

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,”
3 or “Settlement Agreement”) is made and entered into by and between Plaintiffs Eyner Morales
4 Chavez (“Chavez”) and Antonio Hernandez (“Hernandez”) (collectively, “Plaintiffs” or “Class
5 Representatives”), individually, and on behalf of all others similarly situated and on behalf of the
6 State of California with respect to alleged aggrieved employees, and Defendant Aegis Enterprises,
7 Inc. (“Defendant”) (together, Plaintiffs and Defendant are referred to as “Parties” and individually as
8 “Party”).

9 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as
10 defined herein), the State of California as to the employment of PAGA Employees (as defined
11 herein), and Defendant, subject to the terms and conditions hereof and the approval of the Court.

12 **RECITALS**

13 1. On September 12, 2024, Chavez provided written notice to the Labor and
14 Workforce Development Agency (“LWDA”) by online submission and to Defendant by U.S.
15 Certified Mail, pursuant to California Labor Code Section 2699.3 (“PAGA”), of the specific
16 provisions of the California Labor Code alleged to have been violated by Defendant (“Chavez
17 PAGA Letter”).

18 2. On September 18, 2024, Chavez filed a Class Action Complaint in the action
19 entitled *Eyner Morales Chavez v. Aegis Enterprises, Inc.*, Alameda County Superior Court Case
20 No. 24CV092088 (“Chavez Action”), alleging cause of action for: (1) failure to pay all wages,
21 including overtime wages; (2) failure to provide meal periods; (3) failure to provide rest periods;
22 (4) failure to pay wages due at separation of employment (waiting time penalties); (5) failure to
23 provide accurate, itemized wage statements; (6) failure to reimburse necessary business expenses;
24 and (7) unfair competition. Chavez amended the Chavez Action to include a cause of action under
25 PAGA on November 19, 2024.

26 3. On February 18, 2025, Hernandez filed a Class Action Complaint in the action
27 entitled *Antonio Hernandez v. Aegis Fire Systems Technology, Inc., et al.*, Alameda County
28 Superior Court Case No. 25CV111851 (“Hernandez Action”), alleging cause of action for: (1)

1 failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal
2 periods; (4) failure to provide rest periods; (5) failure to pay wages due at separation of
3 employment (waiting time penalties); (6) wage statement violations; (7) failure to timely pay
4 wages; (8) failure to reimburse necessary business expenses; (9) failure to pay interest on deposits;
5 (10) failure to pay accrued and unused vacation time; and (11) unfair competition.

6 4. On July 21, 2025, Hernandez provided written notice to the LWDA by online
7 submission and to Defendant by U.S. Certified Mail, pursuant to PAGA, of the specific provisions
8 of the California Labor Code alleged to have been violated by Defendant (“Hernandez PAGA
9 Letter”).

10 5. On February 25, 2026, Plaintiffs filed a consolidated Second Amended Complaint
11 in the Chavez Action (“Operative Complaint”). The Operative Complaint alleges twelve (12)
12 causes of action for: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3)
13 failure to provide meal periods, (4) failure to provide rest periods, (5) failure to pay wages due at
14 separation of employment (waiting time penalties), (6) failure to provide accurate, itemized wage
15 statements, (7) failure to reimburse necessary business expenses, (8) failure to timely pay wages,
16 (9) failure to pay interest on deposits, (10) failure to pay accrued and unused vacation time, (11)
17 violations of California Business & Professions Code Section 17200, *et seq.* based on the
18 aforementioned California Labor Code violations, and (12) civil penalties under PAGA based on
19 the aforementioned California Labor Code violations (the “Action”).

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

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

8. On December 4, 2025, the Parties participated in mediation with Kelly A. Knight, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

DEFINITIONS

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

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 4.

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

c. “Class Counsel” means Kevin Mahoney and John A. Young of Mahoney

1 Law Group, APC, and David Bibiyan, Molly DeSario, and Henry Glitz of Bibiyan Law Group,
2 who will seek to be appointed counsel for the Class.

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

10 e. "Class Notice" means the Notice of Class Action Settlement, substantially
11 in the form attached hereto as "**Exhibit A.**"

12 f. "Class Period" means the period from September 18, 2020 through the date
13 of Preliminary Approval.

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

16 h. "Court" means the Superior Court of the State of California for the County
17 of Alameda.

18 i. "Defendant's Counsel" means Eric J. Gitig and Regan M. Heslop of
19 Jackson Lewis P.C.

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

28 k. "Effective Date" means when all of the following events have occurred: (i)

1 this Settlement Agreement has been executed by all Parties and their respective counsel; (ii) the
2 Court has given preliminary approval to the Settlement; (iii) the notice has been given to the Class,
3 providing them with an opportunity to dispute their workweek information, to opt-out of the
4 Settlement, or to object to the Settlement; (iv) the Court has held a final approval hearing and entered
5 a final order and judgment certifying the Class and approving this Settlement; and (v) the later of
6 the following events: sixty-five (65) days following notice of entry of the Court's final order
7 approving the Settlement; or if any appeal, writ or other appellate proceeding opposing this
8 Settlement has been filed within sixty-five (65) days following notice of entry of the Court's final
9 order approving the Settlement, then when any appeal, writ or other appellate proceeding opposing
10 the Settlement has been resolved finally and conclusively with no right to pursue further remedies
11 or relief. In this regard, it is the intention of the Parties that the Settlement shall not become effective
12 until the Court's order approving the Settlement is completely final, and there is no further recourse
13 by an appellant or objector who seeks to contest the Settlement.

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

17 m. "Enhancement Payment" means the amount to be paid to Plaintiffs, in
18 recognition of their efforts and work in prosecuting the Action on behalf of Class Members and
19 PAGA Employees, and general release of claims under California Civil Code section 1542, as set
20 forth in Paragraph 5.

21 n. "Final Approval" means the determination by the Court that the Settlement
22 is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based
23 thereon.

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

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

1 q. “Gross Settlement Amount” means the amount of Six Hundred Eighty Five
2 Thousand Seven Hundred and Five Dollars and Zero Cents (\$685,705.00) to be paid by Defendant
3 in full satisfaction of the Action, Released Class Claims, and Released PAGA Claims, which
4 includes all Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, Settlement
5 Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members.
6 Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement
7 Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement
8 Payment will return to Defendant. The Gross Settlement Amount is subject to increase, as
9 provided in Paragraph 8.

10 r. “Individual PAGA Payment” means the *pro rata* share of the PAGA
11 Employee Amount that a PAGA Employee may be eligible to receive under the PAGA
12 Settlement, to be calculated in accordance with Paragraph 6.

13 s. “Individual Settlement Payment” means the net payment of each
14 Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share
15 of taxes and withholdings with respect to the wages portion of the Individual Settlement Share,
16 as provided in Paragraph 11.

17 t. “Individual Settlement Share” means the *pro rata* share of the Net
18 Settlement Amount that a Class Member may be eligible to receive under the Class Settlement,
19 to be calculated in accordance with Paragraph 9.

20 u. “LWDA Payment” means the amount of Thirty-Two Thousand Five
21 Hundred Dollars and Zero Cents (\$32,500.00), i.e., 65% of the PAGA Amount, that the Parties
22 have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 6.

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

27 w. “Notice of Objection” means a Settlement Class Member’s written
28 objection to the Class Settlement, which must: (a) contain the case name and number of the

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

7 x. “PAGA Amount” means the allocation of Fifty Thousand Dollars and Zero
8 Cents (\$50,000.00) from the Gross Settlement Amount for the PAGA Settlement. Sixty-five
9 percent (65%) of the PAGA Amount, or \$32,500.00, will be paid to the LWDA (i.e., the LWDA
10 Payment) and the remaining thirty-five percent (35%), or \$17,500.00, will be distributed to the
11 PAGA Employees (i.e., the PAGA Employee Amount).

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

15 z. “PAGA Employee Amount” means the amount of Seventeen Thousand
16 Five Hundred Dollars and Zero Cents (\$17,500.00), i.e., 35% of the PAGA Amount, to be
17 distributed to PAGA Employees on a *pro rata* basis based on their PAGA Pay Periods.

18 aa. “PAGA Period” means the period from September 12, 2023 through date
19 of Preliminary Approval.

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

22 cc. “PAGA Pay Periods” means the number of pay periods each PAGA
23 Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California
24 during the PAGA Period. PAGA Pay Periods will be calculated by the Settlement Administrator
25 according to the number of verified pay periods spent by PAGA Employees in Defendant’s
26 employ during the PAGA Period.

27 dd. “Preliminary Approval” means the date on which the Court enters the
28 Preliminary Approval Order.

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

4 ff. "Released Class Claims" means any and all claims which were alleged or
5 which could have been reasonably alleged based on the factual allegations in the Operative
6 Complaint, arising during the Class Period, which shall specifically include claims for
7 Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and
8 rest periods and associated premium payments, timely pay wages during employment, timely pay
9 final wages upon separation of employment, provide accurate wage statements, reimburse
10 necessary business-related expenses, pay interest on deposits, and pay accrued and unused
11 vacation time; Defendant's alleged violation of California Labor Code Sections 201, 202, 203,
12 204, 210, 226(a), 226.7, 227.3, 404, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the
13 applicable Industrial Welfare Commission Wage Order, and California Business and Professions
14 Code sections 17200, *et seq.*, and the Fair Labor Standards Act; any unpaid wages or
15 compensation related to any or all of the foregoing; any premium payments related to any or all
16 of the foregoing; restitution for any or all of the foregoing; any statutory penalties related to any
17 or all of the foregoing; interest related to any or all of the foregoing; and attorneys' fees or costs
18 related to any or all of the foregoing. No release in this Agreement shall become effective until
19 Defendant funds the Gross Settlement Amount.

20 gg. "Released PAGA Claims" means any and all claims which were alleged or
21 which could have been reasonably alleged based on the factual allegations in the Operative
22 Complaint, Chavez PAGA Letter, or Hernandez PAGA Letter, arising during the PAGA Period,
23 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code
24 Sections 2698 *et seq.*, which shall specifically include claims for Defendant's alleged failure to
25 pay overtime and minimum wages, provide compliant meal and rest periods and associated
26 premium payments, timely pay wages during employment, timely pay final wages upon
27 separation of employment, provide compliant wage statements, maintain complete and accurate
28 payroll records, reimburse necessary business-related expenses, pay interest on deposits, and pay

1 accrued and unused vacation time; Defendant's alleged violation of California Labor Code
2 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 227.3, 404, 510, 512(a), 1174(d), 1194, 1197,
3 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order;
4 any civil penalties related to any or all of the foregoing; and attorneys' fees or costs related to any
5 or all of the foregoing.

6 hh. "Released Parties" means Defendant; Defendant's current, former, and
7 future acquired companies/entities, subsidiaries, affiliates, predecessors, successors, parents, and
8 assigns, including but not limited to Pye Barker Fire & Safety, LLC; each of the foregoing's
9 current, former, and future officers, directors, members, insurers, shareholders, owners, partners,
10 members, managing agents, agents, attorneys, legal representatives, executives, employees, and
11 contractors; and any entity alleged to be a joint employer with Defendant.

12 ii. "Request for Exclusion" means a letter submitted by a Class Member
13 indicating a request to be excluded from the Class Settlement, which must: (a) contain the case
14 name and number of the Action; (b) contain the Class Member's full name, signature, address,
15 telephone number, and last four (4) digits of the Class Member's Social Security number; (c)
16 clearly state that the Class Member does not wish to be included in the Class Settlement; and (d)
17 be returned by mail to the Settlement Administrator at the specified address, postmarked on or
18 before the Response Deadline.

19 jj. "Response Deadline" means the deadline by which Class Members must
20 submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that
21 is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement
22 Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in
23 which case the Response Deadline will be extended to the next day on which the United States
24 Postal service is open. The Response Deadline may also be extended by express agreement
25 between Class Counsel and Defendant's Counsel. In the event that a Class Notice is re-mailed to
26 a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15)
27 calendar days from the original Response Deadline.

28 kk. "Settlement Administrator" means Phoenix Settlement Administrators, or

any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering the Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

ll. “Settlement Administration Costs” means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in Paragraph 7.

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

nn. “Workweeks” means the number of weeks each Class Member worked for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period. Workweeks will be calculated by the Settlement Administrator according to the number of verified weeks worked by Class Members in Defendant’s employ during the Class Period.

CLASS CERTIFICATION

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

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

TERMS OF THE AGREEMENT

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

4. Attorneys’ Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for attorneys’ fees in the amount up to thirty-five percent

(35%) of the Gross Settlement Amount (i.e., \$239,996.75 if the Gross Settlement Amount is \$685,705.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Action, in an amount not to exceed Thirty Thousand Dollars (\$30,000.00), both of which will be paid from the Gross Settlement Amount. The specific allocation of the attorneys' fees amongst Class Counsel shall be set forth in the Motion for Final Approval of the Settlement unless requested earlier by the Court. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Action, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

5. Enhancement Payments. Defendant agrees not to oppose or impede any application or motion by Plaintiffs for Enhancement Payments in the amount up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each. The Enhancement Payments, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to any other payment they are entitled to under the Settlement. Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. Any portion of the requested Enhancement Payments that is not awarded by the Court to Plaintiffs shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

6. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) shall be allocated from the Gross

1 Settlement Amount toward penalties under the Private Attorneys General Act, California Labor
2 Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which sixty-five percent (65%), or
3 \$32,500.00, will be paid to the LWDA (i.e., the LWDA Payment) and thirty-five percent (35%),
4 or \$17,500.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a
5 *pro rata* basis, based on the total number of PAGA Pay Periods worked by each PAGA Employee
6 during the PAGA Period (i.e., the Individual PAGA Payments).

7 7. Settlement Administration Costs. The Settlement Administrator will be paid for
8 the reasonable costs of administration of the Settlement and distribution of payments under the
9 Settlement, which is currently estimated not to exceed Seven Thousand Five Hundred Dollars
10 (\$7,500.00). These costs, which will be paid from the Gross Settlement Amount, subject to Court
11 approval, will include, *inter alia*, printing, distributing, and tracking Class Notices and other
12 documents for the Settlement, calculating and distributing payments due under the Settlement,
13 issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and
14 remittances, providing necessary reports and declarations, and other duties and responsibilities set
15 forth herein to process the Settlement, and as requested by the Parties. To the extent the actual
16 Settlement Administrator's costs are greater than the estimated amount stated herein, such excess
17 amount will be deducted from the Gross Settlement Amount, subject to approval by the Court.
18 Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which
19 are not in fact required to fulfill payment to the Settlement Administrator to undertake the required
20 settlement administration duties shall be reallocated to the Net Settlement Amount for the benefit
21 of the Settlement Class Members.

22 8. Escalator Clause. Based on its records, Defendant estimates that, as of the date of
23 December 4, 2025, there were three hundred twenty-six (326) Class Members and approximately
24 twenty-five thousand six hundred sixty-two (25,662) total Workweeks during the Class Period. If
25 the actual number of Workweeks during the Class Period is more than 110% of this estimate (i.e.,
26 if there are more than 28,228 Workweeks), then either the Gross Settlement Amount will be
27 increased by the same proportion above 110% or Defendant, at its sole discretion, may elect to
28 cut off the Class Period as of the date the total Workweeks does not exceed 110% of the 25,662

1 estimate. For example, if the total Workweeks during the Class Period is 20% more than 25,662,
2 Defendant may choose to either (1) increase the value of the Gross Settlement Amount by 10%
3 based on the workweek value determined by the Settlement Administrator; or (2) cut off the Class
4 Period and the PAGA Period to an earlier date in which the total Workweeks is no more than
5 28,228. Defendant shall make its election regarding the above no later than fourteen (14) days
6 after receiving information from the Settlement Administrator regarding the total Workweek
7 count. Should Defendant fail to make its election within the above timeframe, then option (1)
8 shall automatically apply.

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

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

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

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

1 11. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments.

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

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

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

1 Settlement.

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

27 15. Settlement Awards Do Not Trigger Additional Benefits. All payments made under
28 the Settlement shall be deemed to be paid to the payee solely in the year in which such payments

1 actually are issued to the payee. It is expressly understood and agreed that payments made under
2 this Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any PAGA
3 Employee to additional compensation or benefits under any new or additional compensation or
4 benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during
5 the Class Period, nor will it entitle Plaintiffs, Settlement Class Members, or any PAGA Employee
6 to any increased retirement, 401K benefits or matching benefits, or deferred compensation
7 benefits (notwithstanding any contrary language or agreement in any benefit or compensation
8 plan document that might have been in effect during the Class Period).

9 16. Duties of the Parties with Respect to Obtaining Preliminary Approval of the
10 Settlement. Within thirty (30) calendar days after the execution of this Settlement Agreement,
11 Plaintiffs will file a motion with the Court seeking preliminary approval of the Settlement, which
12 Class Counsel will be responsible for drafting. The proposed order granting preliminary approval
13 of the Settlement is to be mutually agreed upon by the Parties prior to Plaintiffs filing the proposed
14 order with the Court. Plaintiffs will also provide Defendant with the opportunity to review and
15 comment upon drafts of all other pleadings to be filed in connection with the motion for
16 preliminary approval (e.g., notice of motion, memorandum of points and authorities, and
17 supporting declarations) at least seven (7) calendar days prior to filing the motion with the Court.
18 Class Counsel and Defendant's Counsel will expeditiously meet and confer in good faith to
19 resolve any disagreements concerning the motion for preliminary approval prior to Plaintiffs filing
20 the motion with the Court. Defendant will not oppose Plaintiff's motion for preliminary approval
21 unless the motion is inconsistent with the terms set forth in this Settlement Agreement.

22 17. Notice of Settlement to the LWDA. Pursuant to California Labor Code §
23 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement.

24 18. Delivery of Class List. Within thirty (30) calendar days of Preliminary Approval,
25 Defendant will provide the Class List to the Settlement Administrator, which shall be used solely
26 for the administration of this Settlement and for no other purpose, and which shall not be shared
27 with Plaintiffs, Class Counsel, or any other persons or entity not employed by the Settlement
28 Administrator and working on the administration of this Settlement. Access to the Class List shall

1 be limited to employees of the Settlement Administrator with a need to use the Class List for
2 administration of this Settlement. The Settlement Administrator shall permanently delete and
3 destroy all electronic and hard copies of the Class List in its possession once settlement
4 administration is concluded.

5 19. Notice by First-Class U.S. Mail.

6 a. Within fourteen (14) calendar days after receiving the Class List from
7 Defendant, the Settlement Administrator will perform a search based on the National Change of
8 Address Database or any other similar services available, such as provided by Experian, for
9 information to update and correct for any known or identifiable address changes, and will mail a
10 Class Notice in English (in the form attached as **Exhibit A** to this Settlement Agreement) to all
11 Class Members via First-Class U.S. Mail, using the most current, known mailing addresses
12 identified by the Settlement Administrator.

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

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

24 20. Disputes Regarding Workweeks and/or PAGA Pay Periods. Class Members will
25 have an opportunity to dispute the number of Workweeks and/or PAGA Pay Periods which have
26 been credited to them, as reflected in their respective Class Notices, by submitting a timely and
27 valid Dispute to the Settlement Administrator, by mail, postmarked on or before the Response
28 Deadline. The date of the postmark on the return mailing envelope will be the exclusive means

1 to determine whether a Dispute has been timely submitted. Absent evidence rebutting the
2 accuracy of Defendant's records and data as they pertain to the number of Workweeks and/or
3 PAGA Pay Periods to be credited to a disputing Class Member, Defendant's records will be
4 presumed to be correct and determinative of the dispute. However, if a Class Member produces
5 information and/or documents to the contrary, the Settlement Administrator will evaluate the
6 materials submitted by the Class Member and the Settlement Administrator will resolve and
7 determine the number of eligible Workweeks and/or PAGA Pay Periods that the disputing Class
8 Member should be credited with under the Settlement. The Settlement Administrator's decision
9 on such disputes will be final and non-appealable.

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

1 22. Objecting to the Class Settlement. To object to the Class Settlement, Settlement
2 Class Members must submit a timely and complete Notice of Objection to the Settlement
3 Administrator, by mail, postmarked on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope will be the exclusive means to determine whether a
5 Notice of Objection has been timely submitted. The Settlement Administrator will certify jointly
6 to Class Counsel and Defendant's Counsel the number of Notices of Objection that are submitted
7 (specifying which ones were timely and complete and which were not), and also attach them to a
8 declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no
9 time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement
10 Class Members to object to the Class Settlement or appeal from the Final Approval Order and
11 Judgment. Settlement Class Members, individually or through counsel, may also present their
12 objection orally at the Final Approval Hearing, regardless of whether they have submitted a
13 Notice of Objection.

14 23. No Right to Object or Opt-Out of the PAGA Settlement. The Parties agree there
15 is no right for any Class Member or PAGA Employee to object, opt out or otherwise exclude
16 himself or herself from the PAGA Settlement. Nor is there any right for any Class Member or
17 PAGA Employee to dispute the value of the Individual PAGA Payment provided to them under
18 the PAGA Settlement. The Parties further agree there is no right or opportunity for any Class
19 Member or PAGA Employee to appeal the approval by the Court of the PAGA Settlement. The
20 Parties will jointly defend against any appeal taken by any Class Member or PAGA Employee,
21 entity, or agency of the Court's approval of the PAGA Settlement. Except as otherwise stated,
22 Plaintiffs will vigorously defend against any attempt by any person or by any entity or agency to
23 intervene in this matter or object to, or opt-out of the PAGA Settlement.

24 24. Reports by the Settlement Administrator. The Settlement Administrator shall
25 provide weekly reports to counsel for the Parties providing: (a) the number of undeliverable and
26 re-mailed Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii)
27 the number of Class Members who have submitted Requests for Exclusion; and (iv) the number
28 of Settlement Class Members who have submitted Notices of Objection. Additionally, the

1 Settlement Administrator will provide to counsel for the Parties any updated reports regarding the
2 administration of the Settlement Agreement as needed or requested.

3 25. Defendant's Right to Rescind. If more than five percent (5%) of the Class
4 Members submit timely and valid Requests for Exclusion and/or if the total Workweeks worked
5 by Class Members who submit timely and valid Requests for Exclusion amounts to more than
6 five percent (5%) of the total Workweeks, Defendant may elect to rescind the Settlement
7 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
8 Counsel within seven (7) calendar days of the Settlement Administrator notifying the Parties of
9 the number of Class Members who have submitted timely and valid Requests for Exclusion
10 following the Response Deadline. If Defendant exercises this option, Defendant shall pay any
11 costs of settlement administration owed to the Settlement Administrator incurred up to that date.

12 26. Certification of Completion. Upon completion of administration of the
13 Settlement, the Settlement Administrator will provide a written declaration under oath to certify
14 such completion to the Court and counsel for all Parties.

15 27. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement.
16 After the Response Deadline, a Final Approval Hearing will be conducted to determine whether
17 Final Approval of the Settlement should be granted, along with the amounts properly payable for:
18 (a) Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d)
19 Attorneys' Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs.
20 The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the
21 Response Deadline. Class Counsel will be responsible for drafting the motion seeking Final
22 Approval of the Settlement. The proposed order granting final approval of the Settlement is to
23 be mutually agreed upon by the Parties prior to Plaintiffs filing the proposed order with the Court.
24 Plaintiffs will also provide Defendant with the opportunity to review and comment upon drafts of
25 all other pleadings to be filed in connection with the motion for final approval (e.g., notice of
26 motion, memorandum of points and authorities, and supporting declarations) at least seven (7)
27 calendar days prior to filing the motion for final approval with the Court. Class Counsel and
28 Defendant's Counsel will expeditiously meet and confer in good faith to resolve any

disagreements concerning the motion for final approval prior to Plaintiffs filing the motion with the Court. Defendant will not oppose Plaintiffs' motion for final approval unless the motion is inconsistent with the terms set forth in this Settlement Agreement.

28. Funding of the Gross Settlement Amount. No later than fourteen (14) calendar days after the Effective Date, Defendant will deposit the Gross Settlement Amount into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than five (5) business days after the Effective Date.

29. Distribution of the Gross Settlement Amount. Within fourteen (14) calendar days of the funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees, LWDA Payment to the LWDA, Enhancement Payments to Plaintiffs, Attorneys' Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and timely forward these to the appropriate government authorities.

30. Settlement Checks. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual. Settlement Class Members and PAGA Employees are not required to submit a claim to be issued an Individual Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one

1 hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be
2 canceled. Any funds associated with such canceled checks shall be distributed by the Settlement
3 Administrator to the Justice Gap Fund or another mutually agreed-upon and Court-approved
4 nonprofit organization or foundation consistent with Code of Civil Procedure section 384(b) (“Cy
5 Pres Recipient”). In such event, the Settlement Class Member or PAGA Employee shall
6 nevertheless remain bound by the Settlement. The Parties, Class Counsel and Defense Counsel
7 represent that they have no interest or relationship, financial or otherwise, with the intended Cy
8 Pres Recipient.

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

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

17 33. Plaintiffs’ General Release. Upon the Effective Date and full funding of the Gross
18 Settlement Amount, Plaintiffs, individually and on their own behalf, will be deemed to have fully,
19 finally, and forever released, settled, compromised, relinquished, and discharged the Released
20 Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses,
21 attorneys’ fees, damages, or causes of action of any kind or nature whatsoever, known or unknown,
22 suspected or unsuspected, asserted or unasserted, arising out of, relating to, or resulting from her
23 employment and/or separation of employment with Defendant, which Plaintiffs, at any time up until
24 the execution of this Settlement Agreement, had or claimed to have or may have. It is agreed that
25 this is a general release and is to be broadly construed as a release of all claims, provided that,
26 notwithstanding the foregoing, this Paragraph expressly does not include a release of any claims
27 that cannot be released hereunder by law. Any and all rights granted under any state or federal law
28 or regulation limiting the effect of this Settlement Agreement, including the provisions of Section

1 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the
2 California Civil Code reads as follows:

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

8 34. Final Approval Order and Judgment. The Parties shall provide the Settlement
9 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the
10 Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its
11 website for sixty (60) calendar days. No individualized notice of the Final Approval Order and
12 Judgment to the Class will be required.

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

19 36. Effects of Termination or Rescission of Settlement. Termination or rescission of
20 the Settlement Agreement shall have the following effects:

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

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

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

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

5 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
6 statements, or filings in furtherance of the Settlement (including all matters associated with the
7 mediation) shall be admissible or offered into evidence in the Action or any other action for any
8 purpose whatsoever; and

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

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

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

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

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

5 41. Amendment or Modification. Prior to the filing of the motion for preliminary
6 approval of the Settlement, the Parties may not amend or modify any provision of this Settlement
7 Agreement except by written agreement signed by counsel for all Parties. After the filing of the
8 motion for preliminary approval of the Settlement, the Parties may not amend or modify any
9 provision of this Settlement Agreement except by written agreement signed by counsel for all the
10 Parties and subject to Court approval. A waiver or amendment of any provision of this Settlement
11 Agreement will not constitute a waiver of any other provision.

12 42. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant
13 and represent they are expressly authorized by the Parties whom they represent to negotiate this
14 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
15 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
16 documents required to effectuate the terms of this Settlement Agreement. The Parties warrant
17 that they understand and have full authority to enter into this Settlement Agreement, and further
18 intend that this Settlement Agreement will be fully enforceable and binding on all Parties, and
19 agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms,
20 notwithstanding any mediation confidentiality provisions that otherwise might apply under state
21 or federal law.

22 43. Signatories. The Class Notice will advise all Class Members of the binding nature
23 of the Class Settlement as to the Settlement Class Members and the binding nature of the PAGA
24 Settlement as to the State of California with respect to all PAGA Employees, and the releases
25 provided for by this Settlement Agreement shall have the same force and effect as if this
26 Settlement Agreement were executed by each Settlement Class Member and the State of
27 California.

28 44. Binding on Successors and Assigns. This Settlement Agreement will be binding

upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

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

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

47. Acknowledgement that the Settlement is Fair and Reasonable. Plaintiffs and Class Counsel believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement.

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

49. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein and agrees to fully cooperate to implement the Settlement.

50. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any

misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Defendant further does not admit, and specifically denies, this action is suitable for class or representative treatment. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

51. Publicity. Plaintiffs and Class Counsel will not make any public disclosures of any kind regarding the Settlement prior to the filing of the motion for preliminary approval, including but not limited to postings on Class Counsel's website and postings on any social media sites/outlets, except public postings or filings necessary for getting approval of the Settlement from the court including submission of the Settlement and other relevant documents to LWDA prior to preliminary approval motion filing or in response to a court order or subpoena or in response to an inquiry or subpoena issued by a state or federal government agency. Class Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will encourage them to adhere to, the restriction against any public disclosures regarding the Settlement. Following preliminary approval of the Settlement, Plaintiffs and Class Counsel will not initiate any communications with the media or third parties regarding the Settlement. If contacted by the media or third parties will only discuss information publicly available. Class Counsel will take all steps necessary to ensure Plaintiffs are aware of, and will encourage them to adhere to, the restriction against initiating any media comment. Class Counsel further agrees not to use the Settlement or any of its terms for any marketing or promotional purposes either before or after preliminary approval of the Settlement. Nothing herein will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience or for purposes of getting approval of this Settlement from this

1 court; for public postings or filings necessary for getting approval of the Settlement from the court
2 including submission of the Settlement and other relevant documents to LWDA prior to
3 Settlement approval motion filing; in response to a court order or subpoena or in response to an
4 inquiry or subpoena issued by a state or federal government agency; to the Parties' attorneys,
5 accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; to
6 the extent necessary to report income to appropriate taxing authorities or from providing publicly
7 available information regarding this Settlement in communication with Class Members

8 52. Captions. The captions and paragraph numbers in this Settlement Agreement are
9 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope
10 or intent of the provisions of this Settlement Agreement.

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

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

21 55. All Terms Subject to Final Court Approval. All amounts and procedures described
22 in this Settlement Agreement herein will be subject to final Court approval.

23 ///

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26 ///

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

5 To Plaintiff Chavez and Class Counsel:

6 Kevin Mahoney
7 kmahoney@mahoney-law.net
8 John A. Young
9 jyoung@mahoney-law.net
10 **MAHONEY LAW GROUP, APC**
11 249 E. Ocean Blvd., Ste. 814
12 Long Beach, California 90802
13 Tel: (562) 590-5550 / Fax: (562) 590-8400

14 To Plaintiff Hernandez and Class Counsel:

15 David D. Bibiyan
16 david@tomorrowlaw.com
17 Molly DeSario
18 mdesario@tomorrowlaw.com
19 Henry G. Glitz
20 henry@tomorrowlaw.com
21 **BIBIYAN LAW GROUP, P.C.**
22 1460 Westwood Boulevard
23 Los Angeles, California 90024
24 Tel: (310) 438-5555 / Fax: (310) 300-1705

25 To Defendant:

26 Eric J. Gitig
27 eric.gitig@jacksonlewis.com
28 Regan M. Heslop
 regan.heslop@jacksonlewis.com
 JACKSON LEWIS P.C
 725 South Figueroa Street, Suite 2800
 Los Angeles, California 90017
 Tel: (213) 689-0404 / Fax: (213) 689-0430

29 57. Cooperation and Execution of Necessary Documents. All Parties and their counsel
30 will cooperate with each other in good faith and use their best efforts to implement the Settlement,
31 including and not limited to, executing all documents to the extent reasonably necessary to
32 effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement

on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the mediator and then the Court to resolve such disagreement.

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

IT IS SO AGREED.

PLAINTIFF EYNER MORALES CHAVEZ

03 / 17 / 2026



Dated: _____

Plaintiff Eyner Morales Chavez

PLAINTIFF ANTONIO HERNANDEZ

Dated: _____

Plaintiff Antonio Hernandez

DEFENDANT AEGIS ENTERPRISES, INC.

Dated: _____

Full Name: _____

Title: _____
On behalf of Defendant Aegis Enterprises, Inc.

///

1 on the form or content of any document needed to implement the Settlement Agreement, or on
2 any supplemental provisions that may become necessary to effectuate the terms of this Settlement
3 Agreement, the Parties may seek the assistance of the mediator and then the Court to resolve such
4 disagreement.

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

7 **IT IS SO AGREED.**

8
9 **PLAINTIFF EYNER MORALES CHAVEZ**

10
11 Dated: _____

12 Plaintiff Eyner Morales Chavez

13
14
15 **PLAINTIFF ANTONIO HERNANDEZ**

16
17 Dated: 04/13/2026

Antonio Hernandez

18 Plaintiff Antonio Hernandez

19
20
21 **DEFENDANT AEGIS ENTERPRISES, INC.**

22
23 Dated: 03/18/2026

David Karrick

24 Full Name: David Karrick

25 Title: President

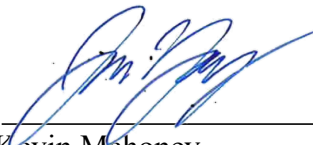
26 On behalf of Defendant Aegis Enterprises, Inc.

27 ///

1 **APPROVED AS TO FORM ONLY:**

2 **MAHONEY LAW GROUP, APC**

3
4 Dated: 04/14/2026



5 Kevin Mahoney
6 John A. Young
7 *Attorneys for Plaintiff Eyner Morales Chavez*
8 *and Proposed Class Counsel*

9 **BIBIYAN LAW GROUP, P.C.**

10
11 Dated: 04/13/2026



12 David Bibiyan
13 Molly DeSario
14 Henry Glitz
15 *Attorneys for Plaintiff Antonio Hernandez*
16 *and Proposed Class Counsel*

17 **JACKSON LEWIS P.C**

18 Dated: 03/17/2026



19 Erig J. Gitig
20 Regan M. Heslop
21 *Attorneys for Defendant Aegis Enterprises, Inc.*

22 4907-1271-0797, v. 1

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Eyner Morales Chavez v. Aegis Enterprises, Inc.
Superior Court of California for the County of Alameda, Case No. 24CV092088

Antonio Hernandez v. Aegis Fire Systems Technology, Inc., et al.
Superior Court of California for the County of Alameda, Case No. 25CV111851

PLEASE READ THIS CLASS NOTICE CAREFULLY.

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

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

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

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Eyner Morales Chavez and Antonio Hernandez ("Plaintiffs") and Aegis Enterprises, Inc. ("the Company") (Plaintiff and the Company are collectively referred to as the "Parties") in the cases entitled *Eyner Morales Chavez v. Aegis Enterprises, Inc.*, Alameda County Superior Court Case No. 24CV092088 ("Chavez Action") and *Antonio Hernandez v. Aegis Fire Systems Technology, Inc., et al.*, Alameda County Superior Court Case No. 25CV111851 ("Hernandez Action") (collectively, the "Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. DEFINITIONS

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

"Class Period" means the period commencing from September 18, 2020 through [date of Preliminary Approval].

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

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

"PAGA Period" means the period commencing from September 12, 2023 through [date of Preliminary Approval].

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

II. BACKGROUND OF THE ACTION

On September 18, 2024, Chavez filed a Class Action Complaint in the action entitled *Eyner Morales Chavez v. Aegis Enterprises, Inc.*, Alameda County Superior Court Case No. 24CV092088 ("Chavez Action"). On February 18, 2025, Hernandez filed a Class Action Complaint in the action entitled *Antonio Hernandez v. Aegis Fire Systems Technology, Inc., et al.*, Alameda County Superior Court Case No. 25CV111851 ("Hernandez Action"). On February 25, 2026, Plaintiffs filed a consolidated Second Amended Class and Representative Action Complaint in the Action ("Operative Complaint"). In the Operative Complaint, Plaintiffs allege that the Company failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks, reimburse business expenses, amongst other claims. Plaintiffs seek, among other things, recovery of unpaid wages, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

The Company has and continues to deny each and every one of Plaintiffs' allegations in the Action and rejects any suggestion of wrongdoing in its entirety. The Company also denies that any of Plaintiffs' claims are appropriate for class or representative treatment.

Nevertheless, the Company agreed to and participated in mediation in good faith with Plaintiffs before a respected class action mediator, and as a result of such mediation, the Company agreed to a settlement in order to avoid the nuisance of protected litigation. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”).

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed [redacted] as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Eyner Morales Chavez and Antonio Hernandez as representatives of the Class (“Class Representative”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

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

The Settlement represents a compromise and settlement of highly disputed claims. As noted above, **nothing in the Company’s decision to settle this Action is intended to or should be construed as an admission or acknowledgement by the Company that the claims in the Action have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees at all.** The Company and Plaintiffs, and their respective counsel, have concluded and agree that, in light of the annoyance of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Six Hundred Eighty Five Thousand Seven Hundred and Five Dollars and Zero Cents (\$685,705.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$239,996.75), and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) to Class Counsel; (2) Enhancement Payment in an amount not to exceed Seven Thousand Five Hundred and Zero Dollars (\$7,500.00) to Plaintiffs for their service in the Action; (3) the amount of Fifty Thousand Dollars and Zero Cents (\$50,000.00) allocated toward civil

penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 65% (\$32,500.00) (“LWDA Payment”) and the remaining 35% (\$17,500.00) will be distributed to PAGA Employees (“PAGA Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for the Company as an hourly-paid and/or non-exempt employee during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

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

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

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

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

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

According to the Company’s records:

- From September 18, 2020, through [date of Preliminary Approval] (i.e., the Class Period), you are credited as having worked [] Workweeks.
- From September 12, 2023, through [date of Preliminary Approval] (i.e., the PAGA Period), you are credited as having worked [] Pay Periods.

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator (“Dispute”). The Dispute must: (a) contain the case name and number of the Action (*Eyner Morales Chavez v. Aegis Enterprises, Inc.*, Case No. 24CV092088); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**. Absent evidence rebutting the accuracy of the Company’s records and data as they pertain to the number of Workweeks and/or Pay Periods to be credited to you, the Company’s records will be presumed to be correct and determinative of the Dispute. However, if you produce information and/or documents to the contrary, the Settlement

Administrator will evaluate the materials submitted and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that you should be credited with under the Settlement. The Settlement Administrator's decision on such Disputes will be final and non-appealable.

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

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

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

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

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

D. Release of Claims

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

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

Released Class Claims" means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment, timely pay final wages upon separation of employment, provide accurate wage statements, reimburse necessary business-related expenses, pay interest on deposits, and pay accrued and unused vacation time; Defendant's alleged violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 227.3, 404, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq.*, and the Fair Labor Standards Act; any unpaid wages or compensation related to any or all of the foregoing; any premium payments related to any or all of the foregoing; restitution for any or all of the foregoing; any statutory penalties related to any or all of the foregoing; interest related to any or all of the foregoing; and attorneys' fees or costs related to any or all of the foregoing.

"Released PAGA Claims" means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, Chavez PAGA Letter, or Hernandez PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*, which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment, timely pay final wages upon separation of employment, provide compliant wage statements, maintain complete and accurate payroll records, reimburse necessary business-related expenses, pay interest on deposits, and pay accrued and unused vacation time; Defendant's alleged violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 227.3, 404, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order; any civil penalties related to any or all of the foregoing; and attorneys' fees or costs related to any or all of the foregoing.

“Released Parties” means Defendant; Defendant’s current, former, and future acquired companies/entities, subsidiaries, affiliates, predecessors, successors, parents, and assigns, including but not limited to Pye Barker Fire & Safety, LLC; each of the foregoing’s current, former, and future officers, directors, members, insurers, shareholders, owners, partners, members, managing agents, agents, attorneys, legal representatives, executives, employees, and contractors; and any entity alleged to be a joint employer with Defendant.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$239,996.75) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiffs

Plaintiffs will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500.00) (“Enhancement Payment) each, i.e., Fifteen Thousand Dollars (\$15,000.00) total, in recognition of their services in connection with the Action. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, it will be paid to Plaintiffs in addition to any other payment that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

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

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

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment.

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

B. Request Exclusion from the Class Settlement

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

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Eyner Morales Chavez v. Aegis*

Enterprises, Inc., Case No. 24CV092088); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

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

C. Object to the Class Settlement

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

The Notice of Objection must: (a) contain the case name and number of the Action (*Eyner Morales Chavez v. Aegis Enterprises, Inc.*, Case No. 24CV092088); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

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

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 18 of the Alameda County Superior Court, located at Administration Building, 1221 Oak Street, Oakland, California, 94612, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

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

VI. ADDITIONAL INFORMATION

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

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court’s website, known as “eCourt Public Portal,” at <https://eportal.alameda.courts.ca.gov>. After arriving at the website, click the “Searches” tab at the top of the page, then select the Document Downloads link, enter the case number (24CV092088) and click “Submit.” Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

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

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

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE

FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

4896-4274-2672, v. 2

PAGA Settlement Agreement & Class Notice-Chavez-Hernandez v. Aegis CLASS 03.16.2026

Final Audit Report

2026-03-18

Created:	2026-03-17
By:	Sterling George (Sterling.George@jacksonlewis.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAADXbx9kbDPgxxU1xcQr-biN1HbSzJj1LE

"PAGA Settlement Agreement & Class Notice-Chavez-Hernandez v. Aegis CLASS 03.16.2026" History

 Document created by Sterling George (Sterling.George@jacksonlewis.com)

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2026-03-18 - 2:49:01 AM GMT

 Document e-signed by Eric Gitig (eric.gitig@jacksonlewis.com)

Signature Date: 2026-03-18 - 2:52:35 AM GMT - Time Source: server

 Agreement completed.

2026-03-18 - 2:52:35 AM GMT

PAGA Settlement Agreement & Class Notice-C havez-Hernandez v. Aegis CLASS 03.16.2026 - signed

Final Audit Report

2026-03-19

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By:	Sterling George (Sterling.George@jacksonlewis.com)
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-  Document created by Sterling George (Sterling.George@jacksonlewis.com)
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-  Document emailed to David Karrick (david.karrick@pyebarkerfs.com) for signature
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-  Email viewed by David Karrick (david.karrick@pyebarkerfs.com)
2026-03-18 - 5:03:56 PM GMT
-  Document e-signed by David Karrick (david.karrick@pyebarkerfs.com)
Signature Date: 2026-03-19 - 4:17:53 AM GMT - Time Source: server
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