive a *pro rata* portion of the Net Settlement Amount. Further, Aggrieved Employees will receive a *pro rata* portion of the Net PAGA Amount (\$3,500) regardless whether they opt out of the Class. The payment that each Participating Individual (Class Members who do not submit a valid letter requesting to be excluded and all Aggrieved Employees) shall be entitled to receive pursuant to the terms of the Settlement Agreement will be referred to as "Settlement Award."

4. How Much Can I Expect to Receive?

All Class Members who do not timely request exclusion will receive a *pro rata* portion of the Net Settlement Amount based on the total number of workweeks that each Class Member who did not timely request exclusion worked for Defendants during the Class Period. Class Members shall receive a *pro rata* portion of the Net Settlement Amount as follows: Each Class Member who did not timely request exclusion shall be eligible to receive a *pro rata* portion of the Net Settlement Amount based on the number of workweeks the Class Member who did not timely request exclusion worked during this Class Period. A Class Member who timely requests exclusion will

not receive a *pro rata* portion of the Net Settlement Amount other than the Net PAGA Amount per Aggrieved Employee described in the paragraph below.

Aggrieved Employees who worked for Defendants between August 15, 2023 and July 29, 2025 in the State of California shall be eligible to receive a *pro rata* portion of the Net PAGA Amount based on the number of Workweeks the Aggrieved Employee worked at any time in California during the PAGA Period. The Net PAGA Amount is \$3,500. The resulting portion of the Net PAGA Amount per Aggrieved Employee will be added to the Participating Individual's portion (if any) of the Net Settlement Amount, to determine the Participating Individual's Settlement Award. Aggrieved Employees cannot opt out of the PAGA Released Claims (defined in section 6 below) and will still receive their *pro rata* portion of the Net PAGA Amount.

All Settlement Award determinations will be based on Defendants' employment and/or payroll records for Class Members. According to records maintained by Defendants, your total estimated settlement payment will be \$____. This amount is an estimated amount, and your final settlement payment is expected to differ from this amount (i.e., it could be higher or lower) and will be calculated as set forth above. Based on Defendants' records, you are estimated to have worked _____ Workweeks for Defendant(s).

If you dispute the number of Workweeks as shown on this Settlement Notice, you may produce evidence to the Settlement Administrator establishing the dates you contend to have worked for Defendants. Weeks "worked" for purposes of this settlement will be determined by reference to Workweeks and/or dates of employment in Defendants' employment and/or payroll other records. To do so, send a letter to the Settlement Administrator explaining the basis for your dispute and attach copies of the supporting evidence. Unless you present convincing evidence proving you worked more workweeks than shown by Defendants' records, your Settlement Award will be determined based on Defendants' records. Any disputes must be postmarked by [INSERT DATE], which is **forty-five (45) days** from the emailing and mailing of this Settlement Notice and should be mailed to [INSERT SETTLEMENT ADMINISTRATOR ADDRESS]. The Settlement Administrator will notify you of the decision on the dispute.

For tax reporting purposes, Settlement Awards to Participating Individuals will be allocated as follows: any portion of each Settlement Award that is provided from the Net PAGA Amount shall be allocated as penalties; for the remainder, if any, of each Settlement Award, one-fifth (20%) of each Settlement Award shall be allocated as wages, and four-fifths (80%) of each Settlement Award shall be allocated as penalties and as interest. You will receive an IRS form 1099 for your portion of the Net PAGA Amount and, where applicable, penalties and interest portion of your Settlement Award, and an IRS Form W-2 for the wage portion of your Settlement Award. None of the Parties or attorneys makes any representations concerning the tax consequences of this Settlement or your participation in it. Participating Individuals should consult with their own tax advisors concerning the tax consequences of the Settlement.

If you participate in the Settlement, you will have 90 days to cash the check that will be sent to you, and if not cashed by then, the check will be void. If at the conclusion of the 90-day check cashing period, there are any uncashed checks, those monies will be submitted to the California State Controller Unclaimed Property Fund in the name of the Participating Individual, subject to the Court's approval in the Final Approval Order.

It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your monetary Settlement Award. If you fail to keep your address current, you may not receive your Settlement Award. You may contact the Settlement Administrator CPT Group at [contact information] to update your address.

5. How Do I Appear at the Final Approval and Fairness Hearing?

If you do not request to be excluded from the Settlement, you may appear at the Final Approval Hearing. You do not have to attend the Final Approval Hearing, but you may do so at your own expense. You may also pay your own lawyer to attend, but it is not necessary.

You may remotely appear at the Final Approval Hearing by scheduling an appearance via Zoom at <insert link>. You may also attend the Fairness Hearing in person, but you should check for the latest updates on the court website by searching the case number (C24-02244) through the Court's electronic public records system at: [Superior Court of California, County of Contra Costa](#).

6. What Are the Releases?

Participating Individual(s) means (a) any Class Member(s) who do not opt out and (b) all Aggrieved Employees. All Participating Individuals will be bound by all terms and conditions of the Settlement Agreement, including the release of the Class Released Claims and PAGA Released Claims. Upon Final Approval of the Settlement Agreement and payment of amounts set forth under the Settlement, all Participating Individuals release claims as follows ("Released Claims") against Defendants and any of their past, present, and future parents, affiliates, subsidiaries, joint employers, predecessors, successors, and assigns, and each of their current or former officers, directors, board members, and trustees, owners, shareholders, employees, agents, attorneys, auditors, accountants, experts, contractors, stockholders, representatives, partners, administrators, insurers, reinsurers, and other persons acting on their behalf, as well as any individual or entity that could be liable for any of the Released Claims (collectively, the "Released Parties"):

- **Class Released Claims.** Participating Individuals, and all persons purporting to act on their behalf, including, but not limited to, their dependents, attorneys, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity, shall release the Released Parties from all claims, rights, damages, liquidated damages, wages, compensation, reimbursement, punitive damages, statutory damages, penalties, liabilities, costs, expenses, attorneys' fees, interest, restitution, equitable relief, injunctive relief, declaratory relief, accounting, losses, or causes of action alleged in the Action and/or that could have been alleged based on the facts alleged in the Action during the Class Period and all claims and rights to recover civil penalties, costs, expenses, attorneys' fees, interest, injunctive relief, declaratory relief, and/or accounting, losses, or causes of action alleged in the Action and/or that could have been alleged based on the facts alleged in the Action during the Class Period. This shall include, but is not limited to, any claims during the Class Period for the purported payment or nonpayment of all reasonable business expenses under any applicable law including the California Labor Code, applicable wage orders, and California Business and Professions Code, and any claims during the PAGA Period for

civil penalties pursuant to PAGA for the purported payment or nonpayment of reasonable business expenses under any applicable law.

- **PAGA Released Claims.** Aggrieved Employees shall release and discharge all Released Parties from any and all claims and rights to recover civil penalties, costs, expenses, attorneys' fees, interest, injunctive relief, declaratory relief, and/or accounting, against the Released Parties from any and all causes of action under PAGA pled in the Action and/or that could have been alleged based on the facts alleged in the Action during the PAGA Period. This shall include, but is not limited to, any claims during the PAGA Period for civil penalties pursuant to PAGA for the purported payment or nonpayment of reasonable business expenses under any applicable law.

There shall be no right for any Aggrieved Employee to opt out or otherwise exclude themselves from the release of PAGA claims. The Final Approval Order and the Judgment entered as a result of this Settlement shall have *res judicata* and preclusive effect to the fullest extent allowed by law.

7. What Are My Rights?

- **Do Nothing:** If you are a Class Member and do not timely and validly opt-out, you will automatically become a Participating Individual and receive your Settlement Award and will be bound by the Settlement including its release provisions.
- **Opt-Out:** If you are a member of the Class and do not wish to be bound by the Settlement, you must submit a written exclusion from the Settlement ("opt-out"), postmarked by **[INSERT DATE]**, which is **forty-five (45) days** from the mailing of this Settlement Notice. The written request for exclusion must contain your full name, address, telephone number, email address (if applicable), last four digits of your social security number or individual taxpayer identification number, and must be signed individually by you. No opt-out request may be made on behalf of a group. The opt-out request must be sent by mail to the Settlement Administrator at **[INSERT SETTLEMENT ADMINISTRATOR ADDRESS]**. **Any person who requests exclusion from (opts out of) the Settlement will not be entitled to any portion of the Net Settlement Amount and will not have any right to object, appeal or comment on the Settlement Agreement; however, Aggrieved Employees may not opt out of the PAGA portion of the Settlement Agreement or the PAGA Released Claims and will receive a portion of the Net PAGA Amount.**
- **Object:** If you received this Settlement Notice and wish to object to the Settlement, you must submit a written statement objecting to the Settlement by **[INSERT DATE]**, which is **forty-five (45) days** from the mailing of this Settlement Notice. The statement must state the factual and legal grounds for your objection to the Settlement. The statement must state your full name, address, telephone number, and email address (if applicable), and must be signed by you or your legal representative.

If you mail a written objection, you may also, if you wish, appear at the Final Approval Hearing to discuss your objection with the Court and the parties to the Lawsuit. Your written objection must state whether you will attend the Final Approval Hearing, and your

written notice of your intention to appear at the Final Approval Hearing must be served upon the Settlement Administrator on or before the Notice Deadline, which is **forty-five (45) days** from the mailing of this Settlement Notice. To be heard at the Final Approval Hearing you must also not opt out of the Settlement. If you wish to object to the Settlement but fail to return your timely written objection in the manner specified above, you shall be deemed to have waived any objection and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. The postmark date of mailing to the Settlement Administrator shall be the exclusive means for determining that an objection is timely mailed. Objections shall only be considered if the Class Member has not opted out of the Settlement. The failure to submit a written objection as a prerequisite to appearing in court to object to the settlement may be excused upon a showing of good cause.

8. Can Defendants Retaliate Against Me for Participating in this Lawsuit?

No. Your decision as to whether or not to participate in this Settlement will in no way affect your work or employment with Defendants or future work or employment with Defendants. It is unlawful for Defendants to take any adverse action against you as a result of your participation in this Settlement. In fact, Defendants encourage you to participate in this Settlement.

9. Who Are the Attorneys Representing the Parties?

Plaintiff and the Class Members are represented by the following attorneys acting as Class Counsel:

Edward J. Wynne
George R. Nemiroff
Wynne Law Firm
80 E. Sir Francis Drake, Blvd., Suite 3G
Wood Island
Larkspur, CA 94939
Telephone: (415) 461-6400
ewynne@wynnelawfirm.com
gnemiroff@wynnelawfirm.com

Defendants are represented by the following attorneys:

Barbara I. Antonucci
Stacy Lall
Annan Chen
CONSTANGY, BROOKS, SMITH & PROPHETE, LLP
601 Montgomery Street, Suite 350
San Francisco, CA 94111
Telephone: (415) 918-3000
bantonucci@constangy.com
slall@constangy.com
achen@constangy.com

10. How Will the Attorneys for the Class Be Paid?

Class Counsel will be paid from the Gross Settlement Amount of \$210,000. You do not have to pay the attorneys who represent the Class. The Settlement Agreement provides that Class Counsel will receive attorneys' fees of up to thirty-three percent and one-third (33.3% or 1/3) of \$210,000 (i.e., \$70,000) plus their actual out-of-pocket costs not to exceed \$15,000. The amount of attorneys' fees and costs awarded will be determined by the Court at the Final Approval Hearing.

11. Where can I get more information?

If you have questions about this Settlement Notice, or the Settlement, or if you did not receive this Settlement Notice in the mail and you believe that you are or may be a member of the Class, you should contact the Class Counsel.

This Settlement Notice is only a summary. For the precise terms and conditions of the Settlement, please see the Settlement Agreement available at the Settlement website at [INSERT URL], by contacting the Settlement Administrator toll-free at [dedicated phone number] or Class Counsel at the contact information listed above, by accessing the Court docket in this case by searching the case number (C24-02244) through the Court's electronic public records system at [Superior Court of California, County of Contra Costa](#), or by visiting the office of the Clerk of the Court for the Contra Costa Superior Court, Martinez-Wakefield Taylor Courthouse, 725 Court St Ste 103, Martinez, California, 94553, Department 39, between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays (Court phones are answered 8:00 a.m. until 3:00 p.m. After 3:00 p.m. a voice mail system will respond to your call) to simply request to order public court documents filed in the Action.

PLEASE DO NOT CONTACT THE COURT, THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS ACTION.

EXHIBIT 2

WYNNE LAW FIRM

Wood Island
80 E. Sir Francis Drake Blvd., Suite 3G, Larkspur CA 94939
Tel (415) 461-6400 fax (415) 461-3900
www.wynnelawfirm.com

_____, 2025

Amended Notice of Intent to Commence Civil Action Pursuant to Labor Code Section 2699

Via Online Submission

Labor Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

Re: Amports, Inc. and APS West Coast, Inc.

Dear Sir or Madam:

Pursuant to the Private Attorneys General Act of 2004 ("PAGA"), California Labor Code §§ 2698 *et seq.*, this Amended PAGA Notice/letter is sent on behalf of Claimant Joaquin Recinos and other similarly situated current and former employees of Amports, Inc. and APS West Coast, Inc. employed in California who have not been reimbursed for reasonable and necessary business expenses in violation of Labor Code § 2802. This Notice is being amended to include APS West Coast, Inc.

Relevant Facts

Amports, Inc. is a corporation incorporated in the state of Delaware with its principal headquarters located in Jacksonville, Florida. APS West Coast, Inc. is a California corporation with its principal place of business in Jacksonville, Florida. Amports, Inc. and APS West Coast, Inc. are collectively referred to hereinafter as "Amports." Amports does business in California in Contra Costa County and Los Angeles County. Amports is an automotive processor offering, *inter alia*, automobile storage for vehicles coming from manufacturers on their way to dealerships, vehicle upkeep and installations, and tracking and inspections. Amports' facilities are very large—holding thousands of vehicles at any given time.

Amports employs a number of employees including maintenance employees, mechanics, auditors, van drivers and supervisors. Supervisors, like Joaquin Recinos, are charged with supervision and coordination of all department activities, including customer relations, scheduling, employee relations, budgeting, staffing, safety, and meeting production goals. Supervisors are expected to be good communicators. Supervisors work in the office and out on the lot. Supervisors are frequently in communication with other employees including van drivers.

In order to communicate with other employees, Supervisors and other employees use their personal mobile phones. Supervisors call and text other employees as well as receive communications from other employees including their supervisors, the facility managers, on their personal mobile phones. However, Amports does not provide mobile phones to supervisors or other employees except for the facility managers. Also, as a company policy and practice, Amports does not reimburse its employees for the costs associated with their use of their personal mobile phones notwithstanding that Amports knows its employees must use their personal mobile phones to carry out their duties and responsibilities.

Labor Code Violations

As a result of the foregoing, Amports-failed to reimburse Claimant and other Amports employees business expenses incurred in the direct consequence of their duties in violation of Labor Code § 2802. Based on such, Amports is liable to Claimant and other Amports employees for violating Labor Code § 2802.

Request for Action

Please be advised that if the Labor and Workforce Development Agency does not take action on the allegations set forth in this letter within the time limit set by Labor Code § 2699.3, Claimant will pursue claims on behalf of himself and all other employees of Amports, Inc in California during the applicable statute of limitations for violation of Labor Code § 2802 and will seek civil penalties and other remedies set forth in these and other California Labor Code sections. Claimant will seek, as appropriate, default penalties under Labor Code § 2699(c)(2) or the specific penalty amount set forth in the Labor Code.

Please advise this office within the statutory period if your office will be investigating these matters. If you have any questions, please contact the undersigned at the number or address provided above. Thank you for your attention to this matter.

Pursuant to Labor Code section 2699.3(a)(2), a copy of this letter is being sent via certified mail to the following:

Amports, Inc.
c/o CT Corporation System
330 N Brand Blvd., Suite 700
Glendale, CA 91203

APS West Coast, Inc.
c/o CT Corporation System
330 N Brand Blvd., Suite 700
Glendale, CA 91203

Please contact the undersigned if you need any additional information.

Very truly yours,

WYNNE LAW FIRM

Edward J. Wynne

EXHIBIT 3

EDWARD J. WYNNE, SBN 165819
ewynne@wynnelawfirm.com
GEORGE R. NEMIROFF, SBN 262058
gnemiroff@wynnelawfirm.com
WYNNE LAW FIRM
80 E. Sir Francis Drake Blvd., Suite 3G
Wood Island
Larkspur, CA 94939
Telephone: (415) 461-6400
Facsimile: (415) 461-3900

Attorneys for Plaintiff and the putative class

**SUPERIOR COURT OF CALIFORNIA
CONTRA COSTA COUNTY**

JOAQUIN RECINOS, individually and on behalf
of all others similarly situated,

Plaintiff,

v.

AMPORTS, INC.,

APS West Coast, Inc.,

and DOES 1 through 10, inclusive,

Defendants.

Case No.: C24-02244

**SECOND AMENDED CLASS
ACTION AND PAGA COMPLAINT**

**(1) FAILURE TO REIMBURSE BUSINESS
EXPENSES (LABOR CODE § 2802)**

**(2) UCL VIOLATION (BUS. & PROF.
CODE**

§ 17200-04)

(3) PAGA (LABOR CODE § 2699, et seq.)

JURY TRIAL DEMANDED

Joaquin Recinos (“Plaintiff”), on behalf of himself and all others similarly situated, (hereinafter “Class Members”), complains and alleges as follows:

A. INTRODUCTION

1. This is a class action under Code of Civil Procedure § 382 and a Private Attorney General Act of 2004 (PAGA) action under Labor Code § 2699, *et seq.*, against Defendants Amports, Inc. and APS West Coast, Inc. (collectively, “Amports” or “Defendants”) to challenge its policies and/or practices of (1) failing to reimburse Plaintiff and all employees similarly situated for unreimbursed business expenses, and (2) violating California’s Unfair Competition Law (UCL).

2. Plaintiff seeks reimbursement for business expenses and interest thereon, restitution, declaratory and equitable relief, penalties, and reasonable attorneys’ fees and costs under California Labor Code §§ 2802, 2699, *et seq.*, and California Bus. & Prof. Code § 17200 *et seq.* for himself and on behalf of all other individuals who are or have been employed by Amports in California during the four years prior to the filing of this action. Plaintiff and similarly situated and aggrieved employees during statutory time period covered by action incurred reasonable and necessary business expenses in order to carry out the essential functions of their jobs for Amports for which they were not reimbursed. Plaintiff, on behalf of himself and Class Members, seek damages and restitution of all unjust enrichment Amports has enjoyed from its failure to reimburse business expenses incurred by Plaintiff, Class Members and Aggrieved Employees. Plaintiff also seeks declaratory and equitable relief, and reasonable attorneys’ fees and costs under California Labor Code §§ 2802(c), 2699(g) and California Bus. & Prof. Code § 17200 *et seq.* on behalf of Plaintiff, Class Members and Aggrieved Employees.

3. The “Class Period” is designated as the period from the date four years prior to the filing of the Complaint through the date the Court grants class certification. The violations of California’s employee expense reimbursement law have been ongoing during the statutory time period covered by this action and to the present and will continue unless and until enjoined by the Court.

B. JURISDICTION

4. This Court has personal jurisdiction over Amports because Amports does business in

1 California and within this judicial district. Plaintiff is a resident of California, and Plaintiff's claim
2 against Defendants arose in this judicial district.

3 5. This Court has general jurisdiction over Plaintiff's Labor Code claim and claim for
4 unfair business practices under the California Business and Professions Code § 17200, *et se*.

5 **C. VENUE**

6 6. Venue is proper in this County pursuant to Code of Civil Procedure § 395(a). Amports
7 conducts business in this County. A substantial portion of the events giving rise to the causes of action
8 herein occurred in this County.

9 **D. PARTIES**

10 7. Plaintiff Joaquin Recinos resides in Vallejo, California. Plaintiff was employed by
11 Amports from approximately 2018 until June 2024. During the Class Period, Plaintiff has worked as a
12 Supervisor for Amports at its in facility in Contra Costa County. During the Class Period, Plaintiff
13 was subject to Amports' unlawful business expense reimbursement policies and/or practices set forth
14 herein.

15 8. Defendant Amports is a Delaware corporation with its principal place of business in
16 Jacksonville, Florida. Defendant APS West Coast, Inc is a California corporation with its principal
17 place of business in Jacksonville, Florida.

18 9. The true names and capacities of persons or entities, whether individual, corporate,
19 associate, or otherwise are currently unknown to Plaintiff. Plaintiff is informed and believes, and based
20 thereon alleges, that additional defendants may be legally responsible in some manner for the unlawful
21 acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true
22 names and capacities of such defendants when such identities become known.

23 10. All of Plaintiff's claims stated herein are asserted against Amports and any of their
24 owners, predecessors, successors, subsidiaries, and/or assigns.

25 **E. FACTUAL BACKGROUND**

26 11. Amports operates, and at all times during the liability period, has done business in this
27 judicial district and throughout California.
28

1 12. Since at least four years prior to the filing of this action, Amports has maintained
2 business expense policies and/or practices that deny lawful reimbursement and/or compensation to its
3 employees. Amports is an automotive processor offering, *inter alia*, automobile storage for vehicles
4 coming from manufacturers on their way to dealerships, vehicle upkeep and installations, and tracking
5 and inspections. Amports' facilities are very large — holding thousands of vehicles at any given time.

6 13. Amports employs a number of employees including maintenance employees, mechanics,
7 auditors, van drivers and supervisors. Supervisors, like Joaquin Recinos, are charged with supervision
8 and coordination of all department activities, including customer relations, scheduling, employee
9 relations, budgeting, staffing, safety, and meeting production goals. Supervisors are expected to be good
10 communicators. Supervisors work in the office and out on the lot. Supervisors are frequently in
11 communication with other employees including van drivers.

12 14. In order to communicate with other employees, Supervisors and other employees use
13 their personal mobile phones. Supervisors call and text other employees as well as receive
14 communications from other employees including their supervisors, the facility managers, on their
15 personal mobile phones. However, Amports does not provide mobile phones to supervisors or other
16 employees except for the facility managers. Also, as a company policy and practice, Amports does not
17 reimburse its employees for the costs associated with their use of their personal mobile phones
18 notwithstanding that Amports knows its employees must use their personal mobile phones to carry out
19 their duties and responsibilities.

20 15. Amports has maintained these same business expense policies and/or practices or
21 substantially similar ones throughout the Class Period.

22 16. Amports is aware that its employees regularly incur business expenses in the discharge
23 of their duties as employees. Defendants nevertheless fail and refuse to reimburse their employees for
24 such business expenses incurred by them in their work.

25 17. Plaintiff and Class Members have been harmed by Amports' unlawful business expense
26 policies and/or practices in that they have not been paid for certain business expenses incurred while
27 employed by Amports, as alleged above, thereby diminishing their agreed-upon compensation, in
28

amounts to be proven at trial.

18. Plaintiff is informed, believes, and thereon alleges that Amports' unlawful conduct has been widespread, repeated, and consistent as to Class Members and throughout Amports' operations in California. Amports knows or should know that its policies and/or practices have been unlawful and unfair.

19. Amports's conduct was willful, carried out in bad faith, and caused significant damages to Plaintiff and Class Members in an amount to be determined at trial.

F. CLASS ACTION ALLEGATIONS

20. Plaintiff brings this action, on behalf of himself and all others similarly situated, as a class action pursuant to Code of Civil Procedure § 382. The Class that Plaintiff seeks to represent is composed of and defined as follows:

All current and former employees of Amports (except facility managers) in California who have not been reimbursed for reasonable and necessary business expenses in violation of Labor Code § 2802.

21. This action has been brought and may properly be maintained as a class action under Code of Civil Procedure § 382 because there is a well-defined community of interest in the litigation, the proposed class is easily ascertainable, and Plaintiff is a proper representative of the Class:

- a. Numerosity: The potential members of the Class as defined are numerous and therefore joinder of all the members of the Class is impracticable. While the precise number of Class Members has not been determined at this time, Plaintiff is informed and believes that Defendants have employed less than 100 hundred employees covered by this action. Notwithstanding, joinder of all members of the proposed class is not practicable.
- b. Commonality: There are questions of law and fact common to the Plaintiff and the Class that predominate over any questions affecting only individual members of the Class. These common questions of law and fact include, without limitation.
 - i. Whether Plaintiff and Class Members have incurred unreimbursed

business expenses for the reasonable and necessary use of personal mobile phones in the discharge of their duties for Defendants.

- ii. Whether Defendants intended, suffered and permitted, and/or were aware that Plaintiff and Class Members incurred such business expenses in the discharge of their duties as employees;
- iii. Whether Defendants failed and/or refused to reimburse, fully or at all, business expenses incurred by Plaintiff and Class Members in the discharge of their duties;
- iv. Whether Defendants' failure to reimburse business expenses incurred by Plaintiff and Class Members, fully or at all, was the result of, and/or pursuant to, a business policy or regular practice of Defendants;
- v. Whether Defendants violated Labor Code § 2802 and Bus. & Prof. Code § 17200 by denying Plaintiff and other Class Members reimbursement for their business expenses;
- vi. The proper formula(s) for calculating restitution, damages, penalties and interest owed to Plaintiff and the Class Members.

c. Typicality: Plaintiff's claims are typical of the claims of the Class. Both Plaintiff and Class Members sustained injuries and damages, and were deprived of property rightly belonging to them, arising out of and caused by Defendants' course of conduct in violation of law as alleged herein, in similar ways and for the same types of expenses.

d. Adequacy of Representation: Plaintiff is a member of the Class and will fairly and adequately represent and protect the interests of the Class Members. Plaintiff's interests do not conflict with those of Class Members. Counsel who represent Plaintiff are competent and experienced in litigating large wage and hour class actions, including business expense reimbursement cases, and will devote sufficient time and resources to the case and otherwise adequately

1 represent the Class.

- 2 e. Superiority of Class Action: A class action is superior to other available means
3 for the fair and efficient adjudication of this controversy. Individual joinder of
4 all Class Members is not practicable, and questions of law and fact common to
5 the Class predominate over any questions affecting only individual members of
6 the Class. Each Class Member has been damaged or may be damaged in the
7 future by reason of Defendants' unlawful policies and/or practices of not
8 reimbursing business expenses. Certification of this case as a class action will
9 allow those similarly situated persons to litigate their claims in the manner that is
10 most efficient and economical for the parties and the judicial system. Certifying
11 this case as a class action is superior because the Plaintiff seeks relief that will
12 affect all Class Members in a common way, and will also allow for efficient and
13 full disgorgement of the ill-gotten gains Defendants have enjoyed by maintaining
14 their unlawful business expense reimbursement, and will thereby effectuate
15 California's strong public policy of protecting employees from deprivation or
16 offsetting of compensation earned in their employment. If this action is not
17 certified as a Class Action, it will be impossible as a practical matter for many or
18 most Class Members to bring individual actions to recover monies unlawfully
19 withheld from their lawful compensation due from Defendants, due to the
20 relatively small amounts of such individual recoveries relative to the costs,
21 burdens, and risks of litigation.

22 **FIRST CAUSE OF ACTION**
23 **Failure To Reimburse Business Expenses**
24 **(Labor Code § 2802)**

25 22. Plaintiff re-alleges and incorporates the foregoing paragraphs as though fully set forth
26 herein.

27 23. Labor Code § 2802 provides that "[a]n employer shall indemnify his or her employee
28 for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge

1 of his or her duties.”

2 24. In order to discharge their duties for Defendants, Plaintiff and similarly situated
3 employees were required and/or expected by Defendants to use their own personal mobile phones in
4 order to communicate with other employees. However, Defendants did not fully pay for expenses
5 incurred as a result of Plaintiff and Class Members’ use of their personal mobile phones in carrying out
6 their duties for Defendants.

7 25. Plaintiff and similarly situated employees are entitled to reimbursement for these
8 reasonable and necessary expenditures, plus interest and attorneys’ fees and costs, under Labor Code
9 § 2802.

10 26. As a result of Defendants’ violations of Labor Code § 2802, Defendants are also liable
11 for attorneys’ fees and costs under Labor Code § 2802(c).

12 **SECOND CAUSE OF ACTION**
13 **Unfair Competition Law Violations**
(Bus. & Prof. Code § 17200)

14 27. Plaintiff re-alleges and incorporates the foregoing paragraphs as though fully set forth
15 herein.

16 28. Business & Professions Code § 17200 (the “UCL”) prohibits unfair competition in the
17 form of any unlawful, unfair, or fraudulent business act or practice. Business & Professions Code § 17204
18 allows “any person who has suffered injury in fact and has lost money or property” to prosecute a civil
19 action for violation of the UCL.

20 29. During the Class Period and continuing to the present, Defendants have committed
21 unlawful, unfair, and/or fraudulent business acts and practices as defined by Business & Professions Code
22 § 17200, by failing to reimburse and indemnify Plaintiff and similarly situated Class Members for
23 employment-related business expenses and losses, in violation of Labor Code § 2802.

24 30. In order to discharge their duties for Defendants, Plaintiff and similarly situated
25 employees were required, expected, and/or permitted by Defendants to use their own personal mobile
26 phone. However, Defendants did not fully pay for expenses incurred as a result of Plaintiff and Class
27 Members’ use of their personal mobile phones in carrying out their duties for Defendants.

28 31. As a direct and proximate result of Defendants’ unlawful, unfair, and/or fraudulent acts

1 and practices described herein, Defendants have received and continues to hold ill-gotten gains belonging
2 to Plaintiff and Class Members in the form of unreimbursed employee business expenses. As a direct and
3 proximate result of Defendants' unlawful business practices, Plaintiff and Class Members have suffered
4 economic injuries in the form of unreimbursed business expenses. Defendants have profited from their
5 unlawful, unfair, and/or fraudulent acts and practices in the amount of those business expenses.

6 32. Plaintiff and similarly situated Class Members are entitled to restitution pursuant to
7 Business & Professions Code §§ 17203 and 17208 for all unpaid business expenses as well as interest
8 thereon accruing, from four years prior to the filing of this action to the date of such restitution, and
9 Defendants should be required to disgorge all the profits and gains it has reaped and restore such profits
10 and gains to Plaintiff and similarly situated Class Members from whom they were unlawfully taken.

11 33. Plaintiff has assumed the responsibility of enforcement of the laws and public policies
12 specified herein by suing on behalf of himself and other similarly situated members of the public
13 previously and presently employed by Defendants in California. Plaintiff's success in this action will
14 enforce important rights affecting the public interest. Plaintiff will incur a financial burden in pursuing
15 this action in the public interest. Therefore, an award of reasonable attorneys' fees to Plaintiff is
16 appropriate pursuant to Code of Civil Procedure § 1021.5.

17 **THIRD CAUSE OF ACTION**

18 **The Labor Code Private Attorneys General Act of 2004**
19 **(Labor Code §§ 2699, *et seq.*)**

20 34. Plaintiff re-alleges and incorporates the foregoing paragraphs as though fully set forth
21 Herein.

22 35. As alleged above, Defendants failed to comply with the California Labor Code. As such,
23 Plaintiff is an "aggrieved employee" as defined in Labor Code § 2699(a). Pursuant to Labor Code § 2699,
24 the Labor Code Private Attorneys General Act of 2004, Plaintiff brings this action on behalf of himself
25 and other current and former Aggrieved Employees against Defendants, and seek recovery of applicable
26 civil penalties as follows:

- 27 a. where civil penalties are specifically provided in the Labor code for each of the
28 violations alleged herein, Plaintiffs seek recovery of such penalties;

b. where civil penalties are not established in the Labor Code for each of the violations alleged herein, Plaintiffs seek recovery of the penalties established in § 2699(e) of the Labor Code Private Attorneys General Act of 2004, and in accordance with § 200.5 of the Labor Code.

36. On August 15, 2024, Plaintiff Joaquin Recinos caused to be served written notice, via certified mail, to the Labor and Workforce Development Agency and to Defendant Amports, Inc., of Plaintiff's intent to amend the complaint to add a cause of action pursuant to Labor Code §§ 2699, *et seq.* On _____, 2025, Plaintiff served an amended PAGA notice to include APS West Coast, Inc. A copy of the amended PAGA notice is attached hereto as Exhibit 1 and incorporated by reference herein.

37. The Labor and Workforce Development Agency declined to issue notice of its intention to pursue civil penalties in response to the notice. Labor Code § 2699.3 authorizes Plaintiff to file a claim arising under PAGA after 60 days of the specified time periods. Accordingly, Plaintiff commenced this PAGA claim for civil remedies as provided for under Labor Code § 2699.3.

38. Plaintiff, on behalf of themselves and similarly situated Aggrieved Employees, request relief as described below.

JURY DEMAND

Plaintiff hereby requests a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests the following relief:

- A. That the Court determine that this action may be maintained as a class action under Code of Civil Procedure § 382, and define the Class as requested herein;
- B. For compensatory damages and interest thereon according to proof;
- C. For restitution and interest thereon according to proof;
- D. For civil and statutory penalties according to proof;
- E. For an injunction and declaratory relief;
- F. For reasonable attorneys' fees and costs according to proof; and,
- G. For such other and further relief as this Court may deem appropriate

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2 DATED: _____

WYNNE LAW FIRM

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6 By: Edward J. Wynne
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EXHIBIT 4

Settlement Administrator Contact Information
Claims Admin ID <<ID>>

Mailing Date, 2025

<<FullName>>
<<Address1>>
<<Address2>>
<<City>>, <<State>> <<Zip>>

**Re: REMINDER TO CASH SETTLEMENT CHECK FOR CLASS AND REPRESENTATIVE ACTION
SETTLEMENT**

Dear <<FullName>>:

You previously were sent your payment from the settlement of the lawsuit entitled *Joaquin Recinos, individually, on behalf of all others similarly situated v. Amports, Inc.*, Contra Costa County Superior Court, Case No. C24-02244. Our records show that you have not yet cashed your settlement check. You will be bound by the settlement whether or not you cash the check.

Please cash your check promptly. Your check will expire on <<ExpirationDate>> and then will be sent to the California State Controller Unclaimed Property Fund to be held in your name.

If you have any questions about the settlement, you can visit the Settlement website at www._____.com; contact Class Counsel toll-free at _____; view the public docket for the case, or you may contact the Settlement Administrator (whose contact information is at the top of this letter). Please do not call the Court about this letter.

Sincerely,

Settlement Administrator

EXHIBIT 2

CASE NAME: RECINOS v AMPORTS

Requesting Attorney: Edward Wynne
Plaintiff or Defense: Plaintiff
Firm Name: Wynne Law Firm
Telephone: (415) 461-6400
Email: Ewynne@wynnelawfirm.com

Date: August 13, 2025
Prepared By: Julie Green
 50 Corporate Park, Irvine CA 92606
 Julie@CPTGroup.com
Direct Number: (949) 428-1042
Main Number: (800) 542-0900

PROJECT ASSUMPTIONS & ADMINISTRATIVE COSTS

Class Size: 300	Undeliverable Mail Rate: 10%
Opt-Out Filing Rate: 1.5%	Payment Option: Check
No. of Checks Issued: 296	Unclaimed Funds: SCO
Language Translation Services: Yes	Postage Total: \$580.52
Settlement Website: Static Website	Grand Total: \$15,244.29
Notice Procedures: Mail & Email	CPT'S DISCOUNTED FEE: \$10,000.00

The services and numbers reflected herein are estimates based on the information provided by counsel at the time of this Bid. If the actual services and numbers are different, our cost estimate will change accordingly. Client expressly acknowledges and agrees that estimated fees and costs may fluctuate and agrees to pay for any such increases to such estimates as if set forth herein.

The attached Terms and Conditions are included as part of and incorporated by reference to our cost proposal. By accepting our cost proposal for this matter, you are thereby agreeing to the Terms and Conditions.

CASE SETUP

After receiving the data, CPT will scrub all records to eliminate duplicates and anomalies; this process is designed to achieve a higher success percentage in delivering the Class Notice. Each Class Member will receive a unique mailing ID that will be utilized for all administrative purposes. If necessary, CPT will translate the court-approved Notice documents and opt-out form into Spanish. CPT will setup and maintain a static website.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Case Intake & Review	\$95.00	3	\$285.00
Programming: Data Base Setup	\$150.00	3	\$450.00
Spanish Translation	\$1,200.00	1	\$1,200.00
Static Website	\$500.00	1	\$500.00
Sub Total:			\$2,435.00

DIRECT EMAIL NOTIFICATION

Counsel estimates that Defendant will provide email addresses for all Class Members. Before email notification, CPT will perform a third-party email validation scan to improve the success rate of deliverability and reduce the number of undeliverable emails.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager-Email Notice Format	\$95.00	2	\$190.00
Third-Party Email Validation	\$0.50	296	\$147.75
Email Notification: Setup/Establish/Formatting	\$150.00	2	\$300.00
Email Notification: Segmentation/Sending	\$150.00	3	\$450.00
Email Notification: Reporting/Monitoring	\$250.00	1	\$250.00
Email Summary Notices: Initial Notification (100%)	\$0.16	296	\$47.28
Updated Database: Undeliverable Email (10%)	\$0.16	30	\$4.73
Sub Total:			\$1,389.76

DIRECT MAIL NOTIFICATION

CPT will perform an address update via NCOA and, if necessary, conduct an additional skip trace in order to ensure that mail is delivered to the most current address possible. A detailed notice and a one-page opt-out form will be mailed in English and Spanish.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Manager: Format Documents	\$95.00	2	\$190.00
National Change of Address Search (NCOA)	\$135.00	1	\$135.00
XML Lex ID Skip Trace	\$0.85	30	\$25.50
Print & Mail Notice Packets	\$1.50	300	\$450.00
First-Class Postage (up to 2 oz.)*	\$1.03	300	\$309.00
Sub Total:			\$1,109.50

*Postage costs are subject to change at anytime. The final rate will be determined at the time of mailing.

PROCESS RETURNED UNDELIVERABLE MAIL

According to CPT's historical data, 10% of the notices are returned as undeliverable. Upon notification from USPS, CPT performs a skip trace to locate a current address. Typically, 70% of the undeliverable notice packets are eligible for remailing with an updated address.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Clerical Staff	\$60.00	1	\$60.00
Update Undeliverable Mail Database	\$0.50	30	\$15.00
Skip Trace for Best Address	\$1.00	27	\$27.00
Print & Remail Notice Packets	\$1.50	21	\$31.50
First-Class Postage (up to 2 oz.)	\$1.03	21	\$21.63
Sub Total:			\$155.13

OPT-OUT PROCESSING

CPT will thoroughly examine the submissions to identify and remove any duplicates, fraudulent responses, or otherwise invalid submissions. CPT will process and verify opt-outs, objections, and other responses submitted by class members. Deficient responses will be sent a follow-up notice, offering the class member a chance to cure.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: De-duplication/Scrubbing	\$150.00	2	\$300.00
Project Manager: Validate Opt-Outs	\$95.00	1	\$95.00
Clerical Staff	\$60.00	1	\$60.00
Opt-Out Processing	\$2.50	5	\$11.25
Print & Mail Deficiency/Dispute Notices	\$1.50	1	\$1.50
First-Class Postage (up to 1 oz.)	\$0.74	1	\$0.74
Review & Process Deficiency Responses	\$10.00	1	\$10.00
Sub Total:			\$478.49

CLASS MEMBER SUPPORT

CPT will establish a toll-free telephone number equipped with interactive voice response (IVR) capabilities and live customer support representatives. Live support will be available during regular business hours, Monday to Friday, 9:00 AM to 5:30 PM, Pacific Time (PT). The dedicated case phone number shall be operational for a maximum of 120 days following the disbursement.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Toll-Free Number Establish/Setup	\$150.00	2	\$300.00
Live Call Center Support Reps.	\$3.00	60	\$180.00
Sub Total:			\$480.00

SSN VERIFICATION

Authenticate Social Security Number for validity using IRS verification processes and/or IRS backup withholding processes.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: SSN Selection	\$150.00	1	\$150.00
Department Manager: Analysis & Reporting	\$95.00	3	\$285.00
IRS SSN Verification	\$0.10	296	\$29.55
Sub Total:			\$464.55

DISTRIBUTION SERVICES

CPT will establish a 26 CFR § 1.468B-1 compliant Qualified Settlement Fund (QSF). Upon Final Approval, CPT will perform the required settlement payment calculations, and once approved by the parties, CPT will issue a (MICR) check to all eligible claimants. CPT will also issue an IRS Form 1099 and/or IRS Form W-2 when applicable. CPT utilizes the bank's Payee Positive Pay to prevent check fraud and performs monthly account reconciliations for the QSF bank account. Undeliverable checks are skip-traced to obtain a current address and are remailed accordingly. Requests for check reissues will be processed throughout the check-cashing period. CPT's administration of the QSF will continue for a maximum duration of one year following the initial distribution of funds.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Programming: Calculation Totals	\$150.00	3	\$450.00
Project Supervisor: Review of Distribution	\$150.00	3	\$450.00
Project Manager: Correspondence w/Parties	\$95.00	2	\$190.00
Programming: Setup & Printing of Checks	\$150.00	3	\$450.00
Obtain EIN, Setup QSF/Bank Account	\$150.00	3	\$450.00
Print & Mail Notice, Checks & W2/1099	\$2.50	296	\$738.75
First-Class Postage (up to 1 oz.)	\$0.74	296	\$218.67
Project Supervisor: Account Reconciliation	\$150.00	12	\$1,800.00
Update Undeliverable Checks Database	\$0.50	15	\$7.39
Skip Trace for Best Address	\$1.00	15	\$14.78
Remail Undeliverable Checks	\$2.50	13	\$32.50
First-Class Postage (up to 1 oz.)	\$0.74	13	\$9.62
Re-Issue Checks as Required	\$5.00	12	\$60.00
First-Class Postage (up to 1 oz.)	\$0.74	12	\$8.88
Sub Total:			\$4,880.58

TAX REPORTING & SETTLEMENT CONCLUSION

CPT prepares annual tax reporting on behalf of the QSF and Federal and State taxes in accordance with current state and federal regulations. All parties will be furnished with weekly and final reports. A declaration attesting to due process will be provided to all parties.

ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
Project Supervisor: Reconcile Uncashed Chk	\$150.00	1	\$150.00
Programming: Weekly & Final Reports	\$150.00	2	\$300.00
Project Supervisor: Final Declaration	\$150.00	2	\$300.00
Project Manager: Account Files Sent to Atty	\$95.00	2	\$190.00
CA Tax Preparation*	\$600.00	1	\$600.00
Annual Tax Reporting to IRS*	\$1,000.00	1	\$1,000.00
QSF Annual Tax Reporting	\$500.00	1	\$500.00
Sub Total:			\$3,040.00

*CPT will file Federal and California taxes in accordance with current state and federal regulations. Additional charges will apply if the Settlement/Order/parties require(s) multiple state tax filings.

SCO ESCHEATMENT PROCESSING

Escheatment Processing to the State Controller Unclaimed Property Division / Uncashed Check Rate 21%			
ADMINISTRATIVE TASKS	UNIT PRICE	PIECES/HOURS	COST ESTIMATE
UPEnterprise Reporting Services	\$0.15	62	\$9.30
Project Manager: Reporting & Remittance	\$95.00	2	\$190.00
Project Supervisor: Review of Report	\$150.00	1	\$150.00
Certified Mail Report to SCO	\$11.98	1	\$11.98
Add'l Account Recons	\$150.00	3	\$450.00
Sub Total:			\$811.28

Total Administration Costs: \$15,244.29

Courtesy Discount: -\$5,244.29

CPT'S DISCOUNTED FLAT FEE: \$10,000.00

TERMS AND CONDITIONS

These Terms and Conditions ("Terms and Conditions") are made a part of, and incorporated by reference into, any Bid presented by CPT Group, Inc. ("CPT") to Client. Each of Client and CPT is a "Party" to this Agreement, and collectively, the "Parties".

1. Definitions.

- a) "Affiliate" means a party that partially (at least 50%) or fully controls, is partially or fully controlled by, or is under partial (at least 50%) or full common control with another party.
 - b) "Agreement" means these Terms and Conditions and the Bid.
 - c) "Applicable Laws" means all applicable local, state and federal laws, ordinances, rules and regulations.
 - d) "Approved Bank" means any financial institution that is insured by the Federal Deposit Insurance Corporation.
 - e) "Bid" means a proposal, statement of work, order form, and/or schedule for Services (including any and all addendums, exhibits, or amendments thereto) provided by CPT to Client.
 - f) "Case" means the case referred to in the attached Bid and/or the particular judicial matter identified by the name of plaintiff(s) and defendant(s) on the caption of the applicable Court Order.
 - g) "Class" means Members and putative Members collectively.
 - h) "Client" means the party or parties engaging CPT for Services as set forth in the Bid, namely Plaintiff Counsel and/or Defense Counsel.
 - i) "Confidential Information" means any non-public information of CPT or Client disclosed by either Party to the other Party, either directly or indirectly, in writing, orally or by inspection of tangible objects, or to which the other Party may have access, which a reasonable person would consider confidential and/or which is marked "confidential" or "proprietary" or some similar designation by the disclosing Party. Confidential Information shall also include the terms of this Agreement, except where this Agreement specifically provides for disclosure of certain items. Confidential Information shall not, however, include the existence of the Agreement or any information which the recipient can establish: (i) was or has become generally known or available or is part of the public domain without direct or indirect fault, action, or omission of the recipient; (ii) was known by the recipient prior to the time of disclosure, according to the recipient's prior written documentation; (iii) was received by the recipient from a source other than the discloser, rightfully having possession of and the right to disclose such information; or (iv) was independently developed by the recipient, where such independent development has been documented by the recipient.
 - j) "Court Order" means a legal command or direction issued by a court, judicial office, or applicable administrative body requiring one or more Parties To The Case to carry out a legal obligation pursuant to the Case.
 - k) "Defendant" means the named Party and/or Parties in the Case against whom action is brought.
 - l) "Defense Counsel" means the attorney(s) of record for the Defendant(s) in the Case.
 - m) "Intellectual Property Right" means any patent, copyright, trade or service mark, trade dress, trade name, database right, goodwill, logo, trade secret right, or any other intellectual property right or proprietary information right, in each case whether registered or unregistered, and whether arising in any jurisdiction, including without limitation all rights of registrations, applications, and renewals thereof and causes of action for infringement or misappropriation related to any of the foregoing.
 - n) "Member" means an individual who is eligible under the Case or Class to receive a communication about their pending legal rights under the matter and/or designated amount of the Settlement, including the named Plaintiff(s) in the Case and all other putative persons or other parties in the representative action so designated or addressed therein.
 - o) "Member Content" means all Member written document communications relating to the Case, including claim forms, opt-out forms, and/or objections, which may contain Member Data.
 - p) "Member Data" means proprietary or personal data regarding Members under this Agreement.
 - q) "Parties To The Case" shall mean collectively Defendant(s) and Plaintiff(s) as defined in the Settlement Agreement or Court Order.
 - r) "Plaintiff" means the named party and/or parties in the Case who are bringing the action.
 - s) "Plaintiff Counsel" means the attorney(s) of record for Plaintiff(s) in the Case, and/or upon certification by the Court the attorney(s) of record designated to represent the Class.
 - t) "Products" means any and all CPT Services and work product resulting from Services.
 - u) "Qualified Settlement Fund" or "QSF" means a bank account established pursuant to U.S. Department of Treasury Regulations §1468B-1.
 - v) "Service" means any service rendered by CPT specifically to Client, including, but not limited to: (i) notifications to Members; (ii) setting up a QSF with an Approved Bank; (iii) management of disbursement of funds from the QSF to applicable parties pursuant to the Settlement Agreement; (iv) provision of customer support relating to the Case; (v) management of Case claim forms and correspondence; and/or (vi) any administrative or consulting service.
 - w) "Settlement Agreement" means the contract between Parties To The Case to resolve the same, which specifies amounts to be disbursed from the Qualified Settlement Fund to attorneys, CPT, and individual Members.
 - x) "Settlement Amount" means the total dollar amount agreed to between Parties To The Case to resolve the Case to mutual satisfaction.
 - y) "Software" means any and all of CPT's software applications, including, without limitation, all updates, revisions, bug-fixes, upgrades, and enhancements thereto.
 - z) "Transmission Methods" means the secure authorized manner to send Member Data and/or Wire Information as specified on a schedule or exhibit hereto.
 - aa) "Term" means the period commencing on the date set forth on the Bid and continuing until the date of final judgment (if a settlement) or upon completion of all Services as set forth in the Bid.
 - bb) "Wire Information" means instructions for (i) Defense Counsel to transfer funds from Defendant to the Qualified Settlement Fund or (ii) CPT to transfer funds from the Qualified Settlement Fund to applicable parties pursuant to the Settlement Agreement.
2. Client Obligations. Client will ensure that it has obtained all necessary consents and approvals for CPT to access and use Member Data for the purposes permitted under this Agreement and shall only transmit Member Data and/or Wire Information to CPT via the Transmission Methods. Client shall use and maintain appropriate administrative, technical, and physical safeguards designed to protect Member Data provided under this Agreement. Client further warrants that any Member Data, Wire Information, or other content, data, materials or information it transmits shall be free of viruses, worms, Trojan horses, or other harmful or disabling codes which could adversely affect Member Data and/or CPT. If Client is in breach of this section, CPT may suspend Services, in addition to any other rights and remedies CPT may have at law or in equity.
3. CPT Obligations. CPT will (i) maintain appropriate safeguards designed to protect Member Data, including regular back-ups, security and incident response protocols, and (ii) not access or disclose Member Data except (A) as compelled by law, (B) to prevent or address service or technical issues, (C) in accordance with this Agreement or the provisions of the Settlement Agreement, or (D) if otherwise permitted by Parties To The Case, Members, Plaintiff Counsel or Defense Counsel as applicable.
4. Security. Client and CPT shall each use reasonable administrative, technical, and physical safeguards that are reasonably designed to: (a) protect the security and confidentiality of any Member Data in its possession or control under this Agreement; (b) protect against any anticipated threats or hazards to the security or integrity of such Member Data; (c) protect against unauthorized access to or use of such Member Data that could result in substantial harm or inconvenience to any individual; and (d) protect against unauthorized access to or use of such Member Data in connection with its disposal.
- a) Incident Notification. In the event a Party discovers that Member Data relating to the Case is the subject of (i) any unauthorized acquisition, loss, access or use and/or (ii) an actual or suspected breach concerning such Party's systems (items (i) and/or (ii) a "Security Incident"), or a Party has a reasonable belief that a Security Incident has occurred or is at risk of occurring, such Party will promptly but no later than forty-eight (48) hours of its discovery of such circumstances, inform the other Parties in the event of such Security Incident, and shall utilize best efforts to assist the other Parties to mitigate the effects of such Security Incident.
 - b) Response Procedures. In the event of a Security Incident, the breached party shall (i) cooperate with any reasonable investigation concerning the Security Incident by the other Parties, regulators and/or law enforcement; and (ii) cooperate with the other Parties to comply with Applicable Laws concerning such Security Incident, including any notification to affected individuals. The Parties acknowledge that the breached party in any Security Incident shall be the Party responsible for

- any and all remedies and costs under Applicable Laws concerning such Security Incident, unless such breach occurred due to another Party's actions hereunder, in which instance such party shall be comparatively responsible for all remedies and costs. In no event will any Party serve notice or otherwise publicize a Security Incident without the prior written consent of the other Parties. The Parties shall reasonably cooperate and coordinate with each other to respond to the Security Incident, including with regard to the content of notification to affected individuals.
6. **Qualified Settlement Fund Account.** When the Case has a Settlement Amount CPT shall be authorized to establish one or more QSF bank accounts at an Approved Bank if and as applicable to the Services as set forth in the Bid. The amounts held at the Approved Bank under this Agreement are at the sole risk of Defendant. Without limiting the generality of the foregoing, CPT shall have no responsibility or liability for any diminution of the funds that may result from the deposit thereof at the Approved Bank, including deposit losses, credit losses, or other claims made against the Approved Bank. It is acknowledged and agreed that CPT has acted reasonably and prudently in depositing funds at an Approved Bank, and CPT is not required to conduct diligence or make any further inquiries regarding such Approved Bank.
 7. **Fees and Payment.** Pricing for Services is as stated on the Bid, and Client agrees to pay CPT in the amounts set forth on the Bid. Client will be invoiced per the schedule set forth in the Bid, and payment of fees will be due within 30 days after the date of the invoice, except where the Bid or terms of the Settlement Agreement or Court Order expressly prescribes other payment dates. All fees set forth in a Bid are in U.S. dollars, must be paid in U.S. dollars, and are exclusive of taxes and applicable transaction processing fees. Late payments hereunder will incur a late charge of 1.5% per month (or the highest rate allowable by law, whichever is lower) on the outstanding balance from the date due until the date of actual payment, which such late charge(s) may be charged against the QSF account if incurred in connection with Services provided pursuant to administration of a settlement. In addition, Services are subject to suspension for failure to timely remit payment therefor. If travel is required to effect Services, Client shall reimburse CPT for pre-approved, reasonable expenses arising from and/or relating to such travel, including, but not limited to, airfare, lodging, meals, and ground transportation. In connection with CPT's administration of a QSF, unless otherwise stated in the Settlement Agreement or Court Order concerning disbursement of unclaimed funds in the QSF account, CPT reserves the right, after one (1) year of issuance of disbursements to Members, to classify any remaining balance in such QSF account as additional administrative fees payable to CPT until such time as the QSF account balance becomes zero (\$0.00), and thereafter close such account. Client is aware that CPT may receive financial benefits, including discounts on certain banking services and competition for services that ensure eligibility for FDIC deposit insurance or in connection with the establishment of QSF accounts. Client agrees that any such financial benefit may be retained by CPT as additional compensation for CPT's services.
 8. **Term and Termination.**
 - a) **Term.** The Term is set forth in the Bid. The Agreement may be renewed by mutual written agreement of the parties.
 - b) **Termination for Cause.** Either Party may immediately terminate this Agreement if the other Party materially breaches its obligations hereunder, and, where capable of remedy, such breach has not been materially cured within forty-five (45) days of the breaching Party's receipt of written notice describing the breach in reasonable detail.
 - c) **Bankruptcy Events.** A Party may immediately terminate this Agreement if the other Party: (i) has a receiver appointed over it or over any part of its undertakings or assets; (ii) passes a resolution for winding up (other than for a bona fide scheme of solvent amalgamation or reconstruction), or a court of competent jurisdiction makes an order to that effect and such order is not discharged or stayed within ninety (90) days; or (iii) makes a general assignment for the benefit of its creditors.
 - d) **Effect of Termination.** Immediately following termination of this Agreement, upon written request, Member Data may be retrieved via the secure FTP site in the same format in which the Member Data was originally input into the Software, at no additional charge. Alternatively, Member Data can be returned in a mutually agreed format at a scope and price to be agreed upon. CPT will maintain a copy of Member Data and Member Content for no more than four (4) years following the date of the final check cashing deadline for Members under the Settlement Agreement, after which time any Member Data and Member Content not retrieved will be destroyed.
 - e) **Final Payment.** If Client terminates this Agreement due to Section "Termination", Client shall pay CPT all fees owed through the termination date. If CPT terminates the Agreement in accordance with Section "Termination," Client shall pay CPT all fees invoiced through the termination date, plus all fees remaining to be invoiced during the Term, less any costs CPT would have incurred had the Agreement not been terminated.
 9. **Confidentiality.** Each Party agrees: (i) not to disclose any Confidential Information to any third parties except as mandated by law and except to those subcontractors of CPT providing Products hereunder who agree to be bound by confidentiality obligations no less stringent than those set forth in this Agreement; (ii) not to use any Confidential Information for any purposes except carrying out such Party's rights and responsibilities under this Agreement; and (iii) to keep the Confidential Information confidential using the same degree of care such Party uses to protect its own confidential information; provided, however, that such Party shall use at least reasonable care. These obligations shall survive termination of this Agreement.
 - a) **Compelled Disclosure.** If receiving Party is compelled to disclose any Confidential Information by judicial or administrative process or by other requirements of law, such Party shall (i) promptly notify the other Party, (ii) reasonably cooperate with the other Party in such Party's efforts to prevent or limit such compelled disclosure and/or obtain confidential treatment of the items requested to be disclosed, and (iii) shall disclose only that portion of such information which each Party is advised by its counsel in writing is legally required to be disclosed.
 - b) **Remedies.** If either Party breaches any of its obligations with respect to confidentiality or the unauthorized use of Confidential Information hereunder, the other Party shall be entitled to seek equitable relief to protect its interest therein, including but not limited to, injunctive relief, as well as monetary damages.
 10. **Intellectual Property.** CPT retains all right, title and interest (including, without limitation, all Intellectual Property Rights) in and to the Products. CPT does not claim any ownership rights to Member Data.
 11. **Indemnification.** Client agrees to indemnify, defend, and hold harmless CPT, its Affiliates, and the respective officer, directors, consultants, employees, and agents of each (collectively, "**Covered CPT Parties**") from and against any and all third party claims and causes of action, as well as related losses, liabilities, judgments, awards, settlements, damages, expenses and costs (including reasonable attorney's fees and related court costs and expenses) (collectively, "**Damages**") incurred or suffered by CPT which directly relate to or directly arise out of (i) Client's breach of this Agreement; (ii) CPT's performance of Services hereunder; (iii) the processing and/or handling of any payment by CPT; (iv) any content, instructions, information or Member Data provided by Client to CPT in connection with the Services provided by CPT hereunder. The foregoing provisions of this section shall not apply to the extent the Damages relate to or arise out of CPT's willful misconduct. To obtain indemnification, indemnitee shall: (i) give written notice of any claim promptly to indemnitor; (ii) give indemnitor, at indemnitor's option, sole control of the defense and settlement of such claim, provided that indemnitor may not, without the prior consent of indemnitee (not to be unreasonably withheld), settle any claim unless it unconditionally releases indemnitee of all liability; (iii) provide to indemnitor all available information and assistance; and (iv) not take any action that might compromise or settle such claim.
 12. **Warranties.** Each Party represents and warrants to the other Party that, as of the date hereof: (i) it has full power and authority to execute and deliver the Agreement; (ii) the Agreement has been duly authorized and executed by an appropriate employee of such Party; (iii) the Agreement is a legally valid and binding obligation of such Party; and (iv) its execution, delivery and/or performance of the Agreement does not conflict with any agreement, understanding or document to which it is a party. CPT WARRANTS THAT ANY AND ALL SERVICES PROVIDED BY IT HEREUNDER SHALL BE PERFORMED IN A PROFESSIONAL MANNER CONSISTENT WITH PREVAILING INDUSTRY STANDARDS. TO THE EXTENT PERMITTED BY APPLICABLE LAW, CPT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE
 13. **Liability.**
 - a) **Liability Cap.** EXCEPT FOR A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, EACH PARTY'S MAXIMUM AGGREGATE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, REGARDLESS OF THE THEORY OF LIABILITY, WILL BE LIMITED TO THE TOTAL FEES PAID OR PAYABLE BY CLIENT AND/OR THE PARTIES TO THE CASE TO CPT HEREUNDER. THE EXISTENCE OF MORE THAN ONE CLAIM SHALL NOT EXPAND SUCH LIMIT. THE PARTIES ACKNOWLEDGE THAT THE FEES AGREED UPON BETWEEN CLIENT AND CPT ARE BASED IN PART ON THESE LIMITATIONS, AND THAT THESE LIMITATIONS WILL APPLY NOTWITHSTANDING ANY FAILURE OF ANY ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE FOREGOING LIMITATION SHALL NOT APPLY TO A PARTY'S PAYMENT OBLIGATIONS UNDER THE AGREEMENT.
 - b) **Exclusion of Consequential Damages.** NEITHER PARTY WILL BE LIABLE FOR LOST PROFITS, LOST REVENUE, LOST BUSINESS OPPORTUNITIES, LOSS OF DATA, INTERRUPTION OF BUSINESS, OR ANY OTHER INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT,

REGARDLESS OF THE THEORY OF LIABILITY, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

14. Communications. CPT may list Client's name and logo alongside CPT's other clients on the CPT website and in marketing materials, unless and until Client revokes such permission. CPT may also list the Case name and/or number, and certain Qualified Settlement Fund information, on the CPT website and in marketing materials, unless stated otherwise in the Settlement Agreement.

15. Miscellaneous Provisions.

- a) Governing Law; Jurisdiction. This Agreement will be governed by and construed in accordance with the laws of the State of California and the federal laws of the United States of America, without regard to conflict of law principles. CPT and Client agree that any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof shall be brought exclusively in the state or federal courts of the State of California located in the County of Orange, and each of CPT and Client hereby irrevocably accepts the exclusive personal jurisdiction and venue of those courts for the purpose of any suit, action or proceeding.
- b) Force Majeure. Neither Party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including without limitation acts of war, acts of God, earthquake, flood, weather conditions, embargo, riot, epidemic, acts of terrorism, acts or omissions of vendors or suppliers, equipment failures, sabotage, labor shortage or dispute, governmental act, failure of the Internet or other acts beyond such Party's reasonable control, provided that the delayed Party: (i) gives the other Party prompt notice of such cause; and (ii) uses reasonable commercial efforts to correct promptly such failure or delay in performance.
- c) Counterparts. This Agreement may be executed in any number of counterparts and electronically, each of which shall be an original but all of which together shall constitute one and the same instrument.
- d) Entire Agreement. This Agreement contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between the Parties with respect to such subject matter. The schedules and exhibits hereto constitute a part hereof as though set forth in full herein.
- e) Modifications. Any modification, amendment, or addendum to this Agreement must be in writing and signed by the Parties.
- f) Assignment. Neither Party may assign this Agreement or any of its rights, obligations, or benefits hereunder, by operation of law or otherwise, without the other Party's prior written consent; provided, however, either Party, without the consent of the other Party, may assign this Agreement to an Affiliate or to a successor (whether direct or indirect, by operation of law, and/or by way of purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of such Party, where the responsibilities or obligations of the other Party are not increased by such assignment and the rights and remedies available to the other Party are not adversely affected by such assignment. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and permitted assigns.
- g) No Third-Party Beneficiaries. The representations, warranties, and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns and shall not be construed as conferring any rights on any other persons.
- h) Statistical Data. Without limiting the confidentiality rights and Intellectual Property Rights protections set forth in this Agreement, CPT has the perpetual right to use aggregated, anonymized, and statistical

data ("**Statistical Data**") derived from the operation of the Software, and nothing herein shall be construed as prohibiting CPT from utilizing the Statistical Data for business and/or operating purposes, provided that CPT does not share with any third-party Statistical Data which reveals the identity of Client, Client's Class Members, or Client's Confidential Information.

- i) Export Controls. Client understands that the use of CPT's Products is subject to U.S. export controls and trade and economic sanctions laws and agrees to comply with all such Applicable Laws, including the Export Administration Regulations maintained by the U.S. Department of Commerce and the trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control.
- j) Severability. If any provision of this Agreement is held by a court or arbitrator of competent jurisdiction to be contrary to law, such provision shall be changed by the court or by the arbitrator and interpreted so as to best accomplish the objectives of the original provision to the fullest extent allowed by law, and the remaining provisions of this Agreement shall remain in full force and effect.
- k) Notices. Any notice or communication required or permitted to be given hereunder may be delivered by hand, deposited with an overnight courier, sent by electronic delivery, or mailed by registered or certified mail, return receipt requested and postage prepaid to the address for the other Party as set forth on the Bid or at such other address as may hereafter be furnished in writing by either Party hereto to the other Party. Such notice will be deemed to have been given as of the date it is delivered, if by personal delivery; the next business day, if deposited with an overnight courier; upon receipt of confirmation of electronic delivery (if followed up by such registered or certified mail); and five days after being so mailed.
- l) Independent Contractors. Client and CPT are independent contractors, and nothing in this Agreement shall create any partnership, joint venture, agency, franchise, sales representative or employment relationship between Client and CPT. Each Party understands that it does not have authority to make or accept any offers or make any representations on behalf of the other. Neither Party may make any statement that would contradict anything in this section.
- m) Subcontractors. CPT may use subcontractors to perform Client-specific Services; provided, however, that CPT shall be responsible for its subcontractors' performance of Services under this Agreement.
- n) Headings. The headings of the sections of this Agreement are for convenience only, do not form a part hereof, and in no way limit, define, describe, modify, interpret, or construe its meaning, scope or intent.
- o) Waiver. No failure or delay on the part of either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise or the exercise of any other right, power, or remedy.
- p) Acceptance. If, when requested in writing by Client, CPT then provides any Service to Client, whether or not such Services were specified in the original Bid, these Terms and Conditions shall apply to the provision of such Services and be deemed accepted and approved by Client concerning such Services.
- q) Survival. Sections of the Agreement intended by their nature and content to survive termination of the Agreement shall so survive.