

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Michael Armstrong (“Plaintiff”) and Defendant 1-800-PACK-RAT, LLC (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Michael Armstrong v. 1-800-PACK-RAT, LLC*, pending in Solano County Superior Court, California, Case No. CU24-08913, initiated on November 12, 2024 and pending in the Court.
- 1.2 “Administrator” means CPT Group, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means all current and former non-exempt employees in California who worked for 1-800-PACK-RAT, LLC during the PAGA period.
- 1.5 “Class” means all current and former non-exempt employees in California who worked for 1-800-PACK-RAT, LLC during the Class Period.
- 1.6 “Class Counsel” refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua S. Falakassa of Falakassa Law, P.C.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action. “Class Data” means Class Member identifying information in Defendant’s possession, as authorized by the Court, including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.8 “Class Member” or “Settlement 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).
- 1.9 “Address Search” means the Administrator’s investigation and search for current Class Member or Aggrieved Employee mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of

Address database, skip traces, and direct contact by the Administrator with Class Members or Aggrieved Employees.

- 1.10 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.11 “Class Period” means the period from November 12, 2020 through June 9, 2026.
- 1.12 “Class Representative” means and refers to Plaintiff Michael Armstrong.
- 1.13 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.14 “Court” means the Superior Court of California, County of Solano.
- 1.15 “Defendant” means named Defendant 1-800-PACK-RAT, LLC.
- 1.16 “Defense Counsel” means Carolyn E. Sieve of Ogletree, Deakins, Nash, Smoak, & Stewart, P.C.
- 1.17 “Effective Date” means the date on which the Judgment becomes final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.18 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.19 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20 “Gross Settlement Amount” means \$550,000, which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, the employer’s share of payroll taxes, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.
- 1.21 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.22 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period. The Individual PAGA Payment will be made whether

or not the Aggrieved Employee opts out of the Class portion of the Settlement.

- 1.23 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.24 “LWDA” means the California Labor and Workforce Development Agency.
- 1.25 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.26 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, employer’s share of payroll taxes, LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.27 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.28 “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.29 “PAGA Period” means the period from November 12, 2023 through June 9, 2026.
- 1.30 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).
- 1.31 “PAGA Notice” means Plaintiff’s November 12, 2024 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.32 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in the total amount of \$20,000, allocated 35% to the Aggrieved Employees (\$7,000) and 65% to the LWDA (\$13,000) in settlement of PAGA claims.
- 1.33 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.34 “Plaintiff” means Michael Armstrong, the named plaintiff in the Action.
- 1.35 “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.
- 1.36 “Released Class Claims” means the claims being released as described in Paragraph 5.1 below.
- 1.37 “Released PAGA Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.38 “Released Parties” means Defendant and all its affiliated parties and entities (including

their respective past and present affiliates, parents, subsidiaries, predecessors, successors, owners, assigns, shareholders, divisions, and each of these entities' past and present directors, officers, attorneys, managing agents, employees, members, partners, insurers, benefit plans, shareholders and representatives).

- 1.39 "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.40 "Response Deadline" means 45 calendar days from the date the Administrator mails the Class Notice and shall be the last date on which Class Members may postmark any dispute of their settlement share calculation, to opt out of the class portion of the settlement, or to object to the settlement.
- 1.41 "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.
- 1.42 "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

- 2.1 On November 12, 2024, Plaintiff commenced this Action by filing a complaint alleging causes of action against Defendant for failure to pay all overtime wages; meal period violations; rest period violations; failure to pay all sick time; wage statement violations; failure to reimburse necessary business expenses; and unfair competition.
- 2.2 On January 14, 2025, Plaintiff filed a First Amended Complaint alleging causes of action against Defendant for failure to pay all minimum wages; failure to pay all overtime wages; meal period violations; rest period violations; failure to pay all sick time; wage statement violations; waiting time penalties; failure to reimburse necessary business expenses; unfair competition; and PAGA penalties. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint").
- 2.3 Defendant denies Plaintiff's claims and allegations and contends that the Action is not suitable for class certification and/or representative treatment. Defendant and the Released Parties deny that they have engaged in any unlawful activity, that they have failed to comply with the law in any respect, or that they have any liability to anyone under the claims asserted in this Action. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.
- 2.4 If the Solano County Superior Court does not approve the Settlement as requested by the Parties, a judgment is not entered in the action in state court, or either Party withdraws from the Settlement, the Parties agree that they will revert to their respective status as of the date and time immediately prior to the mediation, such that the Parties will revert to litigation of the action in the Solano County Superior Court.

- 2.5 The Parties have conducted a thorough investigation into the facts of the Action. This includes exchanging informal discovery, including Defendant's written policies and practices, and the production of payroll and timekeeping records for various Class Members and Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive research with respect to the applicable law and potential defenses to the claims at issue in the Action. Class Counsel has diligently pursued an investigation of the Class Members' claims against Defendant. Based on the foregoing data and on their own independent investigation and evaluation, Class Counsel is of the opinion 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 in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and potential appellate issues.
- 2.6 On April 9, 2026, the Parties participated in mediation with Allison C. Eckstrom, a highly experienced class action mediator. After an all-day mediation and the issuance of a mediator's proposal, the Parties reached a settlement.
- 2.7 The Court has not granted class certification. For settlement purposes only, Defendant agrees that (1) Participating Class Members may be conditionally certified as a settlement class, and (2) the Aggrieved Employees are appropriate for representative treatment. This stipulation to certification and representative treatment is in no way an admission that class action certification and/or representative treatment is proper and shall not be admissible in this or in any other action except for the sole purposes of enforcing this Agreement. Should, for whatever reason, the Court fail to issue an order granting Final Approval, or the Effective Date does not happen, the Parties' stipulation to class certification and representative treatment 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 class certification and/or representative treatment would be appropriate in a non-settlement context. Defendant expressly reserves all rights and declares that it will continue to oppose class certification, representative treatment, and the substantive merits of the case should the Court fail to issue an order granting Final Approval or the Effective Date does not happen.
- 2.8 The Parties, Class Counsel and Defense Counsel represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Defendant promises to pay \$550,000 and no more as the Gross Settlement Amount.
- 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

- 3.2.1 To Plaintiff: Class Representative Service Payment of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment that Plaintiff is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the Motion for Final Approval, Plaintiff will seek Court approval for any Class Representative Service Payment. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one third of the Gross Settlement Amount (\$183,333) and a Class Counsel Litigation Expenses Payment for Class Counsel's reasonable and actual, documented out-of-pocket expenses. Defendant will not oppose requests for these payments provided they do not exceed these amounts. As part of the Motion for Final Approval, Plaintiff and/or Class Counsel may seek Court approval of a Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment. In support of the Class Counsel Litigation Expenses Payment, Class Counsel must submit a cost ledger listing each expense incurred during the Action. If the Court approves a Class Counsel Fees Payment or a Class Counsel Litigation Expenses Payment less than the amount 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 Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.
- 3.2.3 To the Administrator: Reasonable Administration Expenses Payment not to exceed \$7,500 and subject to Court approval. To the extent the administration expenses are less than or the Court approves payment less than \$10,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4 To Each Participating Class Member: An Individual Class Payment, which the Administrator shall calculate by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

- 3.2.5 Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.6 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- 3.2.7 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$20,000 to be paid from the Gross Settlement Amount, with 65% (\$13,000) allocated to the LWDA PAGA Payment and 35% (\$7,000) allocated to the Individual PAGA Payments.
- 3.2.7.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$7,000) 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. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
- 3.2.7.2 If the Court approves PAGA Penalties of 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.

- 4.1 Class Size Estimates. Based on a review of its records during the period November 2020 through February 2026, Defendant estimates there are 238 Class Members who collectively worked a total of approximately 12,000 Workweeks.
- 4.2 Estimated PAGA Pay Periods. Based on a review of its records during the period November 2023 through February 2026, Defendant estimates there are approximately 5,000 PAGA Pay Periods.
- 4.3 Adjustment for Workweeks Exceeding Estimates. The Gross Settlement Amount was calculated based on Defendant's estimated number of Class Members, Workweeks,

Aggrieved Employees, and PAGA Pay Periods from the beginning of the Class Period through February 28, 2026. If there is a finding that, during the same time frame, the actual workweek count exceeds this estimate by more than approximately 10% (i.e., there were over 13,200 workweeks between November 12, 2020 through February 28, 2026), then Defendant shall have the option, in its sole discretion, to either (1) increase the Gross Settlement Amount by the percentage that the actual number of workweeks exceeds 13,200; or (2) agree that the Class Period and the PAGA Period shall cut off as of the date the number of workweeks worked by Class Members reaches 13,200 workweeks.

4.4 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by making a one-time deposit into the Qualified Settlement Fund established by the Administrator no later than 60 calendar days after the later of: (1) the Effective Date and (2) Defendant's Counsel's receipt from the Administrator of wiring information for the Qualified Settlement Fund and confirmation of the amount to be wired. If Defendant fails to timely fund the Gross Settlement Amount, the unpaid amount shall accrue interest at the legal rate beginning on the first day after the funding deadline. If Plaintiff or Class Counsel must seek enforcement, Defendant shall reimburse the reasonable attorneys' fees and costs incurred to enforce the Settlement, unless the Court determines that Defendant's nonperformance was substantially justified.

4.5 Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.5.1 The Administrator will issue checks for the Individual Class Payments and Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members who are also Aggrieved Employees a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.5.2 The Administrator must conduct an Address Search for all Class Members and Aggrieved Employees whose checks are returned undelivered without a United States Postal Service (“USPS”) forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail the check to the USPS forwarding address provided or to an address ascertained through the Address Search. The Administrator need not take further steps to deliver checks to Class Members or Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member or Aggrieved Employee whose original check was lost or misplaced, as requested by the Class Member or Aggrieved Employee before the void date.
- 4.5.3 Participating Class Members shall have 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks. The release of the Class Members’ Released Claims and the PAGA Release will be effective and binding upon all Participating Class Members and Aggrieved Employees regardless of whether they cash their checks within the 180-day period. In the event that any settlement check is returned to the Administrator within 180 days of mailing, the Settlement Administrator will, within five (5) business days of receipt of the returned settlement check, perform a skip trace to attempt to locate the individual. If a new address is located by these means, the Settlement Administrator will have ten (10) business days to re-issue the check and will notify Defense Counsel and Class Counsel that a re-issued check has been sent. Neither Defendant, Defense Counsel, Class Counsel, Plaintiff, nor the Administrator will have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without limiting the foregoing, in the event a Participating Class Member notifies the Administrator that he or she believes that a settlement check has been lost or stolen, the Administrator shall immediately stop payment on such check. If the check in question has not been negotiated prior to the stop payment order, the Administrator will issue a replacement check.
- 4.5.4 No person shall have any claim against Released Parties (or any designee), Defendant’s Counsel, Plaintiff, Class Counsel, or the Administrator based on mailings, distributions, payments or reports made in accordance with or pursuant to this Agreement. This provision does not, however, prevent a Party from seeking enforcement of this Agreement.
- 4.5.5 Without prejudice to any other remedies, the Administrator shall agree to be responsible for any breach of its obligations (whether committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Administrator or its agents.
- 4.5.6 For any Class Member whose Individual Class Payment check is uncashed

and cancelled after the void date, the Administrator shall transmit the funds represented by such a check to the California Controller's Unclaimed Property Fund in the name of the Class Member.

4.5.7 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such check to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b).

4.5.8 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 or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS.

5.1 Release by Plaintiff and the Class. Upon the date Defendant funds the Gross Settlement Amount, Plaintiff and each Participating Class Member, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives (collectively, "Releasing Parties"), will forever completely release and discharge the Released Parties from the Released Claims for the Class Period. The "Released Claims" include any and all claims, rights, demands, liabilities, and causes of action of every nature and description, arising during the Class Period, including statutory, contractual, or common law claims for wages, damages, penalties, liquidated damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code §§ 17200 et seq., the applicable wage orders at California Code of Regulations, Title 8, Section 11000 et seq., or otherwise – that arise out of or are reasonably related to the factual allegations that were alleged or could have been alleged in Plaintiff's operative First Amended Complaint including but not limited to: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide lawful meal periods; (d) failure to authorize and permit lawful rest periods; (e) failure to timely pay wages during employment; (f) failure to timely pay wages upon separation; (g) failure to accurately calculate overtime pay, sick pay, and meal and/or rest break premium pay when issuing non-discretionary remuneration; (h) failure to reimburse employee expenses; (i) failure to provide accurate itemized wage statements; (j) violation of the Private Attorneys General Act, California Labor Code section 2698 et seq.; (k) unfair business practices in violation of California Unfair Competition Law, California Business & Professions Code sections 17200 et seq.; and (l) any and all claims for attorneys' fees and costs. The release will specifically include the following statutory claims: any and all claims that were pled or could have been pled based on the facts alleged in this action arising under the Cal. Labor Code, including, §§ 201-204, 210, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2800, and

2802; the Cal. Business & Professions Code §§ 17200, et seq.; and any and all common law or equitable claims, under any theory whatsoever, to the extent that such claims arise out of the alleged facts, circumstances, and occurrences underlying the allegations that are or were asserted or that could have been asserted based on the facts alleged in this action.

- 5.2 Release by Aggrieved Employees. Upon the date Defendant funds the Gross Settlement Amount, Plaintiff as an agent and proxy of the State of California, and the State of California (including the LWDA), acting on behalf of the Aggrieved Employees for them and the Releasing Parties, shall release the Released Parties from any and all claims for PAGA civil penalties arising during the PAGA Period that were alleged or reasonably could have been alleged based on the facts and allegations in the operative complaint and the PAGA Notice. . NoticeIt is understood and agreed that Aggrieved Employees will not have the opportunity to opt out of the PAGA Release even if they have validly and timely requested to be excluded from the Settlement. It is the intent of the Parties that, to the fullest extent permitted by law, the Aggrieved Employees will be deemed to have released all PAGA claims arising during the PAGA Period.
- 5.3 Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members (including Aggrieved Employees) to obtain a recovery based on, arising out of, and/or related to any and all of the Released Claims. This release does not apply to any Class Member who timely and validly opts out of the Settlement.
- 5.4 Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Aggrieved Employees and the LWDA to obtain a recovery based on, arising out of, and/or related to any and all of the Released Claims with respect to PAGA.
- 5.5 Plaintiff, on behalf of himself and the Participating Class Members (including Aggrieved Employees), acknowledges and agrees that the claims for unpaid wages, meal and rest period violations, and untimely payment of wages in the Action, are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to them and, as such, acknowledges and agrees that California Labor Code section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows:

An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.
- 5.6 Release by Class Representative. As a material inducement to Defendant to enter into this Settlement Agreement, in addition to the Class Representative's release of the

Released Claims and PAGA Release, Class Representative does hereby, for himself and the Releasing Parties forever completely release and discharge the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of time through the execution of this Agreement, whether known or unknown, suspected or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based upon, or relating to Class Representative's employment with Defendant or the remuneration for or cessation of such employment (collectively, the "Class Representative's Released Claims").

Without limiting the generality of the foregoing, Class Representative's Released Claims also includes all claims or rights against the Released Parties arising out of or relating to alleged violations of any contracts, express or implied (including but not limited to any contract of employment); any contract or covenant of good faith and fair dealing (express or implied); any tort, including but not limited to, negligence, fraud, misrepresentation and violation of California Labor Code section 970, negligent infliction of emotional distress, intentional infliction of emotional distress, defamation; retaliation claims; claims for violation of public policy; any whistleblower claims; any claim for improper or unauthorized wage deductions, failure to pay the applicable wage, unpaid wages, unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, and alleged "off the clock" work under federal and state law, including, but not limited to, California Labor Code Sections 204 and 558, waiting time penalties pursuant to California Labor Section 203, damages or penalties pursuant to California Labor Code Section 226, meal period and rest break payments and penalties pursuant to California Labor Code Sections 226.7 and 512, failure to provide itemized wage statements pursuant to California Labor Code Section 226, statutory or civil penalties pursuant to California Labor Code Sections 210, failure to indemnify for business expenses pursuant to Labor Code section 2802, failure to provide one day of rest in seven pursuant to California Labor Code Sections 551 and 552, unfair competition and unfair business practices pursuant to Business and Professions Code Section 17200 et seq., interest and costs pursuant to California Civil Code Section 3287 and California Labor Code Section 218.6, statutory or common law rights to attorneys' fees and costs, including those pursuant to California Labor Code Section 1194 et seq.; claims under the Private Attorneys General Act of 2004, Labor Code section 2699 et seq., and the alleged violation or breach of any other state or federal statute, rule and or regulation, including all applicable Industrial Welfare Commission Wage Orders; and all similar causes of action, including but not limited to, any claim for restitution, equitable relief, interest, penalties, costs or attorneys' fees in connection with any of the foregoing, negligent infliction of emotional distress, intentional infliction of emotional distress, and defamation; any wrongful discharge, constructive discharge; any claims relating to any breach of public policy; any legal restrictions on Defendant's right to discharge employees; and any federal, state, or other governmental statute, regulation, or ordinance, including, without limitation: (a) any and all claims under Title VII of the Civil Rights Act of 1964, as amended ("Title VII"), the Americans with

Disabilities Act (“ADA”), the Employee Retirement Income Security Act, as amended (“ERISA”) (regarding unvested benefits), the Family and Medical Leave Act (“FMLA”) (regarding existing but not prospective claims), the FLSA, the Equal Pay Act, the Civil Rights Act of 1991, Section 1981 of U.S.C. Title 42, the Fair Credit Reporting Act (“FCRA”), the Worker Adjustment and Retraining Notification Act (“WARN Act”), the National Labor Relations act (“NLRA”), the Uniform Services Employment and Reemployment Rights Act (“USERRA”), the Genetic Information Nondiscrimination Act (“GINA”), the Immigration Reform and Control Act (“IRCA”), the California Fair Employment and Housing Act (“FEHA”), the California Constitution, the California Family Rights Act (“CFRA”), the California Labor Code (including PAGA) and applicable Wage Order(s), the Unfair Competition Law, all as amended by their respective implementing regulations, and any other federal, state or local law, (statutory, regulatory, or otherwise) that may be legally waived and released; however, the identification of specific statutes or law shall not limit the scope of this general release in any manner.

Class Representative expressly waives and relinquishes all rights and benefits afforded by Section 1542 of the Civil Code of the State of California and does so understanding and acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of the State of California states:

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

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

6. MOTION FOR PRELIMINARY APPROVAL

6.1 Plaintiff will move the Court for Preliminary Approval of this Settlement and entry of the Order Granting Preliminary Approval to accomplish the following:

- (a) Scheduling the Final Approval Hearing;
- (b) Approving as to form and content the Notice;
- (c) Directing the mailing of the Notice by first class mail to Class Members;
- (d) Preliminarily approving this Settlement; and
- (e) Preliminarily certifying the class for purposes of this Settlement only.

Class Counsel shall give Defendant's counsel five (5) business days to review and suggest reasonable revisions before the filing of the Motion for Preliminary Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 6.2 Reallocation of Settlement Proceeds: In the event the Court fails, on its first hearing, to approve this Agreement because the amount of the PAGA Payment is not adequate, then the Parties shall cooperate in good faith to reallocate the total settlement proceeds, within this Agreement, in order to try to achieve court approval of the Settlement upon any subsequent Court hearings. Notwithstanding a reallocation of the settlement proceeds, the Gross Settlement Amount set forth in section 3.1 above shall remain unchanged.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have agreed to the appointment of the Administrator to perform the duties of a settlement administrator, including translating the Notice to Spanish, mailing the Notice, using standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any claims or Requests for Exclusion, calculating Individual Settlement Amounts, resolving any disputes regarding the calculation or application of the formula for determining the Individual Settlement Amounts, drafting and mailing the settlement checks to Participating Class Members (including Aggrieved Employees), issuing IRS Forms W-2 and 1099, reporting to taxing authorities, due diligence, reporting and remittance obligations, and performing such other tasks as set forth herein or as the Parties mutually agree or that the Court orders. The Settlement Administrator shall also be responsible for issuing to Plaintiff, Participating Class Members, and Class Counsel any IRS Form W-2, 1099, or other Tax Forms as may be required by law for all amounts paid pursuant to this Agreement. The Administrator shall also be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and penalties to the appropriate government authorities.
- 7.2 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.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.
- 7.4 Disputes Regarding Settlement Administration: Any and all disputes relating to administration of the Settlement by the Administrator (except for disputes regarding Class Data) shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the

Court, counsel for the Parties will confer in good faith to resolve the dispute without the necessity of Court intervention.

7.5 Notice to class members.

- 7.5.1 Class Data: Not later than 15 court days after the Court grants Preliminary Approval, Defendant will deliver the Class Data to the Administrator. The Administrator will run a check of the Class Members' addresses against those on file with the U.S. Postal Service's National Change of Address List. The Class Data provided to the Administrator will not be provided to Class Counsel and it will remain confidential, it shall be used solely to administer the Settlement, and it will not be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by order of the Court.
- 7.5.2 Notice: Using best efforts to perform as soon as possible, and in no event later than 10 court days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice substantially in the form attached to this Agreement as **Exhibit A**. The Administrator has no obligation to provide the Class Notice other than via USPS Mail.
- 7.5.3 Notice Response Deadline: Class Members will have forty-five (45) calendar days from the date the Notice is first mailed in which to object or request exclusion from the Class Members' Released Claims portion of the Settlement ("Notice Response Deadline").
- 7.5.4 Returned Notices: The Administrator will take steps to ensure that the Notice is correctly mailed to all Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Class Member for whom an updated address is located within ten (10) calendar days following both the Settlement Administrator learning of the failed mailing and its receipt of the updated address. If the 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 Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.5.5 Disputes Regarding Class Data: Class Members are deemed to participate in the Settlement unless they submit a timely and valid Request for Exclusion. The Notice will inform Class Members of his/her estimated number of Workweeks Worked during the Class Period. Class Members may dispute their Workweeks Worked if they feel their estimated Workweeks Worked is not accurate by timely submitting evidence to the Administrator. Defendant's records will be presumed determinative absent

reliable evidence to rebut Defendant's records, but the Administrator will evaluate the evidence submitted by the Class Member and provide the evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's accepted number of Workweeks Worked. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Administrator to render a final decision. Class Members will have until the Notice Response Deadline to dispute Workweeks Worked, object or request exclusion, unless extended by the Court. In the event that the Administrator increases the number of Workweeks Worked for any Settlement Class Member, then the Administrator will recalculate the Participating Class Members' Individual Settlement Amounts; however, in no event will Defendant be required to increase the Gross Settlement Amount.

7.5.6 Declaration of Due Diligence: The Administrator shall provide counsel for the Parties, at least fourteen (14) calendar days prior to the Final Approval Hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice.

7.5.7 Class Members' Rights: Each Class Member will be fully advised of the Settlement, the ability to object to the provisions of the Settlement, and the ability to request exclusion from the portion of the Settlement releasing class claims. Class Members will have until the Notice Response Deadline to object or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or Requests for Exclusion were timely submitted on a weekly basis, and upon the request of Class Counsel or Defense Counsel. Neither Plaintiff, Class Counsel, Defendant, or Defendant's Counsel shall encourage any Class Member to request exclusion from the Settlement. Plaintiff agrees not to request exclusion from or object to the Settlement. The Notice will inform Class Members of the Court-established deadlines for filing objections or requesting exclusion from the portion of the Settlement releasing class claims in accordance with the following guidelines:

(a) Requests for Exclusion: Any Class Member, other than Plaintiff, may request to be excluded from the Class portion of the Settlement by submitting a "Request for Exclusion" to the Settlement Administrator, postmarked on or before the Notice Response Deadline. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE ARMSTRONG V. 1-800-PACK-RAT LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT."

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

- (b) Binding Effect on Participating Class Members: Except for those Class Members who exclude themselves in compliance with the procedures set forth above, all Class Members will: (i) be deemed to be Participating Class Members for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided herein, will be deemed to have waived all objections and oppositions to the fairness, reasonableness, and adequacy of the Settlement.
- (c) Objections to Settlement: Any Participating Class Member, other than Plaintiff, may object to the terms of this Agreement with respect to the class claims and may appear at the Final Approval Hearing and object whether or not they have filed a written objection as outlined herein. To object, a Class Member shall inform the Administrator, in writing, of his or her objection, which shall be postmarked by the Notice Response Deadline at the address set forth in the Notice. Such objection shall include the full name, address, telephone number, last four digits of the social security number or date of birth, signature of the objecting Class Member, and the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof, and, if the objecting Class Member is represented by counsel, the name and address of his or her counsel. If any objecting Class Member wishes to speak at the Final Approval Hearing with respect to the class claim, that objecting Class Member's written submission should include a request to be heard, and the Court will determine whether the objecting Class Member will be permitted to speak. The Administrator shall provide objections, if any, to Class Counsel and Defense Counsel within three (3) days of receipt, and the Administrator shall attach

the same to its declaration of due diligence it files with the Court prior to the Final Approval Hearing. Any Participating Class Member who files an objection remains eligible to receive an Individual Settlement Amount from the Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Class Member and/or his or her separately retained counsel related to any objections to the Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment under Code of Civil Procedure § 663. Class Members and Aggrieved Employees may not object to or request exclusion from the Settlement with respect to PAGA claims.

- (d) Failure to Object: Any Participating Class Member who desires to object with respect to the class claims but fails to timely submit a written objection or appear at the Final Approval Hearing to request to be heard waives any right to object and will be foreclosed from making any objection to this Settlement. Any Participating Class Member who does not timely and properly become a party of record by intervening or filing a motion to vacate the judgment waives any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new trial, a motion under California Code of Civil Procedure section 473, and extraordinary writs.
- (e) Responses to Objections: Counsel for the Parties may file a response to any objections submitted by objecting Class Members.

7.5.8 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, 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.

8. DEFENDANT’S RIGHT TO WITHDRAW. Defendant may withdraw from the Settlement if: (a) 5% or more Class Members opt out of the Settlement; (b) the Settlement is construed in such a way that Defendant is required to pay more than the Gross Settlement Amount; (c) the Court does not approve the Settlement releasing the claims set forth in the Parties’ Memorandum of Understanding (“MOU”) and/or this Agreement, or otherwise makes an order inconsistent with any of the terms of the MOU and/or Agreement (with the exception of any Court order awarding less than the amount sought by Class Counsel for Settlement Administration Costs, Plaintiff’s Counsel’s Attorneys’ Fees and Costs, Plaintiff’s Service Award, and the PAGA Payment); or (d) Plaintiff or Class Counsel breach the MOU and/or Agreement.

9. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than five court days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

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 court days before the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of

the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the Net Settlement Amount.

- 9.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the appellate court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional administration expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

- 11.1 No Admission of Liability. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor is it intended or should be construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If for any reason the Court does not grant Preliminary Approval, grant Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 11.2 Inadmissibility of Agreement: Whether or not the Court issues the Order Granting Final Approval, nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant or any of the Released Parties. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and it, along with all related documents such as the notices, and motions for preliminary and final approval,

shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to approve the Settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for class certification as part of this Settlement Agreement is for settlement purposes only and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

- 11.3 Full and Complete Defense: This Agreement may be pleaded by any of the Released Parties as a full and complete defense to and may be used as the basis for an injunction against, any action, suit or other proceeding that has been or may be instituted, prosecuted or attempted, asserting any claims covered by the Class Members' Released Claims or PAGA Release.
- 11.4 No Publicity: Communications regarding this Settlement prior to the Effective Date shall be limited to Court-approved notices in the Action. After the Effective Date, Class Counsel and Class Representative agree that they will not make any direct or indirect comment or publication of the Settlement or of Defendant in terms of affirmative or responsive media statements/comments, press releases or conferences, website postings or content, social media postings or content, other Internet postings or content, subscribed email messages, newsletters, disseminated updates, mass mailings, or any other comment or publication to the press, media, or public at large. Nothing herein shall be construed to prevent Class Counsel from the public filing of motions or other case materials in the Action related to seeking and obtaining Court approval of this Settlement and the related awards of attorneys' fees and costs, or to respond to communications from Class Members or their representatives about this Settlement, or to prevent the Parties or their representatives from communicating with financial or legal advisors regarding the Settlement. In response to any media inquiry, Class Counsel may state only that the Action has been settled on terms mutually agreeable to the Parties. Except as explicitly provided for in this paragraph, Class Counsel shall not discuss, promote, and/or advertise the fact and/or terms of the Settlement and Class Counsel will strictly maintain the confidentiality of the fact and/or terms of the Settlement except as to enforce this Settlement Agreement or communicate with Class Members or their representatives after preliminary approval.
- 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. The Parties agree that the MOU, and upon execution by all Parties and their counsel, this Agreement together with its attached exhibits 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 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts in good faith to implement the Settlement by, among other things, modifying the Settlement Agreement and submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator or the Court for resolution.
- 11.9 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 11.10 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.11 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 11.12 Agreement Binding on Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.
- 11.13 Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the Class Members are numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. The Notice will advise all Class Members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Class Member.
- 11.14 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without regard to conflict of law principles.
- 11.15 Cooperation in Drafting. The Parties have cooperated in drafting and preparing this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.16 Confidentiality. To the extent permitted by law, all agreements made and orders entered during the Action and in this Agreement relating to the confidentiality of information

shall survive the execution of this Agreement.

- 11.17 Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the help of the mediator identified in this Agreement to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.
- 11.18 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or the Settlement, may be used only with respect to this Settlement and for no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or the California Rules of Court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, before the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 11.19 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.20 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.21 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Mehrdad Bokhour
BOKHOUR LAW GROUP, P.C.
mehrdad@bokhourlaw.com
1901 Avenue of the Stars, Suite 450
Los Angeles, California 90067
Tel: (310) 975-1493; Fax: (310) 675-0861

Joshua S. Falakassa
FALAKASSA LAW, P.C.
josh@falakassalaw.com

1901 Avenue of the Stars, Suite 450
Los Angeles, California 90067
Tel: (818) 456-6168; Fax: (888) 505-0868

To Defendant:

Carolyn E. Sieve
OGLETREE, DEAKINS, NASH, SMOAK, & STEWART, P.C.
carolyn.sieve@ogletree.com
695 Town Center Dr., 15th Floor
Costa Mesa, CA 92626
Tel: (714) 800-7901

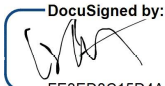
- 11.22 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.
- 11.24 Court Retains Jurisdiction: The Parties agree that upon the entry of Judgment pursuant to the terms of this Agreement, and pursuant to Code of Civil Procedure Section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of this Action over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

[Signatures on the Next Page]

APPROVAL AND EXECUTION BY PARTIES

PLAINTIFF:

Dated: 8/20/2026

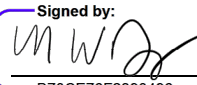
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Michael Armstrong

DEFENDANT:

Dated: 25-Aug-2026

1-800-PACK-RAT, LLC

Signed by:

B70CE76F2390496...
By: Michael W. Duffy
Title: Chief Financial Officer

[Additional Signatures on Next Page]

APPROVED AS TO FORM BY COUNSEL

PLAINTIFF'S COUNSEL:

Dated: 8/20/2026

FALAKASSA LAW, PC

DocuSigned by:

15A028B2C5A149C...
Joshua Falakassa
Attorneys for Plaintiff and the Putative Class

Dated: 8/20/2026

BOKHOUR LAW GROUP, P.C.

Signed by:

D8D5843F271940F...
Mehrdad Bokhour
Attorneys for Plaintiff and the Putative Class

DEFENDANT'S COUNSEL:

Dated: 8/24/26

**OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.**


Carolyn E. Sieve
Attorneys for Defendant

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Michael Armstrong v. 1-800-PACK-RAT, LLC,
Solano County Superior Court, California, Case No. CU24-08913

*The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement or solicitation by a lawyer. You are not being sued.*

You may be eligible to receive money from an employee class action lawsuit (“Action”) against 1-800-PACK-RAT, LLC (“Defendant”) for alleged wage and hour violations. The Action was filed by a former Defendant employee Michael Armstrong (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of hourly employees (“Class Members”) who worked for Defendant during the Class Period November 12, 2020 through June 9, 2026; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt employees who worked for Defendant during the PAGA Period November 12, 2023 through June 9, 2026 (“Aggrieved Employees”).

The proposed settlement has two main parts: (1) a class settlement requiring Defendant to fund individual class payments, and (2) a PAGA settlement requiring Defendant to fund individual PAGA payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Defendant’s records, and the parties’ current assumptions, **your individual class payment is estimated to be \$_____ (less withholding) and your individual PAGA payment is estimated to be \$__.** The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your individual PAGA payment, then according to Defendant’s records you are not eligible for an individual PAGA payment under the settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked _ workweeks** during the Class Period and **you worked ____ workweeks** during the PAGA Period. If you believe that you worked more workweeks during the Class Period, you can submit a challenge by the deadline date. See Section IV of this Notice.

The Court has already preliminarily approved the proposed settlement and approved this notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this notice carefully. You will be deemed to have carefully read and understood it. At the final approval hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have two basic options under the settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed settlement

and be eligible for an individual class payment and/or an individual PAGA payment. As a participating class member, though, you will give up your right to assert Class Period wage claims against Defendant.

- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written request for exclusion or otherwise notifying the Administrator in writing. If you opt-out of the settlement, you will not receive an individual class payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an individual PAGA payment. You cannot opt-out of the PAGA portion of the proposed settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an individual class payment and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this settlement ("Released Claims").
You Can Opt-out of the Class Settlement but not the PAGA Settlement	If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this notice.
The Opt-out Deadline is	You cannot opt-out of the PAGA portion of the proposed settlement. Defendant must pay individual PAGA payments to all Aggrieved Employees, and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed settlement. The Court's decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this notice.
Written Objections Must be Submitted by	

You Can Participate in the ____ Final Approval Hearing	The Court's final approval hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the settlement at the final approval hearing. See Section VIII of this notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your individual class payment and individual PAGA payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period pay periods you worked according to Defendant's records is stated on the first page of this notice. If you disagree with the number of Class Period workweeks, you must challenge it by _____. See Section IV of this notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Defendant employee. The Action accuses Defendant of violating California labor laws by failing to pay minimum wages, overtime wages, wages due upon termination, and reimbursable expenses, and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.).

Plaintiff is represented by attorneys in the Action: Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua S. Falakassa of Falakassa Law, P.C.

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far the Court has made no determination whether Defendant or Plaintiff is correct on the merits.

In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a settlement agreement and agreeing to ask the Court to enter a judgment ending the Action, Plaintiff and Defendant have negotiated a proposed settlement that is subject to the Court's final approval. Both sides agree the proposed settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) settlement

is in the best interests of the Class Members. The Court preliminarily approved the proposed settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine final approval.

III. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$550,000 as the Gross Settlement Amount (“Gross Settlement”). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the settlement. The Administrator will use the Gross Settlement to pay the individual class payments, individual PAGA payments, a class representative service payment, Class Counsel’s attorneys’ fees and expenses, the Administrator’s expenses, and penalties to be paid to the LWDA. Assuming the Court grants final approval, Defendant will fund the Gross Settlement 60 days after the later of: (1) the Effective Date and (2) Defendant’s Counsel’s receipt from the Administrator of wiring information for the Qualified Settlement Fund and confirmation of the amount to be wired. “Effective Date” means the date on which the Judgment becomes final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
2. Court Approved Deductions from Gross Settlement. At the final approval hearing, Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court:
 - A. A Class Counsel Fees Payment of not more than one-third of the Gross Settlement (\$183,333) to Class Counsel for attorneys’ fees and a Class Counsel Litigation Expenses Payment for Class Counsel’s reasonable and actual, documented out-of-pocket expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 to Plaintiff as a class representative award for filing the Action, working with Class Counsel and representing the Class. A class representative award will be the only monies Plaintiff will receive other than Plaintiff’s individual class payment and any individual PAGA payment.
 - C. Up to \$10,000 to the Administrator for services administering the settlement.
 - D. Up to \$20,000 for PAGA penalties, allocated 65% to the LWDA and 35% to individual PAGA payments to Aggrieved Employees based on their pay periods during the PAGA Period.

Participating Class Members have the right to object to any of these deductions except the PAGA penalties. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making individual class payments to Participating Class Members based on their Class Period workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each individual class payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. The individual PAGA payments are counted as penalties rather than wages for tax purposes. The Administrator will report the individual PAGA payments and the Non-Wage Portions of the individual class payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the proposed settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for individual class payments and individual PAGA payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller’s Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller’s Unclaimed Property Fund, you should consult the rules of the fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the class settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed request for exclusion by the __ response deadline. The request for exclusion should be a letter from the Class Member or Class Member’s representative setting forth the Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the settlement. Class Members who opt out will not receive individual class payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the settlement. Class Members who opt out of the class settlement remain eligible for individual PAGA payments and are required to give up their right to assert PAGA claims against Defendant based

on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will not grant final approval of the settlement or not enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the settlement will be void, Defendant will not pay any money, and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, CPT Group (the “Administrator”), to send this notice, calculate and make payments, and process Class Members’ requests for exclusion. The Administrator will also decide Class Member challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the settlement. The Administrator’s contact information is contained in Section IX of this notice.
9. Participating Class Members’ Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, Participating Class Members will be legally barred from asserting any of the claims released under the settlement. This means that unless you opted out by validly excluding yourself from the class settlement, you cannot sue, continue to sue or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this settlement.

The Participating Class Members will be bound by the following release:

Each Participating Class Member, for themselves and for their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives (collectively, “Releasing Parties”), will forever completely release and discharge the Released Parties from the Released Claims for the Class Period.

“Released Parties” means Defendant and all its affiliated parties and entities (including their respective past and present affiliates, parents, subsidiaries, predecessors, successors, owners, assigns, shareholders, divisions, and each of these entities’ past and present directors, officers, attorneys, managing agents, employees, members, partners, insurers, benefit plans, shareholders and representatives).

The “Released Claims” include any and all claims, rights, demands, liabilities, and causes of action of every nature and description, arising during the Class Period, including statutory, contractual, or common law claims for wages, damages, penalties, liquidated damages, interest, attorneys’ fees, litigation costs, restitution, or equitable relief – whether asserted under the California Labor Code, Business and Professions Code

§§ 17200 et seq., the applicable wage orders at California Code of Regulations, Title 8, Section 11000 et seq., or otherwise – that arise out of or are reasonably related to the factual allegations that were alleged or could have been alleged in Plaintiff’s operative First Amended Complaint including but not limited to: (a) failure to pay minimum wages; (b) failure to pay overtime wages; (c) failure to provide lawful meal periods; (d) failure to authorize and permit lawful rest periods; (e) failure to timely pay wages during employment; (f) failure to timely pay wages upon separation; (g) failure to accurately calculate overtime pay, sick pay, and meal and/or rest break premium pay when issuing non-discretionary remuneration; (h) failure to reimburse employee expenses; (i) failure to provide accurate itemized wage statements; (j) violation of the Private Attorneys General Act, California Labor Code section 2698 et seq.; (k) unfair business practices in violation of California Unfair Competition Law, California Business & Professions Code sections 17200 et seq.; and (l) any and all claims for attorneys’ fees and costs. The release will specifically include the following statutory claims: any and all claims that were pled or could have been pled based on the facts alleged in this action arising under the Cal. Labor Code, including, §§ 201-204, 210, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 1199, 2800, and 2802; the Cal. Business & Professions Code §§ 17200, et seq.; and any and all common law or equitable claims, under any theory whatsoever, to the extent that such claims arise out of the alleged facts, circumstances, and occurrences underlying the allegations that are or were asserted or that could have been asserted based on the facts alleged in this action.

10. Aggrieved Employees’ PAGA Release. After the Court’s judgment is final, and Defendant has paid the Gross Settlement, all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the class settlement, cannot sue, continue to sue or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this settlement.

The Aggrieved Employees’ Release is as follows:

The Aggrieved Employees and the Releasing Parties shall release the Released Parties from any and all claims for PAGA civil penalties arising during the PAGA Period that were alleged or reasonably could have been alleged based on the facts and allegations in the operative complaint and the PAGA Notice. . It is understood and agreed that Aggrieved Employees will not have the opportunity to opt out of the PAGA Release even if they have validly and timely requested to be excluded from the Settlement. It is the intent of the Parties that, to the fullest extent permitted by law, the Aggrieved Employees will be deemed to have released all PAGA claims

arising during the PAGA Period.

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate individual class payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate individual PAGA payments by (a) dividing \$7,000 by the total number of PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.
3. Workweek Challenges. The number of Workweeks you worked during the Class Period, as recorded in Defendant's records, is stated in the first page of this notice. You have until _____ to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX of this notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the individual class payment and the individual PAGA payment (if any).
2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single individual PAGA payment check to every Aggrieved Employee who opts out of the class settlement.

Your check will be sent to the same address as this notice. If you change your address, be sure to notify the Administrator as soon as possible. Section IX of this notice has the Administrator's contact information.

VI. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

To opt out of the class action settlement, submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as

Michael Armstrong v. 1-800-PACK-RAT, LLC, Solano County Superior Court California, Case No. CU24-08913, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **You must send your request to be excluded to the Administrator by _____, or it will be invalid.** Section IX of the notice has the Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the __final approval hearing, Class Counsel and/or Plaintiff will file in Court a Motion for Final Approval that includes, among other things, the reasons why the proposed settlement is fair and states (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a class representative service award. Upon reasonable request, Class Counsel (whose contact information is in Section IX of this Notice) will send you copies of these documents at no cost to you.

A Participating Class Member who disagrees with any aspect of the settlement or the Motion for Final Approval may wish to object, for example, that the proposed settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action *Michael Armstrong v. 1-800-PACK-RAT, LLC*, Solano County Superior Court California, Case No. CU24-08913 and include your name, current address, telephone number and approximate dates of employment for Defendant and sign the objection. Section IX of this notice has the Administrator's contact information.

A Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the final approval hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section VIII of this notice (immediately below) for specifics regarding the final approval hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the final approval hearing on _____ at _____ in Department 7 of the Superior Court of Solano County, located at 580 Texas Street, Fairfield, California 94533. At the hearing, the judge will decide whether to grant final approval of the settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and defense counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually.

Check the Court's website for the most current information.

It's possible the Court will reschedule the final approval hearing. You should check the Court's website <https://solano.courts.ca.gov/> beforehand or contact Class Counsel to verify the date and time of the final approval hearing.

IX. HOW CAN I GET MORE INFORMATION?

The settlement agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed settlement. To obtain a copy of the settlement agreement, you may telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://portal.solano.courts.ca.gov/> and entering the Case Number for the Action, Case No. CU24-08913.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Class Counsel:

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Settlement Administrator:

CPT Group, Class Action Administrators
50 Corporate Park
Irvine, California 92606
Tel: (800) 542-0900
Attn: Timothy Phillips (Tim@CPTGroup.com)

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your

check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

XI. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.
