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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

KEVIN MASUDA, individually, and on behalf of
all others similarly situated,

Plaintiff,

vs.

SERVE ROBOTICS, INC.; and DOES 1 through
10, inclusive,

Defendants

Case No.: 24STCV31758

**JOINT STIPULATION OF CLASS AND
REPRESENTATIVE ACTION
SETTLEMENT AGREEMENT**

Complaint Filed: December 3, 2024

1 This Joint Stipulation of Class and Representative Action Settlement (“Settlement Agreement,”
2 “Settlement,” or “Agreement”) is made by and between Plaintiff Kevin Masuda (“Plaintiff”) and
3 Defendant Serve Robotics, Inc. (“Defendant”) (Plaintiff and Defendant collectively, “the Parties,” and
4 individually “Party”).

5 **1. DEFINITIONS.**

6 1.0. “Action” means *Kevin Masuda v. Serve Robotics, Inc.*, Superior Court of California,
7 County of Los Angeles Case Number 24STCV31758.

8 1.1. “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”),
9 the neutral entity the Parties have designated to administer the Settlement.

10 1.2. “Administration Expenses Payment” means the court-approved amount allocated to the
11 Administrator for reimbursement of its reasonable fees and expenses incurred to
12 administer the Settlement, not to exceed \$8,000.00.

13 1.3. “Aggrieved Employees” means all current and former non-exempt employees of
14 Defendant who worked for Defendant in California from December 3, 2023, through
15 December 16, 2025.

16 1.4. “Class” means all current and former non-exempt employees of Defendant who worked
17 for Defendant in California from December 3, 2020, through December 16, 2025.

18 1.5. “Class Counsel” means Kane Moon, Allen Feghali, Julie S. Oh, and
19 Jamie C. Osganian of Moon Law Group, P.C.

20 1.6. “Class Counsel Fees Payment” means the court-approved amount allocated to Class
21 Counsel for reimbursement of their reasonable fees incurred to prosecute the Action, not
22 to exceed one-third of the Gross Settlement Amount.

23 1.7. “Class Counsel Expenses Payment” means the court-approved amount allocated to Class
24 Counsel for reimbursement of their reasonable expenses incurred to prosecute the
25 Action, not to exceed \$25,000.00.

26 1.8. “Class Data” or “Class List” means Class Member identifying information in
27 Defendant’s possession, including the Class Member’s name, last-known mailing
28 address, last known telephone number, Social Security number, start and end dates of

active employment as a non-exempt employee of Defendant in the State of California, and any other information required by the Administrator to effectuate this Agreement.

1.9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member, including a Non-Participating Class Member who qualifies as an Aggrieved Employee.

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods, and means, including, but not limited to, the National Change of Address database, skip tracing, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the court-approved Notice of Class and Representative Action Settlement and Final Approval Hearing to be mailed to Class Members in English and Spanish, substantially in the form attached to this Agreement as **Exhibit A** and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from December 3, 2020, through March 16, 2025.

1.13. “Class Representative” means the named Plaintiff in the Action, Kevin Masuda.

1.14. “Class Representative Service Payment” means the court-approved payment allocated to the Class Representative for his services in support of the Action and General Release, not to exceed \$7,500.00.

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

1.16. “Defendant” means the named Defendant in the Action, Serve Robotics, Inc.

1.17. “Defense Counsel” means Robert Pepple of RIMON, P.C.

1.18. “Effective Date” means the date both of the following have occurred: (a) the Court enters a Judgment on its Final Approval Order; and (b) the Judgment is final. The Judgment is final on the latest of the following occurrences: (a) if no Participating Class Member timely objects to the Settlement, the day the Court enters the Judgment; (b) if one or more Participating Class Members object(s) to the Settlement and does not withdraw his or her objection, the day after the deadline for filing a notice of appeal of

the Judgment; or (c) if a timely appeal of the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Final Approval Order” means the Court’s Order Granting Final Approval of the Settlement.

1.20. “Final Approval Hearing” means the Hearing on Plaintiff’s Motion for Final Approval of the Settlement.

1.21. “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.22. “Gross Settlement Amount” means \$365,000.00, the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 7.0 below. The Gross Settlement Amount will pay the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks he or she worked during the Class Period.

1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties allocated pursuant to California Labor Code (“Labor Code”) section 2699(m) and calculated according to the number of PAGA Pay Periods he or she worked during the PAGA Period.

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

1.26. “LWDA PAGA Payment” means the LWDA’s 65% share of the PAGA Penalties, allocated pursuant to Labor Code section 2699(m).

1.27. “Net Settlement Amount” means the Gross Settlement Amount less the following court-approved payments: Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service

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

1.28. “Non-Participating Class Member” means a Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.29. “Objection” means a Class Member’s written or verbal objection to a term of, or the terms of, the Settlement.

1.30. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.31. “PAGA Period” means the period from December 3, 2023, through December 16, 2025.

1.32. “PAGA” means the Labor Code Private Attorneys General Act, Labor Code sections 2698, *et seq.*

1.33. “PAGA Notice” means Plaintiff’s November 28, 2024, letter to the LWDA providing written notice pursuant to Labor Code section 2699.3(a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of the Released PAGA Claims, not to exceed \$15,000.00.

1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion.

1.36. “Plaintiff” means the named Plaintiff in the Action, Kevin Masuda.

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

1.38. “Released Class Claims” means the claims released as described in Paragraph 5.1.

1.39. “Released PAGA Claims” means the claims released as described in Paragraph 5.2.

1.40. “Released Parties” means Serve Robotics, Inc., including its predecessor entity Serve Operating Inc., solely in its capacity as a predecessor entity, and all of their respective both current and former and present direct and indirect parents, subsidiaries, affiliates, divisions, business units, officers, directors, shareholders, members, managers, employees, agents, attorneys, insurers, predecessors, successors, and assigns, and any

related entities or persons acting on their behalf or in concert with them.

1.41. “Request for Exclusion” means a Class Member’s written request to be excluded from the Settlement.

1.42. “Response Deadline” means forty-five (45) calendar days from the date the Administrator mails the Class Notice to the Class and the last date on which Class Members may: (a) mail a Request for Exclusion from the Settlement; or (b) mail an Objection to the Settlement. Class Members to whom a Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline to timely mail a Request for Exclusion or Objection.

1.43. “Workweek” means any week in which a Class Member worked for Defendant for at least one day during the Class Period.

2. RECITALS.

2.0. On November 28, 2024, Plaintiff submitted to the LWDA, and sent via certified mail to Defendant, a Notice of Labor Code Violations pursuant to Labor Code section 2699.3(a).

2.1. On December 3, 2024, Plaintiff filed a Class Action Complaint against Defendant, which alleged eight individual and class causes of action for violation of the Labor Code and California Business and Professions Code.

2.2. On February 3, 2025, Plaintiff filed a First Amended Class and Representative Action Complaint against Defendant, which alleged a ninth individual and representative cause of action for violation of PAGA, *as modified*.

2.3. On December 16, 2025, the Parties attempted to resolve the Action through private mediation with experienced wage-and-hour class and representative action mediator, Lynn Frank, Esq. A settlement in principle was reached the same day.

2.4. Before mediation, Plaintiff obtained through informal discovery, a 76% sample of the time and corresponding payroll records of the Class, the employee handbook and policies in effect during the Class Period, and other Class Member data and documents.

1 **3. MONETARY TERMS.**

2 3.0. Gross Settlement Amount. Except as otherwise provided by Paragraph 7.0 below,
3 Defendant will pay \$365,000.00 as the Gross Settlement Amount and all employer
4 payroll taxes owed on the Wage Portions of the Individual Class Payments, which shall
5 be paid separately. Defendant has no obligation to pay the Gross Settlement Amount or
6 any payroll taxes before the deadline stated in Paragraph 4.0 of this Agreement. The
7 Administrator will disburse the entire Gross Settlement Amount without asking or
8 requiring Participating Class Members or Aggrieved Employees to submit any claim as
9 a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

10 3.1. Payments from the Gross Settlement Amount. The Administrator will make and deduct
11 the following payments from the Gross Settlement Amount, in the amounts specified
12 by the Court in the Final Approval Order:

13 3.1.1. To Plaintiff: A Class Representative Service Payment to the Class
14 Representative of not more than \$7,500.00, in addition to the Individual Class
15 Payment and Individual PAGA Payment the Class Representative is entitled to
16 receive as a Participating Class Member and Aggrieved Employee. Defendant
17 will not oppose Plaintiff's request for a Class Representative Service Payment
18 that does not exceed this amount. Plaintiff and/or Class Counsel will file a
19 Motion supporting the Class Representative Service Payment no later than
20 sixteen (16) court days before the Final Approval Hearing. If the Court
21 approves of a Class Representative Service Payment that is less than the amount
22 requested, the Administrator will retain the remainder in the Net Settlement
23 Amount. The Administrator will pay the Class Representative Service Payment
24 using IRS Form 1099. Plaintiff shall be solely and legally responsible for
25 paying any applicable taxes on this payment and shall hold Defendant harmless
26 from any claim or liability for taxes, penalties, or interest arising as a result of
27 the payment. Defendant makes no representations as to the tax treatment or
28 legal effect of the payment called for herein, and Plaintiff is not relying on any

statement or representation by Defendant or its counsel in this regard.

3.1.2. To Class Counsel: A Class Counsel Fees Payment not to exceed one-third of the Gross Settlement Amount, and a Class Counsel Expenses Payment not to exceed \$25,000.00. Defendant will not oppose Plaintiff's request for Class Counsel Fees and Class Counsel Expenses Payments that do not exceed these amounts. Plaintiff and/or Class Counsel will file a Motion supporting the Class Counsel Fees and Class Counsel Expenses Payments no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of Class Counsel Fees and/or Class Counsel Expenses Payments that are less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any Class Counsel Fees and/or Class Counsel Expenses Payments. The Administrator will pay the Class Counsel Fees and Class Counsel Expenses Payments using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees and Class Counsel Expenses Payments. Class Counsel holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.1.3. To the Administrator: An Administration Expenses Payment of not more than \$8,000.00, except for a showing of good cause and as approved by the Court. Plaintiff and/or Class Counsel will file a Motion supporting the Administration Expenses Payment no later than sixteen (16) court days before the Final Approval Hearing. If the Court approves of an Administration Expenses Payment that is less than the amount requested, or if the Administration Expense Payment is less than the amount allocated under this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount. To the extent the actual Administration Expenses Payment is greater than \$,000.00,

1 such excess amount will be taken from the Gross Settlement Amount, subject to
2 the Court's approval.

3 3.1.3.1. To Each Participating Class Member: The Administrator will calculate
4 each Individual Class Payment by (a) dividing the Net Settlement
5 Amount by the total number of Workweeks worked by all Participating
6 Class Members during the Class Period and (b) multiplying the result by
7 each Participating Class Member's Workweeks. Non-Participating
8 Class Members will not receive an Individual Class Payment. The
9 Administrator will retain amounts equal to their Individual Class
10 Payments in the Net Settlement Amount for distribution to Participating
11 Class Members on a pro rata basis.

12 3.1.3.2. Tax Allocation of Individual Class Payments. Twenty percent (20%) of
13 each Participating Class Member's Individual Class Payment will be
14 allocated to the settlement of claims for wages (the "Wage Portion").
15 The Wage Portions are subject to tax withholding and will be reported
16 on an IRS W-2 Form. Eighty percent (80%) of each Participating Class
17 Member's Individual Class Payment will be allocated to the settlement
18 of claims for interest and penalties (the "Non-Wage Portion"). The Non-
19 Wage Portions are not subject to wage withholdings and will be
20 reported on IRS 1099 Forms. Participating Class Members assume full
21 responsibility and liability for employee taxes owed on their Individual
22 Class Payment.

23 3.1.4. To the LWDA and Aggrieved Employees: PAGA Penalties of not more than
24 \$15,000.00 to be paid from the Gross Settlement Amount, with sixty-five
25 percent (65%) (i.e., \$9,750.00) allocated to the LWDA PAGA Payment and
26 thirty-five percent (35%) (i.e., \$5,250.00) allocated to the Individual PAGA
27 Payments.

28 3.1.4.1. To Each Aggrieved Employee: The Administrator will calculate each

Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods.

3.1.4.2. Tax Allocation of Individual PAGA Payments. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties. If the Court approves PAGA Penalties less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.0. Funding of Gross Settlement Amount. The Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within fourteen (14) calendar days of the Effective Date.

4.1. Payments from the Gross Settlement Amount. No later than fourteen (14) calendar days after Defendant funds the entire Gross Settlement Amount, the Administrator shall mail checks for the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Expenses Payment, and Class Representative Service Payment shall not precede disbursement of the Individual Class Payments and Individual PAGA Payments.

4.1.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First

1 Class U.S. Mail with postage prepaid. Before mailing any checks, the
2 Administrator must update the recipient's mailing addresses using the National
3 Change of Address Database. The face of each check shall prominently state the
4 date the check will be voided. Each check will be voided 180 days after the date
5 of mailing ("void date"). The Administrator will cancel all checks not cashed by
6 the void date. The Administrator will send checks for Individual Class
7 Payments to all Participating Class Members, including those for whom a Class
8 Notice was returned undelivered. The Administrator will send checks for
9 Individual PAGA Payments to all Aggrieved Employees, including Non-
10 Participating Class Members who qualify as Aggrieved Employees and those
11 for whom a Class Notice was returned undelivered. The Administrator may
12 send Participating Class Members a single check combining the Individual
13 Class Payment and Individual PAGA Payment.

14 4.1.2. No later than fourteen (14) calendar days after receiving a returned check, the
15 Administrator must re-mail checks to the USPS forwarding address provided or
16 to an address ascertained through the Class Member Address Search for Class
17 Members whose checks are returned undelivered without a USPS forwarding
18 address. Thereafter, the Administrator need not take further steps to deliver
19 checks to Class Members whose re-mailed checks are returned as undelivered.
20 However, the Administrator shall promptly send a replacement check to any
21 Class Member whose original check was lost or misplaced and who requests the
22 replacement before the void date.

23 4.1.3. For any Class Member whose Individual Class Payment check or Individual
24 PAGA Payment check is uncashed and cancelled after the void date, or for any
25 Class Member whose envelope is returned and no forwarding address can be
26 located for the Class Member after reasonable efforts have been made, the
27 Administrator shall transmit the funds represented by such checks to the
28 California Controller's Unclaimed Property Fund in the name of the Class

Member, thereby leaving no “unpaid residue” subject to the requirements of California Code of Civil Procedure (“CCP”) section 384(b).

4.1.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members, such as 401(k) contributions or bonuses, beyond those specified in this Agreement. Rather, it is the Parties’ intention that this Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

5. **RELEASES OF CLAIMS.** Effective on the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, Plaintiff, Participating Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.0. **Plaintiff’s Release.** Plaintiff fully and finally releases and discharges the Released Parties from any and all charges, complaints, claims, and liabilities of any kind or nature whatsoever, known or unknown, suspected or unsuspected (“claim(s)”) which Plaintiff, at any time heretofore, had or claimed to have or which Plaintiff may have or shall in the future claim to have, including, without limitation, any and all claims related or in any manner incidental to Plaintiff’s employment. Plaintiff understands he is releasing potentially unknown claims and that Plaintiff may have limited knowledge with respect to some of the claims being released. Plaintiff acknowledges there is a risk that, after signing this agreement, Plaintiff may learn information that might have affected Plaintiff’s decision to enter into this Agreement. Plaintiff assumes this risk and all other risks of any mistake in entering into this Agreement. Plaintiff agrees that this Agreement is fairly and knowingly made. Plaintiff represents and warrants that Plaintiff has all necessary authority to enter into this Agreement and that Plaintiff has not transferred any interest in any claims to any spouse or to any other third party.

5.0.1. The Parties understand the word “claim(s)” to include all actions, complaints, claims, and grievances, whether actual or potential, known or unknown, and

specifically but not exclusively, all claims arising out of Plaintiff's employment with Defendant, including, but not limited to, any and all claims under the California Fair Employment and Housing Act, the Age Discrimination in Employment Act, Title VII or any other statute, rule or regulation relating to Plaintiff's employment with Defendant and under which Plaintiff has made a claim or could make a claim against Defendant (collectively, "Plaintiff's Released Claims"). Plaintiff's Released Claims shall not waive: (i) claims for unemployment or workers' compensation benefits; (ii) any vested rights Plaintiff has under ERISA-covered benefit plans as applicable on the date Plaintiff signs this Agreement, and/or claims concerning such rights; (iii) claims that may arise after Plaintiff signs this Agreement; or (iv) claims which cannot be released by private agreement.

5.1. Release by Participating Class Members: All Participating Class Members fully and finally release and discharge the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, costs, expenses, attorney's fees, damages, and causes of action that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint. This release includes, without limitation, a release of all claims alleged in the First Amended Class and Representative Action Complaint for alleged failure to pay minimum wages (*Labor Code* §§ 1182.12, 1194, 1197; applicable IWC Wage Orders), failure to pay overtime compensation (*Labor Code* §§ 510, 1194, 1198; applicable IWC Wage Orders), failure to provide meal periods (*Labor Code* §§ 226.7, 512, 516, 1198; applicable IWC Wage Orders), failure to authorize and permit rest breaks (*Labor Code* §§ 226.7, 516, 1198; applicable IWC Wage Orders), failure to indemnify necessary business expenses (*Labor Code* § 2802), failure to pay all unpaid wages at termination (*Labor Code* §§ 201–204, 210, 218), failure to provide accurate itemized wage statements (*Labor Code* §§ 226(a), 1174(d), 1198, violation of California Business and Professions Code §§ 17200, *et seq.*, and statutory waiting time penalties based on the foregoing (*Labor Code*

§ 203) (collectively, the “Released Class Claims”).

5.1.1. The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period.

5.2. Release by Aggrieved Employees: All Aggrieved Employees fully and finally release and discharge the Released Parties from any and all claims for civil penalties under PAGA that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint or PAGA Notice, including, but not limited to, failure to pay minimum wages (*Labor Code* §§ 1182.12, 1194, 1197; applicable IWC Wage Orders), failure to pay overtime compensation (*Labor Code* §§ 510, 1194, 1198; applicable IWC Wage Orders), failure to provide meal periods (*Labor Code* §§ 226.7, 512, 516, 1198; applicable IWC Wage Orders), failure to authorize and permit rest breaks (*Labor Code* §§ 226.7, 516, 1198; applicable IWC Wage Orders), failure to indemnify necessary business expenses (*Labor Code* § 2802), failure to pay all unpaid wages at termination (*Labor Code* §§ 201–203), and failure to provide accurate itemized wage statements (*Labor Code* §§ 226(a), 1174(d), 1198) (collectively, the “Released PAGA Claims”).

5.2.1. The Released PAGA Claims are limited to claims arising during the PAGA Period and do not release any Aggrieved Employees’ claims for wages or statutory penalties. In light of the binding nature of a PAGA judgment on non-party employees under *Arias v. Sup. Ct. (Angelo Dairy)* (2009) 46 Cal.4th 969 and consistent with the approach taken in PAGA settlement approvals such as *Cardenas v. McLane Foodservice, Inc.* (2011) 796 F.Supp.2d 1246, individuals who qualify as meeting the Aggrieved Employees and are eligible to receive an Individual PAGA Payment shall be deemed to have released the Released PAGA Claims, regardless of whether his or her check for the Individual PAGA Payment is cashed or not, and regardless of whether he or she is a Non-Participating Class Member.

6. SETTLEMENT ADMINISTRATION.

1 6.0. Selection of Administrator. The Parties have jointly selected Phoenix to serve as the
2 Administrator and verified that, as a condition of appointment, Phoenix agrees to be
3 bound by this Agreement and to perform, as a fiduciary, all duties specified in this
4 Agreement in exchange for the Administration Expenses Payment. The Parties and their
5 Counsel represent that they have no interest or relationship, financial or otherwise, with
6 the Administrator other than a professional relationship arising out of prior experiences
7 administering settlements.

8 6.1. Class Data. No later than twenty-one (21) calendar days after the Court grants
9 Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the
10 Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members'
11 privacy rights, the Administrator must maintain the Class Data in confidence, use the
12 Class Data only for purposes of the Settlement and for no other purpose, and restrict
13 access to the Class Data to Administrator employees who need access to the Class Data
14 to effect and perform under the Settlement. Defendant has a continuing duty to
15 immediately notify Class Counsel if it discovers that the Class Data omitted Class
16 Member identifying information and to provide corrected or updated Class Data as soon
17 as reasonably feasible. Without any extension of the deadline by which Defendant must
18 send the Class Data to the Administrator, the Parties, and their counsel will expeditiously
19 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to
20 missing or omitted Class Data.

21 6.2. Notice of Receipt of Class Data. No later than three (3) business days after receipt of the
22 Class Data, the Administrator shall notify Class Counsel that the list has been received
23 and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA
24 Pay Periods in the Class Data.

25 6.3. Notice to Class Members. No later than fourteen (14) calendar days after receiving the
26 Class Data from Defendant, the Administrator will send all Class Members identified in
27 the Class Data, via first-class United States Postal Service ("USPS") mail, the Class
28 Notice in English and Spanish, substantially in the form attached to this Agreement as

Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payments payable to the Class Member and/or Aggrieved Employee, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing the Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4. Remailing of Class Notice. No later than three (3) business days after its receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. If USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time.

6.4.1. The deadlines for Class Members' Objections, Challenges to Calculation of Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.2. If the Administrator, Defendant, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, to agree on whether to include them as Class Members. If the Parties agree, such person(s) will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement no later than fourteen (14) calendar days after receipt of the Class Notice, or the deadline

1 in the Class Notice, whichever is later.

2 6.5. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly
3 review Requests for Exclusion on a rolling basis to ascertain their validity and timeliness.
4 No later than five (5) days after the expiration of the deadline for submitting Requests for
5 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
6 containing the names and other identifying information of Class Members who have
7 submitted Requests for Exclusion, regardless of whether the requests are valid and timely
8 (“Exclusion List”); and (b) copies of all Requests for Exclusion submitted, regardless of
9 whether the requests are valid and timely.

10 6.6. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to
11 Class Counsel and Defense Counsel that tally the number of Class Notices mailed or re-
12 mailed, Class Notices returned undelivered, Requests for Exclusion received (whether
13 valid or invalid), Objections received, Challenges to Workweeks and/or PAGA Pay
14 Periods received and/or resolved, and checks mailed for Individual Class Payments and
15 Individual PAGA Payments (“Weekly Report”). The Weekly Reports must attach copies
16 of all Requests for Exclusion and Objections received.

17 6.7. Administrator’s Declaration. No later than seven (7) business days after the Response
18 Deadline, the Administrator will provide Class Counsel and Defense Counsel a signed
19 declaration suitable for filing in Court attesting to (i) its due diligence and compliance
20 with all of its obligations under this Agreement, including, but not limited to, its mailing
21 of the Class Notice, (ii) the total number of Class Notices returned as undelivered, (iii)
22 the total number of re-mailed Class Notices, (iv) its attempts to locate Class Members,
23 (v) the total number of Requests for Exclusion received (valid or invalid), (vi) the total
24 number of Objections received (valid or invalid), (vii) the total number of Participating
25 Class Members and Workweeks, (viii) the total number of Aggrieved Employees and
26 PAGA Pay Periods, and (ix) the lowest, average, and highest Individual Class Payment
27 and Individual PAGA Payment. The Administrator will supplement its declaration as
28 needed or requested by the Parties and/or the Court. Class Counsel is responsible for

filing the Administrator's declaration(s) in Court.

6.8. Final Report by Settlement Administrator. No later than fourteen (14) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with (i) a final report detailing its disbursements by employee identification number only of all payments made under this Agreement, and (ii) a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

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

6.10. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation § 468B-1.

6.11. Website, Email Address, and Toll-Free Number. The Administrator will establish, maintain, and use an internet website to post information of interest to Class Members, including the date, time, and location of the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval, Class Notice, Motion for Final Approval, and Final Approval and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.

6.12. Class Members' Options.

6.12.1. Requests for Exclusion (Opt-Outs). Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional fourteen (14) calendar days for Class Members whose Class Notice is re-mailed) to exclude themselves from the Settlement. A Class Member may exclude himself or herself from the Settlement by mailing a Request for Exclusion to the Administrator. The Request for Exclusion must be valid and

1 timely. To be valid, the Request for Exclusion must (1) include the Class
2 Member's full name, address, telephone number, and signature, and a written
3 statement requesting to be excluded from the Settlement; (2) state the case
4 name and number of the Action; and (3) be mailed to the specified physical
5 address of the Administrator. To be timely, the Request for Exclusion must be
6 postmarked no later than the Response Deadline. The postmark date will be
7 the exclusive means of determining whether a Request for Exclusion has been
8 timely submitted. A Class Member who does not submit a valid and timely
9 Request for Exclusion will be deemed a Participating Class Member and will
10 be bound by all terms of the Settlement if it is granted Final Approval. If a
11 Class Member's Request for Exclusion is timely but invalid, according to the
12 requirements listed herein, that Class Member will be allowed to cure the
13 defect(s). The Administrator will mail the Class Member a cure letter within
14 three (3) business days of receiving the defective submission to advise the
15 Class Member that his or her submission is defective and that the defect must
16 be cured to render the Request for Exclusion valid. The Class Member will
17 have until the later of (a) the Response Deadline or (b) fourteen (14) calendar
18 days from the date of the cure letter, whichever date is later, to postmark the
19 revised Request for Exclusion. The Administrator, Class Counsel, and
20 Defense Counsel may attempt to resolve any Class Member disputes on the
21 validity or timeliness of a Request for Exclusion. However, the Court has the
22 final authority to make decisions consistent with the terms of this Agreement
23 on the validity or timeliness of a Request for Exclusion. The Court's decision
24 shall be final and not appealable or otherwise susceptible to challenge.

25 6.12.1.1. Every Class Member who does not submit a timely and valid
26 Request for Exclusion is deemed to be a Participating Class Member
27 under this Agreement, entitled to all benefits and bound by all terms and
28 conditions of the Settlement, including the Participating Class Members'
Release under Paragraph 5.1 of this Agreement, regardless of whether the

1 Participating Class Member actually receives the Class Notice or objects
2 to the Settlement.

3 6.12.1.2. Every Class Member who submits a valid and timely Request for
4 Exclusion is a Non-Participating Class Member and shall not receive an
5 Individual Class Payment or have the right to object to the class action
6 components of the Settlement. Non-Participating Class Members who are
7 Aggrieved Employees are deemed to release the claims identified in
8 Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA
9 Payment.

10 6.12.2. Challenges to Calculation of Workweeks. Each Class Member shall have forty-
11 five (45) calendar days after the Administrator mails the Class Notice (plus an
12 additional fourteen (14) calendar days for Class Members whose Class Notice is
13 re-mailed) to challenge the number of Workweeks and/or PAGA Pay Periods
14 allocated to the Class Member and/or Aggrieved Employee in the Class Notice.
15 A Class Member and/or Aggrieved Employee may challenge the allocation by
16 sending a Challenge to Calculation of Workweeks and/or Pay Periods to the
17 Administrator. The Challenge to Calculation of Workweeks and/or Pay Periods
18 must be timely. To be timely, the Challenge to Calculation of Workweeks and/or
19 Pay Periods must be postmarked no later than the Response Deadline. The
20 postmark date will be the exclusive means of determining whether a Challenge to
21 Calculation of Workweeks and/or Pay Periods has been timely submitted. The
22 Administrator must encourage the challenging Class Member to submit
23 supporting documentation. In the absence of any contrary documentation, the
24 Administrator is entitled to presume that the Workweeks contained in the Class
25 Notice are correct so long as they are consistent with the Class Data. The
26 Administrator shall promptly provide copies of all Challenges to Calculation of
27 Workweeks and/or Pay Periods to Defense Counsel and Class Counsel. The
28 Administrator, Class Counsel, and Defense Counsel may attempt to resolve all

1 Class Member challenges over the calculation of Workweeks and/or Pay Periods.
2 However, the Court has the final authority to make decisions consistent with the
3 terms of this Agreement on all Challenges to Calculation of Workweeks and/or
4 Pay Periods. The Court's decision shall be final and not appealable or otherwise
5 susceptible to challenge.

6 6.12.3. Objections to Settlement. Each Participating Class Members shall have forty-
7 five (45) calendar days after the Administrator mails the Class Notice (plus an
8 additional fourteen (14) calendar days for Class Members whose Class Notice
9 is re-mailed) to object, in writing, to the class action components of the
10 Settlement and/or this Agreement, including contesting the fairness of the
11 Settlement and/or amounts requested for the Class Counsel Fees Payment,
12 Class Counsel Expenses Payment and/or Class Representative Service
13 Payment. Only Participating Class Members may send written Objections to
14 the Administrator. A Participating Class Member may object to the Settlement
15 by (1) appearing at the Final Approval Hearing and verbally objecting to the
16 Settlement or any term thereof; and/or (2) sending a written Objection to the
17 Administrator. The written Objection must be valid and timely. To be valid,
18 the written Objection must (1) include the Class Member's full name, address,
19 telephone number, and signature, the contact information for any attorney
20 representing the objecting Class Member, if any, and the factual and legal
21 bases for the Objection, including any supporting papers, briefs, written
22 evidence, declarations, and/or other evidence; (2) state the case name and
23 number of the Action; and (3) be mailed to the specified physical address of
24 the Administrator. To be timely, the written Objection must be postmarked no
25 later than the Response Deadline. The postmark date will be the exclusive
26 means of determining whether a written Objection has been timely submitted.
27 The Administrator, Class Counsel, and Defense Counsel may attempt to
28 resolve any Class Member disputes on the validity or timeliness of a written

Objection. However, the Court has the authority to make final decisions consistent with the terms of this Agreement on the validity or timeliness of a written Objection. The Court's decision shall be final and not appealable or otherwise susceptible to challenge.

7. **ESCALATOR CLAUSE**

7.0. Defendant represents that there are approximately 5,787 workweeks Class Members worked during the Class Period. If the number of workweeks in the Class Period increases by more than 10% (i.e., the total number of workweeks exceeds 6,365), then the Gross Settlement Amount shall increase proportionately over the 10% threshold (i.e. meaning if the workweeks increase by 11%, the GSA will increase by 1%).

8. **DEFENDANT'S RIGHT TO WITHDRAW.**

8.0. If the number of valid and timely Requests for Exclusion exceeds ten percent (10%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant elects to withdraw from the Settlement, Defendant must meet and confer with Class Counsel no later than fourteen (14) calendar days after expiration of the Response Deadline, and Defendant will be responsible for paying all settlement administration expenses incurred to that point. Further, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement, except as provided in this Paragraph.

9. **FINAL APPROVAL.**

9.0. Motion for Final Approval. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(s)(2) and a [Proposed] Final Approval Order and Judgment.

9.1. Response to Objections. Each Party retains the right to respond to any Objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days before the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

- 1 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
2 Approval on any material change to the Settlement, including, but not limited to, the
3 scope of release to be granted by Class Members, the Parties will expeditiously work
4 together in good faith to address the Court's concerns by revising the Agreement as
5 necessary to obtain Final Approval. The Court's decision to award less than the amounts
6 requested for the Class Counsel Fees Payment, Class Counsel Expenses Payment, Class
7 Representative Service Payment, and/or Administration Expenses Payment shall not
8 constitute a material modification to the Agreement within the meaning of this
9 Paragraph.
- 10 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of the Final
11 Judgment, the Court will retain jurisdiction over the Parties, Action, and Settlement
12 solely for purposes of (i) enforcing the Agreement and/or Judgment, (ii) addressing
13 settlement administration matters, and (iii) addressing such post-Judgment matters as are
14 permitted by law, pursuant to CCP section 664.6 and California Rules of Court rule
15 3.769(h).
- 16 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
17 conditions of this Agreement, specifically including the Class Counsel Fees and Class
18 Counsel Expenses Payments set forth in this Agreement, the Parties, their respective
19 counsel, and all Participating Class Members waive all rights to appeal from the
20 Judgment, including all rights to post-judgment and appellate proceedings, the right to
21 file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals.
22 The waiver of appeal does not include any waiver of the right to oppose such motions,
23 writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform
24 under this Agreement will be suspended until the appeal is finally resolved and the
25 Judgment becomes final, except as to matters that do not affect the amount of the Net
26 Settlement Amount.
- 27 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
28 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a

1 material modification of this Agreement (including, but not limited to, the scope of
2 release to be granted by Class Members), the Parties shall expeditiously work together in
3 good faith to address the appellate court's concerns and to obtain Final Approval and
4 entry of Judgment, sharing, on a 50-50 basis, any additional administration expenses
5 reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
6 the Court's award of the Class Representative Service Payment or any payments to Class
7 Counsel shall not constitute a material modification of the Judgment within the meaning
8 of this Paragraph, as long as the Gross Settlement Amount remains unchanged.

9 9.6. Failure to Approve. If the Court does not approve, either preliminarily or finally, any
10 material term or condition of the Settlement Agreement, or if the Court effects a material
11 change, then this Agreement will be voidable and unenforceable, subject to the Parties'
12 agreement to the contrary, and the costs of administration shall be split equally between the
13 Plaintiff, on one side, and Defendant, on the other.

14 **10. AMENDED JUDGMENT.**

15 10.0. If any amended judgment is required under CCP section 384, the Parties will work
16 together in good faith to jointly submit a proposed amended judgment.

17 **11. ADDITIONAL PROVISIONS.**

18 11.0. Entire Agreement. This Agreement and the attached **Exhibit A** constitute the entirety of
19 the Parties' settlement terms.

20 11.1. No Admission of Liability. The Parties enter into this Agreement to resolve the dispute
21 that has arisen between them and to avoid the burden, expense, and risk of continued
22 litigation. In entering into this Agreement, Defendant does not admit, and specifically
23 denies, it has violated any federal, state, or local law; violated any regulations or
24 guidelines promulgated pursuant to any statute or any other applicable laws, regulations,
25 or legal requirements; breached any contract; violated or breached any duty; engaged in
26 any misrepresentation or deception; or engaged in any other unlawful conduct
27 concerning their employees. Neither this Agreement, nor any of its terms or provisions,
28 nor any of the negotiations connected with it, shall be construed as an admission or

1 concession by Defendant of any such violations or failures to comply with any applicable
2 law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
3 Agreement and its terms and provisions shall not be offered or received as evidence in
4 any action or proceeding to establish any liability or admission on the part of Defendant
5 or to establish the existence of any condition constituting a violation of, or a non-
6 compliance with, federal, state, local or other applicable law. If Final Approval does not
7 occur, the Parties agree that this Agreement is void, but remains protected by California
8 Evidence Code section 1152.

9 11.2. Class Certification or Representative Manageability for Other Purposes. The Parties
10 agree to stipulate to class certification only for purposes of the Settlement. If, for any
11 reason, the Settlement is not approved, the stipulation to certification will be void. If, for
12 any reason the Court does not grant Preliminary Approval, Final Approval, or enter
13 Judgment, Defendant reserves the right to contest certification of any class for any
14 reason, Defendant reserves all available defenses to the claims in the Action, Plaintiff
15 reserves the right to move for class certification on any grounds available, and Plaintiff
16 reserves the right to contest Defendant's defenses. The Settlement, this Agreement, and
17 the Parties' willingness to settle the Action will have no bearing on, and will not be
18 admissible in connection with any litigation, except for proceedings to enforce or
19 effectuate the Settlement and this Agreement.

20 11.3. No Press Releases/Advertisements. Neither Plaintiff nor Plaintiff's Counsel shall issue
21 any press release or announcement of any kind related in any way to the Settlement.
22 Plaintiff and Class Counsel agree to limit their statements regarding the terms of the
23 Settlement, whether oral, written, or electronic (including the World Wide Web), to say
24 the Class Action has been resolved and that Plaintiff and Class Counsel are satisfied with
25 the Settlement terms. Nothing in this Section is intended to interfere with Class
26 Counsel's duties and obligations to faithfully discharge their duties as Class Counsel,
27 including but not limited to: (1) as required by law; (2) as required under the terms of the
28 Settlement; and/or (3) as required under counsel's duties and responsibilities as Class

Counsel. This Settlement shall not be advertised or mentioned on any source, including Plaintiff's Counsel's personal or firm website.

11.4. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Agreement 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.

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

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

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

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

- 1 11.9. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
2 to exercise a right or remedy by any of the Parties hereto will be considered to imply or
3 constitute a further waiver by such party of the same or any other condition, covenant,
4 right, or remedy.
- 5 11.10. Cooperation. The Parties and their counsel will cooperate and use their best efforts, in
6 good faith, to implement the Settlement by, among other things, modifying the
7 Settlement Agreement, submitting supplemental evidence, and supplementing points and
8 authorities as requested by the Court. In the event the Parties are unable to agree upon the
9 form or content of any document necessary to implement the Settlement, or on any
10 modification of the Agreement that may become necessary to implement the Settlement,
11 the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12 11.11. No Prior Assignments. The Parties separately represent and warrant that they have not
13 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
14 or encumber to any person or entity and portion of any liability, claim, demand, action,
15 cause of action, or right released and discharged by the Party in this Settlement.
- 16 11.12. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel is
17 providing any advice regarding taxes or taxability, nor shall anything in this Settlement
18 be relied upon as such within the meaning of United States Treasury Department
19 Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 20 11.13. Modification of Agreement. This Agreement, and all parts of it, may be amended,
21 modified, changed, or waived only by an express written instrument signed by all Parties
22 or their representatives, and approved by the Court.
- 23 11.14. Agreement Binding on Successors and Assigns. This Agreement will be binding upon,
24 and inure to the benefit of, the successors or assigns of each of the Parties.
- 25 11.15. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
26 governed by and interpreted according to the internal laws of the State of California,
27 without regard to conflict of law principles.
- 28 11.16. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of

1 this Agreement. This Agreement will not be construed against any Party on the basis that
2 the Party was the drafter or participated in the drafting.

3 11.17. Confidentiality. To the extent permitted by law, all agreements made and orders entered
4 during Action and in this Agreement relating to the confidentiality of information shall
5 survive the execution of this Agreement.

6 11.18. Use and Return of Class Data. Information provided to Class Counsel pursuant to
7 Evidence Code section 1152, and all copies and summaries of the Class Data provided to
8 Class Counsel by Defendant in connection with the mediation, other settlement
9 negotiations, or in connection with the Settlement, may be used only with respect to this
10 Settlement, and no other purpose, and may not be used in any way that violates any
11 existing contractual agreement, statute, or rule of court. No later than ninety (90) days
12 after the date when the Court discharges the Administrator's obligation to provide a
13 Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy,
14 all paper and electronic versions of Class Data received from Defendant unless, prior to
15 the Court's discharge of the Administrator's obligation, Defendant makes a written
16 request to Class Counsel for the return, rather than the destructions, of Class Data.

17 11.19. Headings. The descriptive heading of any section or Paragraph of this Agreement is
18 inserted for convenience of reference only and does not constitute a part of this
19 Agreement.

20 11.20. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall
21 be to calendar days. In the event any date or deadline set forth in this Agreement falls on
22 a weekend or federal legal holiday, such date or deadline shall be on the first business
23 day thereafter.

24 11.21. Execution in Counterparts. This Agreement may be executed in one or more counterparts
25 by facsimile, electronically (i.e., DocuSign), or email which for purposes of this
26 Agreement shall be accepted as an original. All executed counterparts and each of them
27 will be deemed to be one and the same instrument if counsel for the Parties will
28 exchange between themselves signed counterparts. Any executed counterpart will be

admissible in evidence to prove the existence and contents of this Agreement.

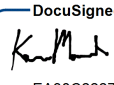
11.22. Binding Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement, intend that this Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law. Plaintiff, and not his representative(s), must personally execute this Agreement. An authorized officer of Defendant must execute this Agreement on behalf of Defendant. This Agreement shall become binding and enforceable pursuant to CCP section 664.6.

11.23. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Signatures on the following page.

Plaintiff & Class Representative:

Dated: 3/18/2026

DocuSigned by:

 EA38C227E6A4B2...
 By: _____
 Plaintiff, Kevin Masuda

Plaintiff's Counsel:

Dated: 3/18/2026

MOON LAW GROUP, P.C.

 By: _____
 Kane Moon
 Allen Feghali
 Julie S. Oh
 Jamie C. Osganian
 Attorney for Plaintiff

Defendant:

Dated: March 17 , 2026

Evan Dunn
 By: _____
 Print Name
Evan Dunn

 Signature
 General Counsel

 Title

Defendant's Counsel:

Dated: March 15 , 2026

RHP Law PC

 By: _____
 Robert Pepple
 Attorney for Defendant

Exhibit A

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

PLEASE READ THIS NOTICE

Your legal rights are affected whether or not you act. Please read this notice carefully.

In the class and representative action entitled *Kevin Masuda v. Serve Robotics, Inc.*, Superior Court of California, County of Los Angeles Case Number 24STCV31758 (“Action”), Plaintiff Kevin Masuda (“Plaintiff”) alleges Defendant Serve Robotics, Inc., (“Defendant”) violated several provisions of the California Labor Code and California Business and Professions Code, and owes civil penalties to the Labor and Workforce Development Agency (“LWDA”) and Aggrieved Employees (defined below) under the Private Attorneys General Act, California Labor Code sections 2698, *et seq.* (“PAGA”). Defendant denies any liability or wrongdoing of any kind and contends, among other things, that it complied at all times with the California Labor Code, the California Business and Professions Code, all Industrial Welfare Commission Wage Orders, and all applicable law.

However, in the interest of avoiding further litigation and the costs and uncertainties associated with further litigation, Plaintiff and Defendant have reached a Joint Stipulation of Class and Representative Action Settlement Agreement (“Settlement”), which has been preliminarily approved by the Court. By agreeing to the Settlement, Defendant in no way admits any violation of law and expressly denies any liability to Plaintiff or others.

You are subject to the terms of the Settlement because you have been identified by Defendant’s records as a Class Member and/or Aggrieved Employee.

“Class Members” means all current and former non-exempt employees of Defendant who worked for Defendant in California from December 3, 2020, through December 16, 2025. (“Class Period”).

“Aggrieved Employees” means all current and former non-exempt employees of Defendant who worked for Defendant in California from December 3, 2023, through December 16, 2025. (“PAGA Period”).

YOUR LEGAL RIGHTS AND OPTIONS WITH RESPECT TO THE SETTLEMENT	
Participate in the Settlement	If you want to participate in the Settlement, remain in the Class, and receive your Individual Class Payment and Individual PAGA Payment, <u>then you do not need to do anything.</u>
Exclude Yourself From the Settlement	If you do not want to participate in the Settlement or remain in the Class, <u>then you need to follow the instructions in Section 6.</u> If you exclude yourself from the Settlement, you will not receive your Individual Class Payment, and you will not release the Released Class Claims against the Released Parties (defined in Section 4, below). However, if the Settlement is approved by the Court and you are an Aggrieved Employee, you will receive your Individual PAGA Payment, and you will release the Released PAGA Claims, even if you exclude yourself from the Settlement.
Object to the Settlement	If you want to object to the terms of the Settlement but remain in the Class, <u>then you need to follow the instructions in Section 7.</u> If you object to the Settlement, you will still be bound by the terms of the Settlement if it is approved by the Court.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Defendant’s records reflect that you are a Class Member and/or Aggrieved Employee (defined above). Because the Settlement, which has been preliminarily approved by the Court, affects Class Members’ and Aggrieved Employees’ legal rights, the Court ordered that this Notice be sent to you. This Notice provides you with information about (1) the Action, (2) the monetary terms of the Settlement, (3) your estimated Individual Class Payment, provided you do not request to be excluded from the Settlement, (4) your

estimated Individual PAGA Payment, (5) the terms of the Settlement, including the claims that are being released, (6) how to participate in, exclude yourself from, or object to the Settlement, and (7) where to find additional information regarding the Action and Settlement.

2. WHAT IS THIS CASE ABOUT?

Plaintiff alleges Defendant: (1) failed to pay Class Members minimum wages for all hours worked; (2) failed to pay Class Members overtime compensation; (3) failed to provide Class Members compliant meal periods or compensation in lieu thereof; (4) failed to provide Class Members compliant rest breaks or compensation in lieu thereof; (5) failed to reimburse Class Members for necessary business expenses they incurred in the direct discharge of their duties to Defendant; (6) failed to timely pay Class Members all compensation due upon termination or resignation; (7) failed to provide Class Members accurate itemized wage statements; (8) engaged in unlawful business practices in violation of California Business and Professions Code sections 17200, *et seq.*; and/or (9) owes civil penalties under PAGA.

Defendant denies these allegations and maintains it fully complied with all applicable laws, provided, permitted, and authorized Class Members to take all meal periods and rest breaks, reimbursed Class Members for all necessary business expenses, provided Class Members with accurate wage statements, compensated Class Members for all wages upon termination or resignation, did not perform any unlawful business acts under California Business and Professions Code sections 17200, *et seq.*, and owes no civil penalties under PAGA. Defendant denies any liability or wrongdoing of any kind and contends, among other things, that it complied at all times with the California Labor Code, the California Business and Professions Code, all Industrial Welfare Commission Wage Orders, and all applicable law.

The Court has not ruled on the merits of the claims alleged by Plaintiff. By preliminarily approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose the Action on the merits. Rather, the Court has determined only that there is sufficient evidence to determine, on a preliminary basis, that the proposed Settlement is fair, adequate, and reasonable. The final determination of this question will be made at the Final Approval Hearing. Defendant reserves the right, if for any reason the Settlement fails, to contest any factual or legal allegations, including to contest whether the Action should proceed as a class and/or representative action.

3. THE MONETARY TERMS OF THE SETTLEMENT AND CALCULATION OF YOUR INDIVIDUAL CLASS PAYMENT AND INDIVIDUAL PAGA PAYMENT

Without admitting any wrongdoing, and to avoid the business disruptions caused by litigating these claims, Defendant has agreed to pay a Gross Settlement Amount of \$680,000.00 to settle the Action. The following amounts will be paid from the Gross Settlement Amount:

- An Administrator Expenses Payment not to exceed \$8,000.00. for reimbursement of the Administrator's reasonable fees and expenses;
- A Class Representative Service Payment not to exceed \$7,500.00 to the Class Representative for his services in support of the Action and General Release;
- PAGA Penalties in the amount of \$15,000.00 allocated to the LWDA and Aggrieved Employees for the payment of civil penalties under PAGA;
- A Class Counsel Expenses Payment not to exceed \$25,000.00 to Class Counsel for reimbursement of their reasonable expenses incurred to prosecute the Action; and
- A Class Counsel Fees Payment not to exceed **1/3 of the Gross Settlement Amount** to Class Counsel for reimbursement of their reasonable fees incurred to prosecute the Action.

Net Settlement Amount: The amount remaining from the Gross Settlement Amount after the above deductions is

called the “Net Settlement Amount.” The Net Settlement Amount will be allocated to all Participating Class Members and calculated as follows:

1. The Administrator will determine the number of weeks each Participating Class Member worked for Defendant for at least one day during the Class Period (“Workweeks”);
2. The Administrator will determine the value of a single Workweek by dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members; and
3. Each Participating Class Member shall receive an Individual Class Payment equal to his or her Workweeks multiplied by the value of a single Workweek.

You have been credited with [REDACTED] Workweeks. Based on these Workweeks, your Individual Class Payment, prior to any applicable withholdings, is estimated to be \$ [REDACTED]. Depending on rulings from the Court that might affect the Gross Settlement Amount, as well as the number of Class Members who may exclude themselves from the Settlement, the actual amount you will receive if the Court grants Final Approval of the Settlement may vary from this estimated amount.

Individual PAGA Payment: A total of \$15,000.00 of the Gross Settlement Amount has been allocated to PAGA Penalties. Of this amount, 65% (i.e., \$9,750.00) will be paid to California’s LWDA (“LWDA PAGA Payment”), and 35% (i.e., \$7,250.00) (“Individual PAGA Payment”) will be paid on a *pro rata* basis to Aggrieved Employees and calculated as follows:

1. The Administrator will determine the number of pay periods each Aggrieved Employee worked for Defendant for at least one day during the PAGA Period (“PAGA Pay Periods”);
2. The Administrator will determine the value of a single PAGA Pay Period by dividing the Individual PAGA Payment by the total number of PAGA Pay Periods worked by all Aggrieved Employees; and
3. Each Aggrieved Employee shall receive an Individual PAGA Payment equal to his or her PAGA Pay Periods multiplied by the value of a single PAGA Pay Period.

You have been credited with [REDACTED] PAGA Pay Periods. Based on these PAGA Pay Periods, your Individual PAGA Payment is estimated to be \$ [REDACTED]. Depending on rulings from the Court that might affect the Gross Settlement Amount, the actual amount you will receive if the Court grants Final Approval of the Settlement may vary from this estimated amount.

If you dispute the total number of Workweeks and/or PAGA Pay Periods that you have been credited with, you may challenge the allocation by sending a Challenge to the Calculation of Workweeks and/or Pay Periods to the Administrator (“Challenge”). Your Challenge should (1) contain your name, address, and telephone number and the case name and number of the Action (i.e., *Kevin Masuda v. Serve Robotics, Inc.*, Superior Court of California, County of Los Angeles Case Number 24STCV31758); (2) clearly state the number of Workweeks and/or PAGA Pay Periods you believe is correct; and (3) attach any documentary evidence you have to prove the number of contended Workweeks and/or PAGA Pay Periods. Your Challenge must be postmarked on or before [Response Deadline] and returned to the Administrator at the following address:

[Administrator]
[contact info]

For tax purposes, twenty percent (20%) of each Individual Class Payment will be allocated to wages and subject to all applicable employee state and federal tax withholdings; and eighty percent (80%) of each Individual Class Payment will be considered penalties, liquidated damages, interest, and any other non-wage related payments. The amount allocated as wages will be reported on an IRS Form W-2, and the remaining amount allocated as penalties, liquidated damages, interest, and other non-wage payments will be reported on an IRS form 1099. One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties and reported on an IRS Form 1099.

In addition to the Gross Settlement Amount, Defendant will pay all employer-payroll taxes in connection with the portion of the Settlement allocated towards wages. Class Members are responsible for paying taxes on other amounts received. This Notice is not tax advice, and you should consult your tax advisor.

Checks will be valid for one hundred and eighty (180) days. After that, checks will become void, and a stop payment will be placed on the uncashed checks. Settlement checks that are not cashed within one hundred and eighty (180) days of mailing, or are returned to the Administrator as undeliverable, will be cancelled, and the Administrator shall send the funds associated with uncashed checks to the California Controller's Unclaimed Property Fund in the name of the Class Member. Class Members who do not timely cash their checks should contact the Administrator to determine how they can obtain their payment. **Class Members will be bound by the Settlement even if they do not cash their settlement checks.**

4. WHAT AM I RELEASING AS A CLASS MEMBER UNDER THE SETTLEMENT?

As of the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the wage portions of the Individual Class Payments, all Class Members who do not opt out of the Settlement (*i.e.*, Participating Class Members), including Plaintiff, will fully and finally release and discharge the Released Parties from the Released Class Claims.

"Released Parties" means Serve Robotics, Inc., including its predecessor entity Serve Operating Inc., solely in its capacity as a predecessor entity, and all of their respective both current and former and present direct and indirect parents, subsidiaries, affiliates, divisions, business units, officers, directors, shareholders, members, managers, employees, agents, attorneys, insurers, predecessors, successors, and assigns, and any related entities or persons acting on their behalf or in concert with them.

Release by Participating Class Members: Plaintiff and Participating Class Members shall fully and finally release and discharge Defendant and the Released Parties from all claims, debts, liabilities, demands, obligations, penalties, costs, expenses, attorney's fees, damages, and causes of action that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint. This release includes, without limitation, a release of all claims alleged in the First Amended Class and Representative Action Complaint for alleged failure to pay minimum wages (*Labor Code* §§ 1182.12, 1194, 1197; applicable IWC Wage Orders), failure to pay overtime compensation (*Labor Code* §§ 510, 1194, 1198; applicable IWC Wage Orders), failure to provide meal periods (*Labor Code* §§ 226.7, 512, 516, 1198; applicable IWC Wage Orders), failure to authorize and permit rest breaks (*Labor Code* §§ 226.7, 516, 1198; applicable IWC Wage Orders), failure to indemnify necessary business expenses (*Labor Code* § 2802), failure to pay all unpaid wages at termination (*Labor Code* §§ 201–204, 210, 218), failure to provide accurate itemized wage statements (*Labor Code* §§ 226(a), 1174(d), 1198, violation of California Business and Professions Code §§ 17200, *et seq.*, and statutory waiting time penalties based on the foregoing (*Labor Code* § 203) (collectively, the "Released Class Claims"). The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period.

5. WHAT AM I RELEASING AS AN AGGRIEVED EMPLOYEE UNDER THE SETTLEMENT?

As of the date Defendant fully funds the entire Gross Settlement Amount and all employer payroll taxes owed on the wage portions of the Individual Class Payments, all Aggrieved Employees, including Plaintiff, will fully and finally release and discharge the Released Parties from the Released PAGA Claims. Released Parties are defined in Section 4 of this Notice, above.

Release by Aggrieved Employees: All Aggrieved Employees fully and finally release and discharge the Released Parties from any and all claims for civil penalties under PAGA that were alleged or that reasonably could have been alleged based on the facts alleged in the First Amended Class and Representative Action Complaint or PAGA Notice, including, but not limited to, failure to pay minimum wages (*Labor Code* §§ 1182.12, 1194, 1197; applicable

IWC Wage Orders), failure to pay overtime compensation (*Labor Code* §§ 510, 1194, 1198; applicable IWC Wage Orders), failure to provide meal periods (*Labor Code* §§ 226.7, 512, 516, 1198; applicable IWC Wage Orders), failure to authorize and permit rest breaks (*Labor Code* §§ 226.7, 516, 1198; applicable IWC Wage Orders), failure to indemnify necessary business expenses (*Labor Code* § 2802), failure to pay all unpaid wages at termination (*Labor Code* §§ 201–203), and failure to provide accurate itemized wage statements (*Labor Code* §§ 226(a), 1174(d), 1198) (collectively, the “Released PAGA Claims”). The Released PAGA Claims are limited to claims arising during the PAGA Period and do not release any Aggrieved Employees’ claims for wages or statutory penalties.

AGGRIEVED EMPLOYEES CANNOT OPT-OUT OF THE PAGA SETTLEMENT OR THE RELEASE OF RELEASED PAGA CLAIMS, AND THEY WILL RECEIVE AN INDIVIDUAL PAGA PAYMENT EVEN IF THEY OPT-OUT OF THE CLASS SETTLEMENT.

6. WHAT IF I DO NOT WANT TO PARTICIPATE IN THE CLASS SETTLEMENT?

You have the right to request exclusion from the Settlement as a Class Member, with regard to the settlement of Released Class Claims, but you are not able to exclude yourself as an Aggrieved Employee. If you wish to exclude yourself from the release of Released Class Claims, you must mail a Request for Exclusion to the Administrator at the address listed in Section 3 of this Notice, above. The Request for Exclusion must be valid and timely.

To be valid, the Request for Exclusion must (1) include your full name, address, telephone number, and signature, and a written statement requesting to be excluded from the Settlement; (2) state the case name and number of the Action (i.e., *Kevin Masuda v. Serve Robotics, Inc.*, Superior Court of California, County of Los Angeles Case Number 24STCV31758); and (3) be mailed to the specified physical address of the Administrator. To be timely, the Request for Exclusion must be postmarked no later than the **[Response Deadline]**. The postmark date will be the exclusive means of determining whether a Request for Exclusion has been timely submitted. A Request for Exclusion form is attached to this Notice. You may complete and submit this form to exclude yourself from the Settlement. It is your responsibility to ensure the Administrator timely receives your Request for Exclusion. **Unless you timely request to be excluded from the Settlement, you will be bound by the Final Judgment upon Final Approval.**

Class Members who request to be excluded from the Settlement will NOT receive their Individual Class Payment and will not release any of the Released Class Claims. However, Class Members who are Aggrieved Employees will receive their Individual PAGA Payment and will release the Released PAGA Claims, regardless of whether they submit a Request for Exclusion.

7. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

You have the right to object to the Settlement or to any settlement term as a Participating Class Member. If you wish to object, you may (1) appear at the Final Approval Hearing and verbally object to the Settlement or any term thereof; and/or (2) send a written Objection to the Administrator at the address listed in Section 3 of this Notice, above. The written Objection must be valid and timely. To be valid, the written Objection must (1) include your full name, address, telephone number, and signature, the contact information for any attorney representing the objecting Class Member, if any, and the factual and legal bases for the Objection, including any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; (2) state the case name and number of the Action (i.e., *Kevin Masuda v. Serve Robotics, Inc.*, Superior Court of California, County of Los Angeles Case Number 24STCV31758); and (3) be mailed to the specified physical address of the Administrator. To be timely, the written Objection must be postmarked no later than the **[Response Deadline]**. The postmark date will be the exclusive means of determining whether a written Objection has been timely submitted.

Filing an objection will **not** exclude you from the Settlement. If the Court grants Final Approval of the Settlement,

you will still receive an Individual Class Payment, and you will be barred from pursuing the Released Class Claims. **Do not submit both an Objection and a Request for Exclusion. You may file one or neither.** If you file neither, then you will be automatically included in the Settlement and do not need to take any further action to receive a payment.

8. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Final Approval Hearing is scheduled to take place on _____, at _____ a.m. in the Superior Court of the State of California, County of Los Angeles, Department 15, located at _____. This date and time may be subject to change without notice to you. You may verify the hearing date on the following website: [ADMINISTRATOR WEBSITE]. Participating Class Members may appear in Court (or hire an attorney to appear in Court at their own expense) to offer comments and/or present verbal objections at the Final Approval Hearing.

9. WHO ARE THE ATTORNEYS?

Attorneys for Plaintiff and the Class:

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Allen Feghali (SBN 301080)
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Attorneys for Plaintiff

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Attorneys for Defendant

The Court has permitted, for purposes of settlement, the Attorneys for Plaintiff and the Class to represent the Participating Class Members. Other than the Class Counsel Fees Payment and Class Counsel Expenses Payment approved by the Court and to be paid out of the Gross Settlement Amount, you will not be charged for their services.

10. SHOULD I GET MY OWN LAWYER?

You do not need to get your own lawyer. If you want your own lawyer to speak for you or appear in Court, you have the right to hire one, but you will have to pay for that lawyer yourself.

11. FURTHER INFORMATION

The foregoing is only a summary of the Settlement. For the precise terms and conditions of the Settlement and other important case documents, please see the Settlement available at www._____.com, or contact Class Counsel at the address or telephone number provided in Section 9, above.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE

ABOUT THIS SETTLEMENT.

REQUEST FOR EXCLUSION FORM

I, _____, wish to be excluded from the Settlement of Class claims in *Kevin Masuda v. Serve Robotics, Inc*, Superior Court of California, County of Los Angeles Case Number 24STCV31758.

Full Name (Printed)

Address

City

State and Zip Code

Telephone Number

Signature

[Note: (1) This Request for Exclusion Form *does not* exclude you from the Settlement of PAGA claims, and (2) this Request for Exclusion Form *must* be mailed to the following physical address of the Administrator on or before [Response Deadline]]:

[Administrator]
[contact info]