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Attorneys for Plaintiff Peggy Malecki, individually, and on
behalf of all others similarly situated.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

PEGGY MALECKI, individually, and on behalf
of all others similarly situated,

Plaintiff,

v.

FRISBIE MANAGEMENT, INC., a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. 30-2024-01423675-CU-OE-CXC
Related Case No.:
30-2025-01452208-CU-OE-CXC

Assigned for all purposes to:
Hon. Melissa R. McCormick
Dept. CX104

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT**

PRELIMINARY APPROVAL HEARING

Date: July 16, 2026

Time: 2:00 p.m.

Dept.: CX105

Reservation: 74837651

Complaint Filed: August 30, 2024

FAC Filed: March 4, 2025

DECLARATION OF JOHN G. YSLAS

I, John G. Yslas, hereby declare as follows:

1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a senior partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiff Peggy Malecki (“Plaintiff”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

2. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement.

Procedural History

3. On August 30, 2024, Plaintiff filed this action as a putative class action against Defendant alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices (the “Class Action”).

4. On November 6, 2024, Plaintiff provided written notice to the LWDA and Defendant of her intention to file a PAGA claim. The LWDA did not notify Plaintiff that intended to investigate within 65 days of this written notice. Therefore, on January 13, 2025, Plaintiff filed a separate action alleging a claim under PAGA, Case No. 30-2025-01452208-CU-OE-CXC.

5. On March 4, 2025, Plaintiff filed the operative complaint, consolidating the putative Class Action and PAGA Action.

6. The Parties subsequently participated in a private mediation with mediator Daniel J. Turner on August 11, 2025. The negotiations were adversarial, conducted at arm’s length, and tempered by the efforts of both sides to serve the interests of their clients. The mediator made a proposal, which was accepted by both parties on September 22, 2025.

7. The parties negotiated the terms of the Settlement over the next several months, which was finalized in January 2026. A true and correct copy of the fully executed Settlement

1 Agreement is attached hereto as **Exhibit 1**. Attached thereto as **Exhibit A** is a true and correct
2 copy of the Parties' proposed Class Notice.

3 8. On April 28, 2026, Plaintiff submitted a copy of the Settlement Agreement to the
4 LWDA. A true and correct copy of the confirmation of submission my office received after
5 submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 2**.

6 **Investigation and Exposure Analysis**

7 9. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims,
8 applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims
9 using the documents and data Defendant produced in informal discovery, including class data
10 providing the number of Class Members, the number of workweeks in the Class Period, and the
11 number of pay periods in the PAGA Period, Plaintiff's personnel file, employment handbook and
12 policies, job descriptions, and a 15% random sampling of time and payroll records. Plaintiff's
13 Counsel engaged an expert to quantify the potential exposure using the time and payroll records,
14 and then assessed the risks associated with each claim meriting reductions in the likely success at
15 class certification and likely recovery at trial.

16 10. Defendant's records show that there are approximately 2,892 Class Members,
17 making joinder of all Class Members impracticable. Further, given the size and amount of each
18 Class Members' claim, Class Members have little incentive to litigate their claims on an individual
19 basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim
20 likely outweighs any potential recovery

21 11. Plaintiff has alleged that Defendant maintained common employment policies
22 and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods,
23 reimbursements for business expenses, accurate wage statements, and timely payment of wages
24 upon separation of employment. These allegations present common factual and legal questions of,
25 *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest
26 period, and reimbursement policies to all Class Members, whether these policies and practices
27 resulted in Labor Code violations, whether Defendant's conduct was intention, and whether Class
28 Members are entitled to damages and/or penalties. These common questions could be resolved

1 using Class Members' time records, payroll records, testimony from Defendant's designated
2 representative(s), and Class Members' testimony.

3 12. Although the exposure Plaintiff's Counsel calculated is substantial, the various risks
4 at succeeding at class certification and through trial affected the valuation of the claims for
5 settlement purposes.

6 13. Overtime Wages and Sick Pay: Plaintiff's unpaid minimum and overtime wage
7 claims were based on the allegation that Defendant regularly paid non-discretionary bonuses to
8 Plaintiff and similarly situated class members but failed to include those payments in the regular
9 rate of pay for overtime and sick pay. Plaintiff's Counsel calculated that Defendant's liability for
10 underpaid overtime wages would result in \$1,665.00 in liability. Plaintiff's Counsel further
11 calculated that Defendant's liability for unpaid sick wages at the regular rate of pay results in
12 \$6,404.00 in liability. Plaintiff's Counsel applied a risk discount based on an 85% chance of
13 succeeding at class certification and an 80% chance of succeeding at trial on the merits yielding a
14 realistic damage estimate of approximately \$5,486.92 ($\$8,069.00 \times 85\% \times 80\%$).

15 14. Meal Periods: With respect to the meal period claim, Plaintiff alleges that Defendant
16 required Plaintiff and similarly situated class members to either work in lieu of taking meal periods,
17 or their meal periods were untimely or interrupted. Plaintiff's Counsel's expert analyzed
18 Defendant's timekeeping records and found that approximately 7.4% of all meal break violations
19 consisting of short, late, or missed meal periods. Therefore, potential liability for the meal period
20 claim is approximately \$178,488.61 ($135,430.00 \text{ shifts} \times \$17.81 \text{ hourly rate} \times 7.4\% \text{ violation rate}$).
21 After taking into account the difficulty of certifying and proving meal period claims, as well as
22 Defendant's contention that the claim lacks merit and a 7.4% violation rate is unrealistic, Plaintiff's
23 Counsel discounted this figure based on a 40% chance of succeeding at class certification and a
24 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately
25 \$28,558.18 ($\$178,488.61 \times 40\% \times 40\%$).

26 15. Rest Breaks: With respect to the rest period claim, Plaintiff alleges that Defendant
27 required her and similarly situated class members to work in lieu of taking rest periods, remain on-
28 call during their rest periods or their rest periods were interrupted. Assuming a 45% violation rate

1 for the class period based on Plaintiff's and other class members' experience working for
2 Defendant, Defendant's potential liability for the rest period claim is approximately \$1,438,514.59
3 (179,489.00 shifts x \$17.81 hourly rate x 45% violation rate); however, Plaintiff's Counsel
4 discounted this figure to account for the difficulty of certifying and proving rest period claims,
5 particularly because rest periods do not have to be recorded, and to account for the possibility of
6 Class Members voluntarily choosing to forego a rest period. Because this claim would have relied
7 exclusively on Class Member testimony, Plaintiff's Counsel discounted this claim based on a 30%
8 chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a
9 realistic damage estimate of approximately \$129,466.31 ($\$1,438,514.59 \times 30\% \times 30\%$).

10 16. Reimbursements: Plaintiff's reimbursement claim was based on the allegation that
11 Defendant expected employees to pay out-of-pocket for necessary employment-related expenses,
12 including, without limitation, use of personal cell phones. However, Defendant did not reimburse
13 employees for these expenses. Based on Plaintiff's estimate that she incurred \$10 in unreimbursed
14 expenses per month, Plaintiff's Counsel assumed each Class Member incurred \$10 in
15 unreimbursed expenses per month in calculating potential exposure to be approximately
16 \$462,500.00 for this claim. However, Defendant argued that these expenses were not required by
17 Defendant, and that it could not have known that these expenses were being incurred. Accordingly,
18 Plaintiff's Counsel discounted this claim based on a 40% chance of succeeding at class certification
19 and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately
20 \$74,000.00 ($\$462,500.00 \times 40\% \times 40\%$).

21 17. Derivative Penalties and PAGA: With respect to Plaintiff's derivative claims for
22 statutory and civil penalties, Plaintiff estimated that Defendant's realistic potential liability is
23 approximately \$1,615,349.71. Defendant's maximum potential liability for waiting time penalties
24 is approximately \$11,140,796.16 (2,304 employees x \$17.81 hourly rate x 8.00 hours/day x 30
25 days) based on approximately 2,304 terminated class members during the 3-year statute of
26 limitations period, approximately \$8,108,000.00 (2,027 employees x \$4,000 statutory maximum)
27 for inaccurate wage statements based on approximately 2,027 class members who worked during
28 the 1-year statute of limitations period, and approximately \$2,933,100.00 for PAGA violations

1 based on the Court assessing a \$100 penalty for initial violations for all 29,331 pay periods within
2 the PAGA period. In light of the foregoing, Plaintiff's Counsel believes that it would be unrealistic
3 to expect the Court to award the full \$22,181,896.16 in penalties given Defendant's defenses, the
4 contested nature of Plaintiff's claims, the challenges of establishing willfulness as applicable, and
5 the discretionary nature of penalties. Considering that the underlying claims are realistically
6 estimated to be approximately \$235,150.69, such a disproportionate award would also raise due
7 process concerns. As such, Plaintiff's Counsel discounted these figures to account for the risk and
8 uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately \$835,559.71
9 (\$11,140,796.16 x 25% x 30%) for waiting time penalty claims, approximately \$486,480.00
10 (\$8,108,000.00 x 30% x 20%) for wage statement penalty claims, and \$293,310.00 for PAGA
11 penalties, or approximately \$1,615,349.71 total for statutory and civil penalties.

12 18. Using these estimated figures, Plaintiff predicted that the realistic maximum
13 recovery for all claims, including penalties, would be approximately \$1,852,861.12. This means
14 that the \$1,850,000.00 settlement figure represents approximately 99.85% of the realistic
15 maximum recovery ($\$1,850,000.00 / \$1,852,861.12 = 99.85\%$). Considering the risk and
16 uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class.
17 Indeed, because of the proposed Settlement, class members will receive timely, guaranteed relief
18 and will avoid the risk of an unfavorable judgment.

19 **Plaintiff's Counsel's Qualifications**

20 19. Plaintiff is represented by WLF. The attorneys at WLF performed significant work
21 and expended litigation costs in prosecuting this matter with no guarantee of payment.

22 20. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
23 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
24 employees. WLF is actively and continuously practicing in employment litigation, representing
25 employees in both individual and class actions in both state and federal courts throughout
26 California.

27 21. WLF is qualified to handle this Litigation because its attorneys are experienced in
28 litigating Labor Code violations in individual, class action, and representative action cases. WLF

1 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
2 class actions involving consumer rights and data privacy litigation.

3 22. I graduated from the University of California, Santa Barbara with High Honors in
4 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
5 School in 1996.

6 23. Upon graduating from law school in 1996, I worked for a boutique law firm
7 practicing general litigation which included employment law matters. Since 2000 (that is, the last
8 25 years) my practice has been exclusively focused on labor and employment matters including
9 handling wage and hour class, collective and representative actions (including the California
10 Private Attorneys General Act, or “PAGA”), including in the international law firms of Morgan,
11 Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a
12 partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright
13 LLP (where I was a partner) and Seyfarth Shaw LLP (where I was a partner and member of the
14 Wage and Hour Practice Group). During my time at these law firms, I was the primary attorney or
15 took a major leading role in defending employers on numerous wage and hour class, collective and
16 representative actions.

17 24. In late June 2022 I left Seyfarth Shaw LLP and joined my current firm, Wilshire
18 Law Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and
19 hour class and representative actions litigating such matters on behalf of plaintiff employees in
20 numerous Superior Courts and District Courts. From matters representing both plaintiffs and
21 defendants, I have successfully mediated the resolution of many wage and hour class, collective,
22 and representative actions. Just since starting to settle cases in late April 2023 I have already
23 successfully mediated matters in which I have been counsel or co-counsel resulting in **well over**
24 **\$240 million** in settlements and verdicts which are in the process of being finalized, and with
25 numerous upcoming mediations scheduled. In those and numerous other matters, I have managed
26 and assisted with the litigation and settlement of many wage and hour PAGA and class actions. In
27 those actions, I performed similar tasks as those performed in the course of prosecuting this action.
28 Indeed, I recently tried and prevailed in achieving a jury verdict in a certified wage and hour class

1 action in the matter of *Aguilar-Flores v. Javier's – CC LLC*, Los Angeles County Superior Court,
2 Case No. 19STCV36438 (settled after verdict).

3 25. I have received numerous awards for my legal work. For example, from 2015 to
4 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters).
5 I have also served on numerous prominent boards and in other leadership positions, including
6 serving as Southern California Regional President for the Hispanic National Bar Association and
7 on the board of directors of the Mexican American Bar Foundation. I also previously served on the
8 5-member Los Angeles Civil Service Commission, which generally oversees the personnel
9 decisions for the City of Los Angeles.

10 26. I have also published numerous blogs on labor and employment issues including on
11 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
12 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really
13 Protected From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with
14 Seyfarth Shaw LLP). I have also been a presenter at numerous conferences, including being a
15 presenter involving the “Employment Law Update” at a National Employment Law Council
16 conference.

17 27. Diego Aviles is a Junior Partner at WLF. Mr. Aviles graduated from the University
18 of California, Irvine, with a Bachelor of Arts in Political Science as well as a Bachelor of Arts in
19 Criminology, Law, and Society, and received his Juris Doctor from the Santa Clara University
20 School of Law in 2015. During law school, Mr. Aviles was President for the Santa Clara
21 Employment Law Society, Board Member of the Honors Moot Court, and President of the Santa
22 Clara University La Raza Chapter. He clerked for the Equal Employment Opportunity Commission
23 in San Francisco, California, and also worked with the Workers’ Rights Clinic in San Jose,
24 California, among other employment law firms. He was admitted to practice law in the State of
25 California in 2017. Since graduating from law school, he has focused his legal work exclusively
26 on employment matters, including wage-and-hour class action and PAGA representative action
27 litigation, and he has helped obtain dozens of settlements on behalf California workers. He has
28 been appointed Class Counsel numerous times in California and most recently achieved a

published California Appellate opinion in the matter of *Alberto v. Cambrian Homecare, et al.*, 91 Cal.App.5th 482 regarding employment arbitration agreements. He has also been a member of the California Employment Lawyers Association (CELA) since at least 2019.

28. Harry Erganyan is an Associate Attorney at WLF. He was admitted to practice law in the State of California in 2021. Mr. Erganyan graduated from Loyola Marymount University, with a Bachelor of Arts in Political Science. He received his Juris Doctor from Southwestern Law School. During law school, he externed for the Los Angeles City Attorney. Since January 2021, Mr. Erganyan's practice has been focused on wage and hour class action litigation.

29. Mariam Nazaretyan is an Associate Attorney at WLF. She was admitted to practice law in the State of California in 2021. Ms. Nazaretyan graduated from Loyola Marymount University with a Bachelor of Arts in Political Science. She received her Juris Doctor from Southwestern Law School. During law school, she was a student editor for the Journal of International Media and Entertainment Law and secretary of the Student Bar Association. Since graduating, Ms. Nazaretyan's practice has been focused on international humanitarian law and employment law.

30. Andrew Sandoval was a third-year Associate Attorney at WLF. He was admitted to practice law in the State of California in 2022. Mr. Sandoval graduated from Azusa Pacific University with a Bachelor of Arts in Economics. He received his Juris Doctor from Loyola Law School. During law school, he was a Vice-President of La Raza de Loyola. Since graduating, his practice has mainly been focused on wage and hour class action litigation.

31. Emily Borman is a Junior Partner at Wilshire Law Firm, PLC. She was admitted to practice law in the State of California in May 2015. Ms. Borman graduated from Cornell University with a Bachelor of Science in Development Sociology and a Minor in Applied Economics and Management. While at Cornell she was inducted into the Alpha Kappa Delta International Honor Society. Ms. Borman received her Juris Doctor from University of California Law San Francisco (formerly UC Hastings). Since graduating, her practice has been in employment law, including Plaintiff-side wage and hour cases. Ms. Borman has received numerous awards for her legal work. In 2021 and from 2023 to 2025, Super Lawyers selected her as a "Southern California Rising Star."

1 Ms. Borman was selected as one of the “Best Lawyers in America” from 2021 to 2025.

2 I declare under penalty of perjury under the laws of the State of California that the foregoing
3 is true and correct.

4 Executed on April 28, 2026 at Los Angeles, California.

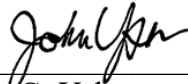
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EXHIBIT 1

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Attorneys for Defendant
Frisbie Management, Inc.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

PEGGY MALECKI, an individual, on behalf
of herself and others similarly situated,

Plaintiff,

vs.

FRISBIE MANAGEMENT, INC., a
California corporation; and DOES 1 through
10, inclusive,

Defendants.

Case No. 30-2024-01423675-CU-OE-CXC
[Consolidated with Case No. 30-2025-
01452208-CU-OE-CXC]

*Assigned for All Purposes To:
Hon. Melissa R. McCormick
Dept. CX104*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
2 Plaintiff Peggy Malecki (“Plaintiff”) and Defendant Frisbie Management, Inc. (“Defendant”).
3 The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as
4 “Party.”

5 1. **DEFINITIONS.**

6 1.1 “Actions” means Plaintiff’s lawsuit alleging wage and hour violations against Defendant
7 captioned *Peggy Malecki v. Frisbie Management, Inc.*, Case No. 30-2024-01423675-CU-OE-
8 CXC, filed on August 30, 2024 in Orange County Superior Court (“Class Action”) and the
9 representative action lawsuit entitled *Peggy Malecki v. Frisbie Management, Inc.*, Case No. 30-
10 2025-01452208-CU-OE-CXC, filed on January 13, 2025 in Orange County Superior Court (the
11 “PAGA Action”).

12 1.2 “Administrator” means Phoenix Settlement Administrators, the neutral entity the Parties
13 have agreed to appoint to administer the Settlement.

14 1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross
15 Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
16 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary
17 Approval of the Settlement.

18 1.4 “Aggrieved Employee” means all persons who worked for Defendant in California as an
19 hourly-paid or non-exempt employee at any time during the PAGA Period.

20 1.5 “Class” means all persons who worked for Defendant in California as an hourly-paid or
21 non-exempt employee at any time during the Class Period.

22 1.6 “Class Counsel” means John G. Yslas, Diego Aviles, Harry Erganyan, and Mariam
23 Nazaretyan of Wilshire Law Firm, PLC.

24 1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class
25 Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will
26 request approval from the Court of up to one-third (1/3) of the GSA (currently six hundred sixteen
27 thousand six hundred sixty-six dollars and sixty-seven cents [\$616,666.67]).
28

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Actions, not to exceed thirty thousand dollars and zero cents (\$30,000.00) and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Workweeks and PAGA Pay Periods.

1.10 “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).

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

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from August 30, 2020 through September 22, 2025 (“Settlement Class Period”).

1.14 “Class Representative” means the named Plaintiff Peggy Malecki in the Actions.

1.15 “Class Representative Service Payment” or “Enhancement Award” means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.

1.16 “Court” means the Superior Court of California, County of Orange.

1.17 “Defendant” means named Defendant Frisbie Management, Inc.

1.18 “Defense Counsel” means Stephen Robertson and Linh Tran of Martenson, Hasbrouck & Simon LLP.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is 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.

1.20 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

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

1.23 “Gross Settlement Amount” or “GSA” means one million eight hundred fifty thousand dollars and zero cents (\$1,850,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

1.24 “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.

1.25 “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.

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

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

1.28 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payment, Class Representative

Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.30 “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.

1.31 “Operative Complaint” means the consolidated Class and Representative Action Complaint filed on March 4, 2025 in the Actions.

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

1.33 “PAGA Period” means the period from November 6, 2023 through September 22, 2025.

1.34 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.35 “PAGA Notice” means Plaintiff’s November 6, 2024 letter to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.36 “PAGA Penalties” means the total amount of \$100,000.00 in PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% (\$35,000.00) to the Aggrieved Employees and 65% (\$65,000.00) to the LWDA in settlement of PAGA claims.

1.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.38 “Plaintiff” means Peggy Malecki, the named plaintiff in the Actions.

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

1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.41 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.42 “Released Parties” means Defendant.

1.43 “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.

1.44 "Response Deadline" means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.45 "Settlement" means the disposition of the Actions effected by this Agreement and the Judgment.

1.46 "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 August 30, 2024, Plaintiff filed a Class Action Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices.

2.2 On November 6, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1060391-24). On January 13, 2025, after the 65-day statutory period passed, Plaintiff filed a PAGA Representative Action Complaint, alleging claims for penalties pursuant to Labor Code § 2699, *et seq.*

2.3 On March 4, 2025, Plaintiff filed the Operative Complaint, consolidating the Actions.

2.4 Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions, and denies any and all liability for the causes of action alleged in the Actions.

2.5 On August 11, 2025, the Parties participated in an all-day mediation presided over by mediator Daniel J. Turner, Esq. The Parties accepted a mediator's proposal on September 22,

2025 and agreed on general settlement terms. The Parties memorialized their agreement in a Memorandum of Understanding on October 27, 2025.

2.6 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Actions. Prior to mediation, Class Counsel obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Dunk/Kullar*").

2.7 The Court has not granted class certification.

2.8 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matters or actions asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay one million eight hundred fifty thousand dollars and zero cents (\$1,850,000.00) to fully settle, resolve, and extinguish all claims asserted in the Actions, including without limitation all claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately.

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: A payment for the Class Representative Service Payment to Plaintiff of not more than ten thousand dollars and zero cents (\$10,000.00) in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member. Defendant will not oppose Plaintiff's request for a Class

1 Representative Service Payment that does not exceed this amount. As part of the motion for the
2 Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek Court approval for any
3 Class Representative Service Payment no later than sixteen (16) court days prior to the Final
4 Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class
5 Representative Service Payment less than the amount requested, the Administrator will retain the
6 remainder in the Net Settlement Amount to be distributed to Participating Class Members. The
7 Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff
8 assumes full responsibility and liability for employee taxes owed on the Class Representative
9 Service Payment.

10 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the
11 Gross Settlement Amount, which is currently estimated to be six hundred sixteen thousand six
12 hundred sixty-six dollars and sixty-seven cents (\$616,666.67) and a Class Counsel Litigation
13 Expenses Payment for actual costs, not to exceed thirty thousand dollars and zero cents
14 (\$30,000.00). Defendant will not oppose requests for these payments. Plaintiff and/or Class
15 Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than
16 sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court.
17 If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses
18 Payment less than the amounts requested, the Administrator will allocate the remainder to the Net
19 Settlement Amount for distribution to Participating Class Members. Released Parties shall have
20 no liability to Class Counsel or any other Plaintiff's counsel arising from any claim to any portion
21 of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The
22 Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment
23 using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for
24 taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses
25 Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or
26 controversy regarding any division or sharing of any of these Payments.

27 3.2.3 To the Administrator: An Administrator Costs Payment not to exceed twenty two
28 thousand dollars and zero cents (\$22,000.00) except for a showing of good cause and as approved

by the Court. To the extent the Administration Costs are less or the Court approves payment of less than \$22,000.00, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated 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 individual Participating Class Member's Workweeks.

3.2.4.1 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 Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest, reimbursement, 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.

3.2.4.2 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.

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of one hundred thousand dollars and zero cents (\$100,000.00) to be paid from the Gross Settlement Amount, with 65% (\$65,000.00) allocated to the LWDA PAGA Payment and 35% (\$35,000.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties of \$35,000.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA

1 Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on
2 their Individual PAGA Payment.

3 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested,
4 the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to
5 Participating Class Members. The Administrator will report the Individual PAGA Payments on
6 IRS 1099 Forms.

7 **4. SETTLEMENT FUNDING AND PAYMENTS.**

8 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its
9 records, Defendant represents there are 2,892 Class Members who collectively worked a total of
10 185,000 workweeks during the Class Period, and 1,918 Aggrieved Employees who worked a total
11 of 29,331 PAGA Pay Periods during the PAGA Period.

12 4.2 Class Data. Not later than fifteen (15) court days after the Court grants Preliminary
13 Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the
14 form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
15 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
16 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
17 employees who need access to the Class Data to effect and perform under this Agreement.
18 Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class
19 Data omitted class member identifying information and to provide corrected or updated Class
20 Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant
21 must send the Class Data to the Administrator, the Parties and their counsel will expeditiously
22 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
23 omitted Class Data.

24 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
25 Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting
26 the funds to the Administrator no later than twenty-one (21) court days after the Effective Date.

27 4.4 Payments from the Gross Settlement Amount. Within fifteen (15) days after Defendant
28 fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual

1 Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
2 Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment,
3 and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment,
4 the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment
5 shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

6 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or
7 Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail. The
8 face of each check shall prominently state the date (180 days after the date of mailing) when the
9 check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the
10 Void Date. The Administrator will send checks for Individual Settlement Payments to all
11 Participating Class Members (including those for whom the Class Notice was returned
12 undelivered). The Administrator will send checks for Individual PAGA Payments to all
13 Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved
14 Employees (including those for whom Class Notice was returned undelivered). The Administrator
15 may send Participating Class Members a single check combining the Individual Class Payment
16 and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator
17 must update the recipients' mailing addresses using the National Change of Address Database.

18 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
19 Members whose checks are returned undelivered without USPS forwarding address. Within seven
20 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
21 forwarding address provided or to an address ascertained through the Class Member Address
22 Search. The Administrator need not take further steps to deliver checks to Class Members whose
23 re-mailed checks are returned as undelivered. The Administrator shall promptly send a
24 replacement check to any Class Member whose original check was lost or misplaced, requested
25 by the Class Member prior to the Void Date.

26 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA
27 Payment check is uncashed and canceled after the Void Date, and only after Court approval of
28 the final accounting, the Administrator shall transmit the funds represented by such checks to a

1 Court approved nonprofit organization or foundation, Ronald McDonald's House Orange County
2 (*Cy Pres* Recipient"), thereby leaving no "unpaid residue" subject to the requirements of
3 California Code of Civil Procedure Section 384, subd. (b). The Parties, Class Counsel, and
4 Defense Counsel represent that they have no interest or relationship, financial or otherwise, with
5 the intended *Cy Pres* Recipient.

6 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall
7 not obligate Defendant to confer any additional benefits or make any additional payments to Class
8 Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

9 5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross
10 Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual
11 Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all
12 Released Parties as follows:

13 5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all wage and hour
14 claims, transactions, or occurrences, that occurred during the Class Period, including all claims
15 that were, or could have been, alleged, based on the facts contained in the Operative Complaint,
16 Plaintiff's PAGA Notice, or ascertained during the Action. Plaintiff has entered into a separate
17 agreement with Defendant that generally releases her claims under California Civil Code section
18 1542 [including without limitation all non-wage claims under the laws of the United States, the
19 State of California, and any other applicable federal, state, or local laws, or all claims based on
20 contract or tort relating to Plaintiff's employment with Defendant, the end of Plaintiff's
21 employment and all transactions and occurrences between Plaintiff and all of the Released Parties
22 through the date of this Agreement, to the maximum extent permissible under applicable law].
23 ("Plaintiff's Release"). Plaintiff's Release also does not extend to any claims or actions to enforce
24 this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,
25 social security benefits, workers' compensation benefits that arose at any time, or based on
26 occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or
27 law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be
28

true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Released Class Claims: All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, alleged or which could have been alleged based on the facts alleged in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194, and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5); and (9) unfair business practices (pursuant to Cal. Bus. & Prof. Code §§ 17200, *et seq.*). The enumeration of these specific claims shall neither enlarge nor narrow the scope of *res judicata* based on the claims that were asserted in the Actions or could have been asserted in the Actions based on the facts and circumstances alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees will release all claims for PAGA civil penalties that are alleged or could have been alleged based on the facts alleged in the

Operative Complaint and in Plaintiff's November 6, 2024 PAGA Notice or ascertained during the Action. The Released PAGA Claims are those that accrued during the PAGA Period.

6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 **Plaintiff's Responsibilities**. Plaintiff will prepare all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 **Responsibilities of Counsel**. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary Approval no later than sixteen (16) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator. Class Counsel will prepare an initial draft and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval of this Settlement, for defense counsel's input and revision, no later than ten (10) court days prior to filing with the Court.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. **SETTLEMENT ADMINISTRATION.**

7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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 ("QSF") under US Treasury Regulation section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into the QSF prior to distribution by the Administrator will become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

1 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
2 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
3 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
4 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit
5 A. The first page of the Class Notice shall prominently estimate the dollar amounts of any
6 Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and
7 the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before
8 mailing Class Notices, the Administrator shall update Class Member addresses using the National
9 Change of Address database.

10 7.4.3 Not later than five (5) court days after the Administrator’s receipt of any Class
11 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
12 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
13 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
14 Notice to the most current address obtained. The Administrator has no obligation to make further
15 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
16 USPS a second time.

17 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks
18 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14)
19 days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members
20 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
21 deadline with the re-mailed Class Notice.

22 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
23 discovers any persons who believe they should have been included in the Class Data and should
24 have received Class Notice, the Parties will expeditiously meet and confer in person or by
25 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
26 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
27 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
28

1 requiring them to exercise options under this Agreement not later than fourteen (14) days after
2 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

3 7.5 Requests for Exclusion (Opt-Outs).

4 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
5 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
6 later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional
7 fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
8 is a letter from a Class Member or his/her representative that reasonably communicates the Class
9 Member's election to be excluded from the Settlement and includes the Class Member's name,
10 address and email address or telephone number. To be valid, a Request for Exclusion must be
11 timely faxed, emailed, or postmarked by the Response Deadline. Aggrieved Employees may not
12 opt-out of the Settlement.

13 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
14 to contain all the information specified in the Class Notice. The Administrator shall accept any
15 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
16 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
17 determination shall be final and not appealable or otherwise susceptible to challenge. If the
18 Administrator has reason to question the authenticity of a Request for Exclusion, the
19 Administrator may demand additional proof of the Class Member's identity. The Administrator's
20 determination of authenticity shall be final and not appealable or otherwise susceptible to
21 challenge.

22 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
23 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
24 bound by all terms and conditions of the Settlement, including the Participating Class Members'
25 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
26 Class Member actually receives the Class Notice or objects to the Settlement.

27 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
28 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 Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

1 7.7.3 Non-Participating Class Members have no right to object to any of the class action
2 components of the Settlement.

3 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
4 performed or observed by the Administrator contained in this Agreement or otherwise.

5 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish,
6 maintain and use an internet website to post information of interest to Class Members including
7 the date, time and location for the Final Approval Hearing and copies of the Settlement
8 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;
9 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation
10 Expenses Payment and Class Representative Service Payment; the Final Approval Order; and the
11 Judgment. The Administrator will also maintain and monitor an email address and a toll-free
12 telephone number to receive Class Member calls, faxes and emails.

13 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
14 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
15 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
16 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
17 and other identifying information of Class Members who have timely submitted valid Requests
18 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class
19 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
20 Exclusion from Settlement submitted (whether valid or invalid).

21 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
22 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
23 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
24 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
25 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
26 Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment
27 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
28 objections received.

1 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
2 address and make final decisions consistent with the terms of this Agreement on all Class Member
3 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision
4 shall be final and not appealable or otherwise susceptible to challenge.

5 7.8.5 Administrator's Declaration. Not later than fourteen (14) days before the date by
6 which Plaintiff is required to file the Motion for Final Approval of the Settlement, the
7 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
8 for filing in Court attesting to its due diligence and compliance with all of its obligations under
9 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
10 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
11 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
12 number of written objections and attach the Exclusion List. The Administrator will supplement
13 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
14 for filing the Administrator's declaration(s) in Court.

15 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the
16 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
17 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
18 identification number only of all payments made under this Agreement. At least fifteen (15) days
19 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
20 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement
21 of all payments required under this Agreement. Class Counsel is responsible for filing the
22 Administrator's declaration in Court.

23 8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**. Based on its records,
24 Defendant represents there are 2,892 Class Members who collectively worked a total of 185,000
25 Workweeks during the Class Period, and 1,918 Aggrieved Employees who worked a total of
26 32,428 PAGA Pay Periods during the PAGA Period. If, on final calculation, the total number of
27 Workweeks is greater than 10% higher than 185,000 Workweeks (i.e. an increase of more than
28 18,500 Workweeks), then Defendant shall have the option to either: (1) increase the Gross

Settlement Amount proportionally by the Workweeks worked in excess of 18,500 by multiplying the excess Workweeks by the per Workweek value; or (2) shorten the release period to an earlier date at which only the represented number of workweeks plus 10% are covered by the Settlement Class Period. If this provision is triggered so as to increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement Amount allocated to attorneys' fees will increase proportionally such that the total amount of attorneys' fees remains one-third (1/3) of the Gross Settlement Amount after the upward adjustment required by this provision is implemented. If this provision is triggered so as to shorten the Class Period, the end date of the PAGA Period shall be shortened to the same end date as the Class Period. Defendant shall provide the Administrator with the Class Data to verify the total Workweeks prior to the filing of the Motion for Preliminary Approval. If the Escalator Clause is triggered Defendant shall select an option prior to the filing of the Motion for Preliminary Approval.

9. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiff will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (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 prior to 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 (5) court days prior to 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

1 Approval. The Court's decision to award less than the amounts requested for the Class
2 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
3 Expenses Payment, and/or Administrator Costs Payment shall not constitute a material
4 modification to the Agreement within the meaning of this paragraph.

5 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
6 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
7 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
8 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
10 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
11 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
12 counsel, and all Participating Class Members who did not object to the Settlement as provided in
13 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
14 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
15 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
16 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
17 obligations to perform under this Agreement will be suspended until such time as the appeal is
18 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
19 of the Net Settlement Amount.

20 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
21 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
22 modification of this Agreement (including, but not limited to, the scope of release to be granted
23 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
24 expeditiously work together in good faith to address the appellate court's concerns and to obtain
25 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration
26 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
27 Court's award of the Class Representative Service Payment or any payments to Class Counsel
28

1 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
2 as long as the Gross Settlement Amount remains unchanged.

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

6 11. **ADDITIONAL PROVISIONS.**

7 11.1 No Admission of Liability, Class Certification or Representative Manageability for
8 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
9 claims. Nothing in this Agreement is intended or should be construed as an admission by
10 Defendant that any of the allegations in the Operative Complaint has merit or that Defendant has
11 any liability for any claims asserted; nor should it be intended or construed as an admission by
12 Plaintiff that Defendant's defenses in the Actions have merit. The Parties agree that class
13 certification and representative treatment is for purposes of this Settlement only. If, for any
14 reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant
15 reserves the right to contest certification of any class for any reason, Defendant reserves all
16 available defenses to the claims in the Actions, and Plaintiff reserves the right to move for class
17 certification on any grounds available and to contest Defendant's defenses. The Settlement, this
18 Agreement and Parties' willingness to settle the Actions will have no bearing on, and will not be
19 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
20 Settlement and this Agreement).

21 11.2 Confidentiality. Except to obtain preliminary and final approval of this Agreement,
22 Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, they and each of
23 them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose,
24 disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or
25 generally, to any person, corporation, association, government agency, or other entity except: (1)
26 to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this
27 Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report
28 income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in

1 response to an inquiry or subpoena issued by a state or federal government agency. Each Party
2 agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena
3 seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately
4 agree not to, directly or indirectly, initiate any conversation or other communication, before the
5 filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or
6 the matters giving rise to this Agreement except to respond only that “the matter was resolved,”
7 or words to that effect. This paragraph does not restrict Class Counsel’s communications with
8 Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

9 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and
10 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
11 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability
12 to communicate with Class Members in accordance with Defense Counsel’s and Class Counsel’s
13 ethical obligations and Class Counsel’s fiduciary duties owed to Class Members.

14 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
15 together with its attached exhibits shall constitute the entire agreement between the Parties
16 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
17 inducements made to or by any Party.

18 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
19 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
20 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
21 its terms, and to execute any other documents reasonably required to effectuate the terms of this
22 Agreement including any amendments to this Agreement.

23 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
24 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
25 Settlement Agreement, submitting supplemental evidence and supplementing points and
26 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
27 or content of any document necessary to implement the Settlement, or on any modification of the
28

1 Agreement that may become necessary to implement the Settlement, the Parties will seek the
2 assistance of a mediator and/or the Court for resolution.

3 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not
4 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
5 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
6 action, or right released and discharged by the Party in this Settlement.

7 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
8 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
9 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
10 Part 10, as amended) or otherwise.

11 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
12 modified, changed, or waived only by an express written instrument signed by all Parties or their
13 representatives, and approved by the Court.

14 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
15 to the benefit of, the successors of each of the Parties.

16 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
17 governed by and interpreted according to the internal laws of the state of California, without
18 regard to conflict of law principles.

19 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
20 of this Agreement. This Agreement will not be construed against any Party on the basis that the
21 Party was the drafter or participated in the drafting.

22 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
23 entered during the Actions and in this Agreement relating to the confidentiality of information
24 shall survive the execution of this Agreement.

25 11.14 Headings. The descriptive heading of any section or paragraph of this Agreement is
26 inserted for convenience of reference only and does not constitute a part of this Agreement.

27 11.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
28 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.

11.16 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:

John G. Yslas
john.yslas@wilshirelawfirm.com
 Diego Aviles
diego.aviles@wilshirelawfirm.com
 Harry Erganyan
harry.erganyan@wilshirelawfirm.com
 Mariam Nazaretyan
mariam.nazaretyan@wilshirelawfirm.com
 Lisa B. Iturriaga
lisa.iturriaga@wilshirelawfirm.com
WILSHIRE LAW FIRM
 660 S. Figueroa St., Sky Lobby
 Los Angeles, California 90017
 Telephone: (213) 381-9988
 Facsimile: (213) 381-9989

To Defendant:

Stephen Robertson
srobertson@martensonlaw.com
 Linh Tran
ltran@martensonlaw.com
MARTENSON, HASBROUCK & SIMON LLP
 455 Capitol Mall, Suite 400
 Sacramento, California 95814
 Telephone: (916) 970-1430

11.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by 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.

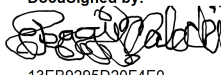
11.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case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

11.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Orange County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 12/29/2025

DocuSigned by:

 13FB9295D20F4E0

Plaintiff Peggy Malecki

DATED: _____

Defendant Frisbie Management, Inc.

By: _____

Position: _____

Approved by counsel:

DATED: 12/29/2025

WILSHIRE LAW FIRM

BY: _____

John G. Yslas

Diego Aviles

Counsel for Plaintiff Peggy Malecki

11.18 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 pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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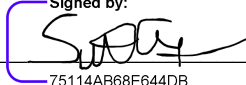
IT IS SO AGREED.

By the Parties:

DATED: _____

Plaintiff Peggy Malecki

DATED: 12/31/2025

Signed by:

 75114AB68E644DB...
 Defendant Frisbie Management, Inc.

By: Scott Frisbie
 Position: Secretary

Approved by counsel:

DATED: WILSHIRE LAW FIRM

BY: _____
 John G. Yslas
 Diego Aviles
 Counsel for Plaintiff Peggy Malecki

DATED: 1/5/2026

MARTENSON, HASBROUCK & SIMON LLP

Signed by:
BY: Linh Tran
Stephen Robertson 3B9522E43250419...
Linh Tran
Counsel for Defendant Frisbie Management, Inc.

EXHIBIT A

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

Peggy Malecki v. Frisbie Management, Inc.

Case Nos. 30-2024-01423675-CU-OE-CXC and 30-2025-01452208-CU-OE-CXC (Orange County
Superior Court)

***The Orange County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money from an employee class and a representative action lawsuit (“Actions”) against Frisbie Management, Inc. (“Defendant”) for alleged wage and hour violations. The Actions were filed by former employee, Peggy Malecki, and seek payment of back wages and other relief for a class of all persons currently or formerly employed by Defendant as hourly-paid, non-exempt employees in the State of California (“Class Members”) who worked for Defendant during the Class Period (August 30, 2020 through September 22, 2025); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendant during the PAGA Period (November 6, 2023 through September 22, 2025) (“Aggrieved Employees”). Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

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 PAGA 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 \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. 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 [REDACTED] Workweeks during the Class Period and you worked [REDACTED] Pay Periods during the PAGA Period**. If you believe that you worked more during either period, you can submit a challenge by the deadline date.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval of the Settlement. Your legal rights are affected whether you act or not act. READ THIS NOTICE CAREFULLY. You will be deemed to have 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.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant at some point(s) between August 30, 2020 through September 22, 2025, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Actions, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is November 6, 2023 through September 22, 2025.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Actions is the Orange County Superior Court, and the case is titled, *Peggy Malecki v. Frisbie Management, Inc.*, Case Nos. 30-2024-01423675-CU-OE-CXC and 30-2025-01452208-CU-OE-CXC. The person who sued, Peggy Malecki, is the Plaintiff, and the company sued, Frisbie Management, Inc., is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuit alleges wage and hour violations against Defendant for: (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices. In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA (“PAGA Penalties”) based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff’s claims and denies any wrongdoing. Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called “Class Representatives” (in this case, the Plaintiff) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

The Court has not decided in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff’s lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiff’s lawyers (called “Class Counsel”), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: All employees of Defendant who were classified as non-exempt and worked within the State of California at any time from August 30, 2020 through September 22, 2025.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“GSA”) of \$1,850,000.00 (one million eight hundred fifty thousand dollars and zero cents) to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of up to one-third of the GSA, currently \$616,666.67 and up to \$30,000.00 in costs; a Class Representative Service Payment of \$10,000.00 to Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$100,000.00 to resolve the PAGA claims; and Settlement Administration Costs to Phoenix Settlement Administrators, not to exceed \$22,000.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately **\$XXXXXXXX**. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$100,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 65% of the PAGA Penalties payment, or \$65,000.00, will be paid to the California Labor and Workforce Development Agency. The remaining 35% of the PAGA Penalties payment, or \$35,000.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant’s records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (August 30, 2020 through September 22, 2025). Eighty percent (80%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and twenty percent (20%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 20% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant from November 6, 2023 through September 22, 2025 (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

QUESTIONS? CALL **1-800-XXX-XXXX** TOLL FREE

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement under California law.

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on [REDACTED], to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 30 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to a nonprofit, Ronald McDonald's House Orange County. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and all of Defendant's subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, owners, and assigns ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: The "Released Class Claims" are all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the claims brought by Plaintiff in the Operative Complaint, or that could have been brought by Plaintiff against Defendant in the Operative Complaint based on the facts alleged therein.

Released PAGA Claims: If you an Aggrieved Employee (i.e. if you worked for Defendant during the PAGA Period), you will also release all claims for civil penalties that were alleged or could have been alleged in the Operative Complaint and the PAGA Notice based on the facts alleged therein during the PAGA Period.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than [60 days after Class Notice is Mailed]. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

Phoenix Settlement Administrators
Peggy Malecki v. Frisbie Management, Inc.

XXXXX
City, State, XXXXX
Email:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Actions, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (November 6, 2023 through September 22, 2025). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future. You cannot be excluded from the PAGA settlement.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is [60 days after Class Notice is Mailed].

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire. If you exclude yourself from the Settlement you will still receive an Individual PAGA Payment.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

John G. Yslas
john.yslas@wilshirelawfirm.com
Diego Aviles
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Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve up to 1/3rd of the GSA (currently \$616,666.67) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$30,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve payment to Plaintiff Peggy Malecki in the amount of \$10,000.00 in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award the Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before [REDACTED], at the following address:

Phoenix Settlement Administrators
Peggy Malecki v. Frisbie Management, Inc.

[REDACTED]

QUESTIONS? CALL [REDACTED] TOLL FREE

City, State, XXXXX

Email:

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE COURT'S FAIRNESS HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

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

The Court will hold a Final Approval Hearing at [REDACTED] on [REDACTED] in Department CX104 of the Orange County Superior Court located at 751 West Santa Ana Blvd., Santa Ana, CA 92701 to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Actions.

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, Phoenix Settlement Administrators, by calling toll free 1-800 [REDACTED], or you can write to the Administrator at the following address:

Phoenix Settlement Administrators
Peggy Malecki v. Frisbie Management, Inc.

[REDACTED]

City, State, [REDACTED]

Email: [REDACTED]

PLEASE DO NOT TELEPHONE THE COURT OR FRISBIE MANAGEMENT, INC.'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

EXHIBIT 2



Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>

Date Tue 4/28/2026 9:24 AM

To Theresa Chan <theresa.chan@wilshirelawfirm.com>

04/28/2026 09:24:00 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 04/28/2026 09:24:00 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1060391-24

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: [https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate Attorneys General Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7Cfa3cfcf3d674418826d608dea542974f%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639129902590068792%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoiTWVpbGlzIldUljoyfQ%3D%3D%7C0%7C%7C%7C&data=aqqZjYFlob6Kyv%2BELh0Bnkrc2GLvy337k4dp4J%2Bqav0%3D&reserved=0](https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate%20Attorneys%20General%20Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7Cfa3cfcf3d674418826d608dea542974f%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639129902590068792%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIsIlAiOiJXaW4zMtIsIkFOIjoiTWVpbGlzIldUljoyfQ%3D%3D%7C0%7C%7C%7C&data=aqqZjYFlob6Kyv%2BELh0Bnkrc2GLvy337k4dp4J%2Bqav0%3D&reserved=0)