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

STEVEN GARRIGUS, individually, and on
 behalf of all others similarly situated, and on
 behalf of the State of California and other
 aggrieved persons, and KYREN CANNADAY,
 individually, and on behalf of all others similarly
 situated,

Plaintiffs,

v.

BLACH BEVERAGE, LLC, a Nevada limited
 liability company; and DOES 1 through 10,
 inclusive,

Defendants.

Case No. 24CV-0206711

**CLASS & PAGA REPRESENTATIVE
 ACTION**

**CLASS ACTION AND PAGA
 SETTLEMENT AGREEMENT**

Judge: Hon. Benjamin L. Hanna
 Dept.: 63

Complaint Filed: December 27, 2024
 FAC Filed: April 15, 2025
 SAC Filed: April 15, 2026
 Trial Date: None

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs STEVEN GARRIGUS and KYREN CANNADAY (collectively, “Plaintiffs”) and Defendant BLACH BEVERAGE, LLC (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

1.1 “Action” means Plaintiffs’ lawsuit alleging class action wage and hour violations against Defendant captioned *GARRIGUS v. BLACH BEVERAGE, LLC*, Shasta County Superior Court, Case No. 24CV-0206711, filed on December 27, 2024, then a first amended complaint was filed on April 15, 2025, which added a PAGA Cause of Action, finally a second amended complaint was filed on April 15, 2026 which added Kyren Cannaday as an additional Plaintiff (collectively herein after “Operative Complaint”).

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

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

1.4 “Aggrieved Employee” means all current and former non-exempt employees who worked for Defendant in California at any time during the PAGA Period

1.5 “Class” means All current and former non-exempt employees who worked for Defendant in California at any time during the Class Period.

1.6 “Class Counsel” means Thiago M. Coelho, Lauren Lendzion, and Jennifer M. Leinbach of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs’ counsel will request approval from the Court of up to one-third (1/3) of the GSA (currently \$70,641.67).

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 Action, not to exceed \$25,000.00, 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 December 27, 2020, through May 3, 2026 (“Settlement Class Period”).

1.14 “Class Representative(s)” means the named Plaintiffs STEVEN GARRIGUS and KYREN CANNADAY in the Action.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

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

1.17 “Defendant” means named Defendant BLACH BEVERAGE, LLC.

1.18 “Defense Counsel” means LITTLER MENDELSON, P.C.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) 61 days after entry of the Final Approval Order and Judgment, if no objections; or (b) if an appeal is filed, review or writ is sought from the Judgment or other collateral attack, the day after the Judgment is affirmed or the appeal, review or writ is dismissed or denied, and the Judgment is no longer subject to further judicial review. As of the Effective Date, Participating Settlement Class Members, the Plaintiffs, the LWDA and the State of California, will release the Released Claims regardless of whether they negotiate their settlement checks. All checks mailed to the Class Members that are not cashed within 180 days of payment shall be paid to the California Controller’s Unclaimed Property Fund to be held in the name of the Class Member.

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 \$211,925.00, 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, Enhancement, 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 second amended complaint filed on April 15, 2026.

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 December 21, 2023, through May 3, 2026.

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

1.35 “PAGA Notice” means Plaintiff STEVEN GARRIGUS’s December 20, 2024, letter (LWDA-CM-1068770-24) 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 PAGA civil penalties (\$20,000) to be paid from the Gross Settlement Amount (\$211,925.00), allocated 35% to the Aggrieved Employees (\$7,000) and 65% to LWDA (\$13,000) 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 “Plaintiffs” means STEVEN GARRIGUS and KYREN CANNADAY, the named plaintiffs in the Action.

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 and former and present parents, subsidiaries, affiliates, insurers, insurance policies, and benefit plans; each of the former and present officers, directors, exempt employees, equity holders (partners, shareholders, holders of membership interests, etc.), agents, representatives, administrators, fiduciaries, and attorneys of the entities and plans described in this sentence; and any other predecessors, successors, transferees, and assigns of each of the persons and entities described in this sentence through the Class Period.

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 Action effected by this Agreement and the Judgment.

1.46 “Workweek” means any seven (7) consecutive days beginning on Sunday and ending on Saturday during the class period, in which a Class Member worked for Defendant for at least one day in California..

2. RECITALS.

2.1 On December 27, 2024, Plaintiff STEVEN GARRIGUS filed the Class Action alleging Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for expenditures; (8) failed to produce requested employment records; and (9) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, et seq. On December 20, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff STEVEN GARRIGUS gave notice to the LWDA and Defendant that he

intended to proceed with a representative action under PAGA (LWDA-CM-1068770-24). On April 15, 2025, after the 65-day statutory period passed, Plaintiff STEVEN GARRIGUS amended the complaint to add claims for PAGA penalties pursuant to Labor Code § 2699, et seq. On April 15, 2026, Plaintiff filed a Second Amended Complaint adding KYREN CANNADAY as an additional named plaintiff.

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

2.3 On February 2, 2026, the Parties participated in an all-day mediation presided over by mediator David Phillips, Esq. With the help of David Phillips, Esq., the Parties were able to reach an agreement on general settlement terms at mediation and executed a Memorandum of Understanding thereafter.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Action. 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. Class Counsel's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48 Cal.App.4th 1794, 1801 (1996) ("*Dunk*") and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-130 (2008) ("*Kullar*").

2.5 The Court has not granted class certification because the Parties engaged in mediation before any class certification.

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

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant will pay \$211,925.00 to fully settle, resolve, and extinguish all claims asserted in the

Action, 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 Plaintiffs: Representative Service Payments to Plaintiffs of \$10,000.00 each, in addition to any Individual Class Payment that STEVEN GARRIGUS and KYREN CANNADAY are entitled to receive as Participating Class Members, and any Individual PAGA Payment that STEVEN GARRIGUS and KYREN CANNADAY are entitled to receive as Participating Class Members and Aggrieved Employees. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount, which is currently estimated to be \$70,641.67, and a Class Counsel Litigation Expenses Payment for actual costs, not to exceed \$25,000. Defendant will not oppose requests for these payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for

distriubution to Participating Class Members. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed \$7,000.00 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 requested, 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 80% of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class

1 Payments. The Administrator will retain amounts equal to their Individual Class Payments in the
2 Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

3 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
4 \$20,000.00 to be paid from the Gross Settlement Amount, with 65% (\$13,000) allocated to the
5 LWDA PAGA Payment and 35% (\$7,000) allocated to the Individual PAGA Payments.

6 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a)
7 dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$7,000) by the
8 total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA
9 Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay
10 Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their
11 Individual PAGA Payment.

12 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested,
13 the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to
14 Participating Class Members. The Administrator will report the Individual PAGA Payments on
15 IRS 1099 Forms.

16 4. SETTLEMENT FUNDING AND PAYMENTS.

17 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its
18 records, Defendant represents there are 133 Class Members who collectively worked a total of
19 8,477 workweeks during the Class Period.

20 4.2 Class Data. Not later than seven (7) days after the Court grants Preliminary Approval of
21 the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a
22 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must
23 maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement
24 and for no other purpose, and restrict access to the Class Data to Administrator employees who
25 need access to the Class Data to effect and perform under this Agreement. Defendant has a
26 continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted
27 class member identifying information and to provide corrected or updated Class Data as soon as
28 reasonably feasible. Without any extension of the deadline by which Defendant must send the

1 Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts,
2 in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class
3 Data.

4 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
5 Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting
6 the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date.

7 4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant
8 fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual
9 Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
10 Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment,
11 and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class
12 Counsel Litigation Expenses Payment, and the Enhancement Award shall not precede
13 disbursement of Individual Class Payments and Individual PAGA Payments.

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

26 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
27 Members whose checks are returned undelivered without USPS forwarding address. Within seven
28 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS

forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

5. RELEASES OF CLAIMS. As for the Effective Date, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiffs' Release. Plaintiffs discharge Released Parties from all claims, transactions, or occurrences, that occurred during the Class Period, including all claims that were, or reasonably could have been, alleged, based on the facts contained in the Action; and claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

1 5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For
2 purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights,
3 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

8 5.2 Released Class Claims: All Participating Class Members on behalf of themselves and
9 their respective former and present representatives, agents, attorneys, heirs,
10 administrators, successors, and assigns, release, waive, discharge and settle all claims,
11 rights, demands, liabilities, and causes of action throughout the Class Period, whether
12 known or unknown, arising from the same set of operative facts, allegations and
13 assertions as those alleged in the operative complaint, including those claims which
14 could have been asserted based on the facts alleged in the operative complaint, which,
15 without limitation, includes: (a) Failure to provide or pay premium payments for meal
16 periods (see Labor Code §§ 204, 223, 226.7, 512, 1198 1194, 1197; IWC Wage Order
17 No. 1-2001, § 11); (b) Failure to authorize and permit or pay premium payments for
18 rest periods (see Labor Code §§ 204, 223, 226.7, 512, 1198; IWC Wage Order No. 1-
19 2001, § 12); (c) any and all claims involving any alleged failure to pay minimum wage,
20 overtime, sick pay, or other amounts of wages for failing to compensate "all hours
21 worked" (see Cal Labor Code §§ 223, 227.3, 246, 510, 1194, 1197, 1198; IWC Wage
22 Order No. 1-2001, §§ 3-4); (d) Failure to pay wages due to discharged and quitting
23 employees (see Labor Code §§ 201-203); (e) Failure to timely pay wages during
24 employment (see Labor Code § 204); (f) Failure to provide accurate, itemized wage
25 statements (see Labor Code § 226(a)); (h) Failure to reimburse business expenses (see
26 Labor Code § 2800-2802); and (j) any unfair business practices with respect to claims
27 arising from the labor code violations released herein (see Bus. and Prof. Code § 17200,
28 et seq.) (the "Released Class Claims"), and expressly excluding all other claims,

including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

5.3 Released PAGA Claims: Plaintiffs, the LWDA, and interests held by the state of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice, including, (a) Failure to provide or pay premium payments for meal periods (see Labor Code §§ 204, 223, 226.7, 512, 1198, 1194, 1197; IWC Wage Order No. 1-2001, § 11); (b) Failure to authorize and permit or pay premium payments for rest periods (see Labor Code §§ 204, 223, 226.7, 512, 1198; IWC Wage Order No. 1-2001, § 12); (c) any and all claims involving any alleged failure to pay minimum wage, overtime, sick pay, or other amounts of wages for failing to compensate "all hours worked" (see Cal Labor Code §§ 223, 227.3, 246, 510, 1194, 1197, 1198; IWC Wage Order No. 1-2001, §§ 3-4); (d) Failure to pay wages due to discharged and quitting employees (see Labor Code §§ 201-203); (e) Failure to timely pay wages during employment (see Labor Code § 204); (f) Failure to provide accurate, itemized wage statements (see Labor Code § 226(a)); and (h) Failure to reimburse business expenses (see Labor Code § 2800-2802), and expressly excluding PAGA claims outside of the PAGA Period.

6. Motion for Preliminary Approval. Plaintiffs will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

6.1 Plaintiffs' Responsibilities. Plaintiffs 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 and 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

1 Settlement; (iii) a draft proposed Class Notice; (iv) signed declarations from Plaintiffs confirming
2 willingness and competency to serve and disclosing all facts relevant to any actual or potential
3 conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from
4 Class Counsel firm attesting to its competency to represent the Class Members; its timely
5 transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (1)(2)); and (vi)
6 all facts relevant to any actual or potential conflict of interest with Class Members, and/or the
7 Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not
8 aware of any other pending matter or action asserting claims that will be extinguished or adversely
9 affected by the Settlement.

10 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
11 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
12 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
13 Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the
14 Court, and deliver the Court's Preliminary Approval Order to the Administrator.

15 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
16 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
17 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
18 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
19 Preliminary Approval or conditions Preliminary Approval on any material change to this
20 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
21 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
22 otherwise satisfy the Court's concerns.

23 7. SETTLEMENT ADMINISTRATION.

24 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement
25 Administrators, Inc. to serve as the Administrator and verified that, as a condition of appointment,
26 the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties
27 specified in this Agreement in exchange for payment of Administration Costs. The Parties and
28 their Counsel represent that they have no interest or relationship, financial or otherwise, with the

1 Administrator other than a professional relationship arising out of prior experiences administering
2 settlements.

3 7.2 Employer Identification Number. The Administrator shall have and use its own
4 Employer Identification Number for purposes of calculating payroll tax withholdings and
5 providing reports to state and federal tax authorities.

6 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
7 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
8 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
9 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
10 to Participating Class Members.

11 7.4 Notice to Class Members.

12 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
13 shall notify Class Counsel that the list has been received and state the number of Class Members,
14 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

15 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days
16 after receiving the Class Data, the Administrator will send to all Class Members identified in the
17 Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with
18 Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first
19 page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class
20 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
21 Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class
22 Notices, the Administrator shall update Class Member addresses using the National Change of
23 Address database.

24 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
25 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
26 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
27 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
28 Notice to the most current address obtained. The Administrator has no obligation to make further

attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

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

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's

1 determination shall be final and not appealable or otherwise susceptible to challenge. If the
2 Administrator has reason to question the authenticity of a Request for Exclusion, the
3 Administrator may demand additional proof of the Class Member's identity. The Administrator's
4 determination of authenticity shall be final and not appealable or otherwise susceptible to
5 challenge.

6 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
7 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
8 bound by all terms and conditions of the Settlement, including the Participating Class Members'
9 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
10 Class Member actually receives the Class Notice or objects to the Settlement.

11 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
12 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
13 right to object to the class action components of the Settlement. Because future PAGA claims are
14 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
15 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
16 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

17 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
18 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
19 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
20 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
21 may challenge the allocation by communicating with the Administrator via fax, email or mail.
22 The Administrator must encourage the challenging Class Member to submit supporting
23 documentation. In the absence of any contrary documentation, the Administrator is entitled to
24 presume that the Workweeks contained in the Class Notice are correct so long as they are
25 consistent with the Class Data. The Administrator's determination of each Class Member's
26 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
27 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
28

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 Enhancement Award.

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 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

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

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

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

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the

1 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
2 and other identifying information of Class Members who have timely submitted valid Requests
3 for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class
4 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
5 Exclusion from Settlement submitted (whether valid or invalid).

6 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
7 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
8 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
9 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
10 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
11 Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment
12 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
13 objections received.

14 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
15 address and make final decisions consistent with the terms of this Agreement on all Class Member
16 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
17 shall be final and not appealable or otherwise susceptible to challenge.

18 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which
19 Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator
20 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
21 Court attesting to its due diligence and compliance with all of its obligations under this
22 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned
23 as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
24 number of Requests for Exclusion from Settlement it received (both valid or invalid), the number
25 of written objections and attach the Exclusion List. The Administrator will supplement its
26 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
27 for filing the Administrator’s declaration(s) in Court.
28

1 7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator
2 disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel
3 and Defense Counsel with a final report detailing its disbursements by employee identification
4 number only of all payments made under this Agreement. At least 15 days before any deadline
5 set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense
6 Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all
7 payments required under this Agreement. Class Counsel is responsible for filing the
8 Administrator's declaration in Court.

9 **8. ESCALATOR CLAUSE.** Based on its records, Defendant represents there are 133 Class
10 Members who collectively worked a total of 8,477 Workweeks during the Class Period. If the
11 actual number of Workweeks worked during the Class Period exceeds the above number by more
12 than 10% (i.e., more than 9,325), then Defendant must either: (a) increase the settlement amount
13 by the percentage over 110% of the increased workweeks (e.g., if the total Workweeks in the
14 Class Period are 115% of 8,477, the Gross Settlement will increase by 5%); or (b) advance the
15 end date of the Class Period to the last date on which the total number of Workweeks is no greater
16 than 9,325.

17 **9. DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion
18 identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may,
19 but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant
20 withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that
21 neither Party will have any further obligation to perform under this Agreement; provided,
22 however, Defendant will remain responsible for paying all Administration Expenses incurred as
23 of the date Defendant makes this election to withdraw. Defendant must notify Class Counsel and
24 the Court of its election to withdraw not later than seven (7) days after the Administrator sends
25 the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect
26 on this threshold for an election.

27 **10. MOTION FOR FINAL APPROVAL.** Not later than 16 (sixteen) court days before the
28 calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file

1 in Court, a Motion for Final Approval of the Settlement that includes a request for approval of
2 the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order;
3 and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiffs shall provide
4 drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class
5 Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and
6 in good faith, to resolve any disagreements concerning the Motion for Final Approval.

7 10.1 Response to Objections. Each Party retains the right to respond to any objection raised
8 by a Participating Class Member, including the right to file responsive documents in Court no
9 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
10 accepted by the Court.

11 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
12 Approval on any material change to the Settlement (including, but not limited to, the scope of
13 release to be granted by Class Members), the Parties will expeditiously work together in good
14 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
15 Approval. The Court’s decision to award less than the amounts requested for the Enhancement
16 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or
17 Administrator Costs Payment shall not constitute a material modification to the Agreement within
18 the meaning of this paragraph.

19 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
20 Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes
21 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
22 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

23 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
24 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
25 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
26 counsel, and all Participating Class Members who did not object to the Settlement as provided in
27 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
28 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new

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

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

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

12. **ADDITIONAL PROVISIONS.**

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint has merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all

1 available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class
2 certification on any grounds available and to contest Defendant's defenses. The Settlement, this
3 Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be
4 admissible in connection with, any litigation (except for proceedings to enforce or effectuate the
5 Settlement and this Agreement).

6 12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and
7 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
8 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
9 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
10 or indirectly, specifically or generally, to any person, corporation, association, government
11 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
12 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
13 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
14 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
15 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
16 inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense
17 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
18 communication, before the filing of the Motion for Preliminary Approval, with any third party
19 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
20 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
21 communications with Class Members in accordance with Class Counsel's ethical obligations
22 owed to Class Members.

23 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and
24 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
25 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
26 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's
27 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.
28

1 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
2 together with its attached exhibits shall constitute the entire agreement between the Parties
3 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
4 inducements made to or by any Party.

5 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
6 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate
7 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
8 its terms, and to execute any other documents reasonably required to effectuate the terms of this
9 Agreement including any amendments to this Agreement.

10 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
11 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
12 Settlement Agreement, submitting supplemental evidence and supplementing points and
13 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
14 or content of any document necessary to implement the Settlement, or on any modification of the
15 Agreement that may become necessary to implement the Settlement, the Parties will seek the
16 assistance of a mediator and/or the Court for resolution.

17 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
18 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
19 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
20 action, or right released and discharged by the Party in this Settlement.

21 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
22 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
23 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
24 Part 10, as amended) or otherwise.

25 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
26 modified, changed, or waived only by an express written instrument signed by all Parties or their
27 representatives, and approved by the Court.
28

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

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

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

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

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

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

12.16 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 Plaintiffs:
 Thiago M. Coelho (SBN 324715)
thiago.coelho@wilshirelawfirm.com
 Lauren Lendzion (SBN 239184)
lauren.lendzion@wilshirelawfirm.com
 Jennifer M. Leinbach (SBN 281404)
jennifer.leinbach@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
 660 S. Figueroa St., Sky Lobby
 Los Angeles, California 90017
 Telephone: (213) 381-9988
 Facsimile: (213) 381-9989

To Defendant:

Nathaniel H. Jenkins, Bar No. 312067
njenkins@littler.com
Nicholas W. McKinney, Bar No. 322792
nmckinney@littler.com
LITTLER MENDELSON, P.C.
500 Capitol Mall, Suite 2000
Sacramento, California 95814
Telephone: 916.830.7200
Facsimile: 916.561.0828

12.17 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.

12.18 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.

12.19 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, 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 SHASTA County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

[Signatures on Following Pages]

By the Parties:

DATED: 5/15/2026

DocuSigned by:

DocuSigned by

238657514CD4

Plaintiff STEVEN GARRIGUS

DATED:

Plaintiff KYREN CANNADAY

DATED:

Defendant BLACH BEVERAGE, LLC

By: _____

Name: _____

Position:

DATED:

DATED: 5/15/2026

Signed by: 

DATED:

By: _____

Name: _____

Position:

DATED: 5/15/2026

238C57514CD14

DATED:

DATED: 5/28/2026

By:

Name: Gary Parkinson

Position: General Manager

1 Approved by counsel:

2 DATED: May 15, 2026

WILSHIRE LAW FIRM

3
4 BY: 

5 Thiago M. Coelho

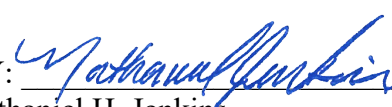
6 Lauren Lenzion

7 Jennifer M. Leinbach

8 Class Counsel

9 DATED:

LITTLER MENDELSON, P.C.

10
11
12 BY: 

13 Nathaniel H. Jenkins

14 Nicholas W. McKinney

15 Counsel for Defendant, BLACH BEVERAGE, LLC