

CLASS ACTION, COLLECTIVE ACTION AND PAGA SETTLEMENT AGREEMENT

Subject to court approval, this Class Action, Collective Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Kevin Murgas (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendant Walashek Industrial & Marine, Inc. (hereinafter, “Walashek” or “Defendant(s)”). The Agreement refers to Plaintiff and Walashek collectively as “Parties” or as a “Party.”

1. DEFINITIONS.

1.1. “Lawsuits” refers to Plaintiff’s two actions alleging wage and hour violations against Walashek captioned *Kevin Murgas et al. v. Walashek Industrial & Marine, Inc. et al.* The first action is currently pending in United States District Court for the Southern District of California, Case No. 25-cv-00263-JLB, and the second action is currently pending San Diego County Superior Court, Case No. 25CU011091C.

1.2. “Address Search” means the Administrator’s search for Covered Employees’ mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator.

1.3. “Administrator” means Phoenix Class Action Administration Solutions.

1.4. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator’s bid as approved by the Court. The Administration Expenses shall not exceed \$20,000 except for a showing of good cause and as approved by the Court.

1.5. “Attorneys’ Fees” mean the amounts allocated to Plaintiff’s Counsel for reimbursement of reasonable attorneys’ fees in connection with this Settlement in an amount not to exceed 33.33% of the Gross Settlement Amount.” The Parties agree that attorney’s fees and costs will be separately and proportionately allocated to the Class and PAGA portion and the FLSA portions of the Gross Settlement.

1.6. “Class” or “Class Member(s)” means all individuals currently or formerly employed by Walashek in California as hourly, non-exempt employees during the Class Period. The definition of Class Members does not include Collective Members.

1.7. “Collective Members” means all individuals currently and formerly employed by Walashek Industrial & Marine, Inc. as hourly, non-exempt employees in the United States of America, excluding California, at any time during the FLSA Period. The definition of Collective Members does not include Class Members.

1.8. “Class Counsel” or “Plaintiff’s Counsel” means Ferraro Vega Employment Lawyers, Inc.

1.9. “Class Period” means the period from December 19, 2020, through November 11, 2025, or the date of preliminary approval, whichever is earlier.

1.10. “FLSA Period” means the period from December 19, 2021, through November 11, 2025, or the date of preliminary approval, whichever is earlier.

1.11. “Class Notice” means the Notice of Class Action and PAGA Settlement, attached as **Attachment A** and including the Request for Exclusion, attached as **Attachment B**, to be mailed to Class Members and incorporated by reference into this Agreement. Only Class Members will receive a Class Notice.

1.12. “FLSA Notice” means the Notice of Fair Labor and Standards Act Action, attached as **Attachment C**, which refers to the Consent to Join forms, to be mailed to FLSA Collective and incorporated by reference into this Agreement. Only Collective Members will receive an FLSA Notice.

1.13. “Class Response Deadline” means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail an Objection to the Settlement. Class Members to whom the Class Notice is re-sent after being returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Class Response Deadline expiry.

1.14. “Collective Response Deadline” means 60 days after Administrator mails Notice to FLSA Collective and shall be the last date on which FLSA Collective may email or mail Consent to Join forms for the Settlement. FLSA Collective to whom the FLSA Notice is re-sent after being returned undeliverable to the administrator shall have an additional 14 calendar days beyond the Collective Response Deadline expiry.

1.15. “Class Representative” or “Collective Representative” or “Named Plaintiff” refers to Kevin Murgas.

1.16. “Class Workweek” means any week during which a Class Member worked for Walashek for at least one day during the Class Period in California only.

1.17. “FLSA Workweek” means any week during which a Collective Member worked for Walashek for at least one day during the FLSA Period, excluding any time worked in California.

1.18. “Class Workweek Estimate” means, based on a review of Defendant’s records to date, a total of 22,003 Class Workweeks.

1.19. “FLSA Workweek Estimate” means, based on a review of Defendant’s records to date, a total of 12,180 FLSA Workweeks (i.e., non-California workweeks).

1.20. “Court” means the San Diego County Superior Court, and where applicable, United States District Court for the Southern District of California

1.21. “Covered Employees” means all PAGA Members, all Class Members, and all Collective Members.

1.22. “Defense Counsel” means captioned counsel of record from the law firm of O’Hagan Meyer LLP.

1.23. “Effective Date” means the date on which the Court enters Judgment on its order granting Final Approval of the Settlement and the Judgment is final. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member or Participating Collective Member objects to the Settlement, the day the Court enters Judgment; (ii) if one or more Participating Class Members or Participating Collective Member objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.24. “Employee Data” means all Covered Employees’ identifying information in Walashek’s possession including their names, last-known mailing addresses, Social Security numbers, and number of Class Workweeks, FLSA Workweeks, and PAGA Periods.

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

1.26. “Final Approval Hearing” means the Court’s hearing on the final motion for approval of the Settlement.

1.27. “Gross Settlement Amount” means \$650,000, which is the total amount Defendant(s) agree(s) to pay under the Settlement, subject to the terms and conditions of this Settlement.

1.28. “Individual Class Payments” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Class Workweeks.

1.29. “Individual FLSA Payments” means the Participating Collective Member’s pro rata share of the Net Settlement Amount, calculated according to the number of FLSA Workweeks.

1.30. “Individual PAGA Payments” means the PAGA Members’ pro rata share of the Net PAGA Payment, calculated according to the number of PAGA Pay Periods.

1.31. “Individual Settlement Payments” means the Individual Class Payment, Individual FLSA Payments, and the Individual PAGA Payments.

1.32. “Judgment” means the judgment entered by the Court based upon the Final Approval of the Settlement.

1.33. “Litigation Costs” means the amount incurred by Plaintiff’s Counsel to prosecute the Lawsuits, according to proof and subject to Court approval, not to exceed \$30,000.

1.34. “LWDA” means the California Labor Workforce and Development Agency.

1.35. “LWDA Payment” means the 65% share of the PAGA Payment allocated to be paid to the LWDA under Labor Code section 2699, subd. (m).

1.36. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Service Payment, Attorneys’ Fees, Litigation Costs, the PAGA Payment (including the LWDA Payment), and the Administration Expenses.

1.37. “Net PAGA Payment” means the 35% share of the PAGA Payment allocated to be paid to the PAGA Employees under Labor Code section 2699, subd. (m).

1.38. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.39. “Operative Complaint” means the most recently filed complaint, including amended complaints, filed by Plaintiff.

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

1.41. “Participating Collective Member” means a Collective Member who opts into the Settlement with respect to claims under the FLSA.

1.42. “PAGA” means California’s Private Attorneys General Act of 2004.

1.43. “PAGA Period” means December 11, 2023, through November 11, 2025 or the date of preliminary approval, whichever is earlier.

1.44. “PAGA Payment” means \$10,000, which is the amount provided in exchange for the release of the PAGA claims addressed in this Settlement, and which shall be paid from the Gross Settlement Amount, with 65% of the PAGA Payment constituting the LWDA Payment, with the remaining 35% constituting the Net PAGA Payment to be allocated and paid to PAGA Members.

1.45. “PAGA Counsel” or “Plaintiff’s Counsel” means Ferraro Vega Employment Lawyers, Inc.

1.46. “PAGA Members” means all individuals currently or formerly employed by Walashek in California as hourly, non-exempt employees during the PAGA Period.

1.47. “PAGA Notice” means Named Plaintiff’s letter to Defendant(s) and the LWDA, including any amendments thereto, pursuant to Labor Code § 2699.3(a).

1.48. “PAGA Pay Period” means any pay period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

1.49. “PAGA Representative” or “Named Plaintiff” refers to Kevin Murgas.

1.50. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.51. "Released Claims" means the claims being released in connection with this Settlement, as set forth in full below.

1.52. "Released Parties" means: Defendants and each former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.53. "Request for Exclusion" means a Class Member's submission of a signed written request to be excluded from the Class Settlement, including on the form provided with the Class Notice.

1.54. "Service Payment(s)" means the payment to the Named Plaintiff(s) for initiating and providing services in support of the Lawsuits in an amount up to \$10,000, subject to Court approval, which also constitutes consideration for Plaintiff's individual settlement and general release of all claims, as set forth in this Agreement.

1.55. "Settlement" means the disposition of the Lawsuits effected by this Agreement and the Judgment.

2. MONETARY TERMS.

2.1. Gross Settlement Amount. Subject to all terms of this Agreement, Defendant shall pay the Gross Settlement Amount in connection with this Settlement. Walashek agrees to pay \$650,000.00 (Six Hundred and Fifty Thousand Dollars and Zero Cents) in settlement of this matter, and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Walashek has no obligation to pay the Gross Settlement Amount prior to the deadlines stated in Paragraph 6.2 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Covered Employees to submit any claim or form as a condition of payment. The Gross Settlement Amount is non-reversionary.

2.1.1. Employer Payroll Taxes: The Gross Settlement Amount does not include any employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which shall be paid separately by Defendant as calculated by the Administrator.

2.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts approved by the Court:

2.2.1. To Named Plaintiff: The Service Payment, in addition to any Individual Settlement Payment that they may be entitled to receive as a Covered Employee. If the Court approves a Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Service Payment(s) using IRS Form 1099. An award of less than the requested amount for the Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under

this Agreement to reduce (or increase) the Service Payment, at its discretion at the final approval stage.

2.2.2. To Plaintiff's Counsel: Attorneys' Fees and Litigation Costs to Plaintiff's Counsel. Defendant will not oppose requests for these payments, provided the requests do not exceed the amounts set forth in this Agreement. If the Court approves Attorneys' Fees and/or Litigation Costs in an amount less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms.

2.2.3. To the Administrator: Administration Expenses to the Administrator. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will allocate the remainder to the Net Settlement Amount.

2.2.4. To the LWDA: Subject to Court approval, the PAGA Payment will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were, or could have been, brought in the Lawsuits under PAGA based on the factual allegations in the Operative Complaint and PAGA Notice; 65% of the PAGA Payment will be paid to the LWDA (i.e., the LWDA Payment) and the remaining 35% of the PAGA Payment (i.e., the Net PAGA Payment) will be distributed to PAGA Members as penalties in exchange for a full and final release of the PAGA claims. The Court has authority under this Agreement to increase (or reduce) the PAGA Payment up to and including at the final approval hearing, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Payment up to and including at the final approval stage, subject to the Court's final approval. If the Court approves a PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

3. CLASS ACTION TERMS

3.1. Class Amount. Subject to approval by the Court, the Parties agree that the amount of Five-Hundred and Forty Thousand Dollars and Zero Cents (\$540,000.00) shall be allocated from the Gross Settlement Amount to the Individual Class Payments for the Class.

3.2. Payment To Each Participating Class Member/Tax Allocation: An Individual Class Payment calculated by: (a) dividing the Net Settlement Amount attributed to the Class Amount by the total number of Class Workweeks (which Walashek believes to be 22,003) worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Class Workweeks. 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. 25% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 75% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to

wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.3. Notice to Class Members.

3.3.1. No later than 3 business days after receipt of the Employee Data, the Administrator shall notify Plaintiff's Counsel that the list has been received and state the number of Covered Employees, Class Workweeks, FLSA Workweeks, and PAGA Pay Periods in the Employee Data.

3.3.2. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Employee Data, the Administrator will send to all Class Members identified in the Employee Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment payable to the Class Member, and the number of Class Workweeks used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Covered Employees' addresses using the National Change of Address database.

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

3.3.4. The deadlines for Class Members' written objections, challenges to Class Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the time 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.

3.4. If the Administrator, Walashek or Plaintiff's Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Employee Data and should have received Class Notice, the Parties will expeditiously meet and confer in a good-faith 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.

3.5. Requests for Exclusion (Opt-Outs).

3.5.1. 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 their 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 Class Response Deadline.

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

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

3.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, nor shall they have the right to object to the class action components of the Settlement.

3.6. Challenges to Calculation of Class Workweeks. Each Class Member shall have until the Class Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks 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 Class Workweeks contained in the Class Notice are correct so long as they are consistent with the Employee Data. The Administrator's determination of each Class Member's allocation of Class Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Class Workweeks to Defense Counsel and Plaintiff's Counsel and the Administrator's determination of the challenges.

4. FLSA COLLECTIVE TERMS

4.1. FLSA Collective Amount. Subject to approval by the Court, the Parties agree that the amount of One Hundred Thousand Dollars (\$100,000), which shall be allocated from the Gross Settlement Amount to the Individual Collective Payments for the Collective.

4.2. To Each Participating Collective Member Outside Of California/Tax Allocation: An Individual FLSA Payment calculated by: An Individual Collective Payment calculated by: (a) dividing the Net Settlement Amount attributed to the FLSA Collective Amount

(\$100,000) by the total number of Collective Workweeks worked by the Participating Collective Members outside of California worked by all Participating Collective Members during the Collective Period; and (b) multiplying the result by each Participating Collective Member's FLSA Collective Workweeks.

4.3. Non-Participating Collective Members will not receive any Individual FLSA Payments. The Administrator will retain amounts equal to their Individual FLSA Payments in the Net Settlement Amount for distribution to Participating Collective Members on a pro rata basis.

4.4. Notice to FLSA Collective Members.

4.4.1. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Employee Data, the Administrator will send to all Collective Members identified in the Employee Data, via first-class United States Postal Service ("USPS") mail, the FLSA Notice substantially in the form attached to this Agreement as Attachment C. The first page of the FLSA Notice shall prominently estimate the dollar amounts of any Individual FLSA Payment payable to the Collective Member and the number of FLSA Workweeks used to calculate these amounts. Before mailing Collective Notices, the Administrator shall update Covered Employees' addresses using the National Change of Address database.

4.4.2. Not later than 3 business days after the Administrator's receipt of any Collective Notice returned by the USPS as undelivered, the Administrator shall re-mail the Collective Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct an Address Search, and re-mail the Collective Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Collective Notice to Collective Members whose Collective Notice is returned by the USPS a second time.

4.4.3. The deadlines for Collective Members' written objections, challenges to FLSA Workweeks will be extended an additional 14 days beyond the time otherwise provided in the Collective Notice for all Collective Members whose notice is re-mailed. The Administrator will inform the Collective Member of the extended deadline with the re-mailed Collective Notice.

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

4.5. Consent to Join Forms (Opt-Ins)

4.5.1. Every Collective Member who wishes to join (opt-in to) the FLSA Settlement must send the Administrator, by fax, email, or mail, a signed written Consent to Join

Form no later than 60 days after the Administrator mails the Collective Notice (plus an additional 14 days for Class Members whose Collective Notice is re-mailed). A Consent to Join Form is a letter from a Collective Member or their representative that reasonably communicates the Collective Member's election to be included for the Settlement and includes the Collective Member's name, address and email address or telephone number. To be valid, a Consent to Join Form must be timely faxed, emailed, or postmarked by the FLSA Response Deadline.

4.5.2. The Administrator may not reject a Consent to Join Form as invalid because it fails to contain all the information specified in the Collective Notice. The Administrator shall accept any Consent to Join Forms as valid if the Administrator can reasonably ascertain the identity of the person as a Collective Member and the Collective Member's desire to be included. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Consent to Join form, the Administrator may demand additional proof of the Collective Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

4.5.3. Every Collective Member who submits a timely and valid Consent to Join Form is deemed to be a Participating Collective Member under this Agreement, is entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Collective Member's Releases paragraph of this Agreement, regardless of whether the Participating Collective Member actually receives the FLSA Notice or objects to the Settlement.

4.5.4. Every Collective Member who does not submit a valid and timely Consent to Join Form is a Non-Participating Collective Members and shall not receive an Individual FLSA Payment, nor shall they have the right to object to the Collective Action components of the Settlement.

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

5. PAGA TERMS

5.1. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) shall be allocated from the

Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, et seq. (i.e., the PAGA Amount).

5.1.1. Payment To Each PAGA Member/Tax Allocation: An Individual PAGA Payment calculated by: (a) dividing the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period; and (b) multiplying the result by each PAGA Members' PAGA Pay Periods. The Individual PAGA Payments are not subject to wage withholdings and will be reported on IRS 1099 Forms. Covered Employees assume full responsibility and liability for any individual taxes owed on their Individual PAGA Payment.

6. SETTLEMENT FUNDING AND PAYMENTS.

6.1. Delivery of Employee Data to Administrator. Not later than 15 days after the Court grants Preliminary Approval (or approval of the Settlement in a PAGA only action), Walashek will simultaneously deliver the Employee Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Covered Employees' privacy, the Administrator must maintain the Employee Data in confidence, use the Employee Data only for purposes of this Settlement, and restrict access to the Employee Data to Administrator employees who need access to the Employee Data to effect and perform under this Agreement. Walashek has a continuing duty to immediately notify Plaintiff's Counsel if it discovers that the Employee Data omitted Covered Employees' identifying information and to provide corrected or updated Employee Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Employee Data.

6.2. Funding of Gross Settlement Amount. Walashek shall fully fund the Gross Settlement Amount in three (3) installments, with the first installment of \$250,000.00 (Two Hundred and Fifty Thousand Dollars and Zero Cents) occurring within 30 days of final court approval of the Gross Settlement, the second installment of \$200,000.00 (Two Hundred Thousand Dollars and Zero Cents) occurring six (6) months thereafter, and the third installment of \$200,000.00 (Two Hundred Thousand Dollars and Zero Cents) occurring six (6) months thereafter. Walashek will fund the amounts necessary to fully pay its share of payroll taxes by transmitting the funds to the Administrator at the same time Walashek pays the final installment.

6.3. Payments from the Gross Settlement Amount. Within 7 days after Walashek makes the first payment to fund the Gross Settlement Amount, the Administrator shall be authorized to disburse payment of the Administration Expenses Payment, the LWDA PAGA Payment, Class Representative Service Payment, the Class Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment from the first payment and any the two subsequent payments, and hold in trust the remaining sums for disbursement of Individual Class Payments and Individual PAGA Payments and Individual Collective Payments until the final payment is received on or before in accordance with the preceding paragraph. Within 14 days after the later date of (a) the Effective Date and (b) the date Walashek completely funds the Gross Settlement Amount via full payment of the first payment and all subsequent payments (including Employer Payroll Taxes) the Administrator will mail checks for all Individual Settlement Payments and Individual PAGA Payments and the Individual Collective Payments.

6.4. Administrator's Duties.

6.4.1. The Administrator will issue checks for the Individual Settlement Payments and send them to Covered Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

6.4.2. The Administrator must conduct an Address Search for all other Covered Employees whose checks are returned undelivered without USPS forwarding addresses. Within 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 Address Search. The Administrator need not take further steps to deliver checks to Covered Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Covered Employee whose original check was lost or misplaced, requested by the Covered Employee prior to the void date.

6.4.3. For any Class Member whose Individual Settlement Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Covered Employee, to the State of California's Unclaimed Property Division. For any Collective Member whose Individual Settlement Payment is uncashed, those amounts shall be payable in a second round of disbursements to the Participating Collective Members using the same allocation method set forth above.

6.4.4. The payment of Individual Settlement Payments shall not obligate Walashek to confer any additional benefits or make any additional payments to Covered Employee beyond those specified in this Agreement.

6.4.5. The Administrator will send checks for Individual PAGA Payments to all PAGA Members, who have no right to opt-out or otherwise exclude themselves from the settlement and release of PAGA claims set forth in this Settlement.

6.4.6. The Administrator will send checks for Individual FLSA Payments to all Participating Collective Members, who have expressed their individual right to opt-in to the settlement and have not otherwise excluded themselves from the settlement and release of FLSA claims set forth in the Settlement.

6.5. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Walashek's portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Walashek's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

7. RELEASES OF CLAIMS.

Effective on the date when Walashek fully funds the Gross Settlement Amount and all associated employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases of claims will take effect:

7.1. Named Plaintiff's General Release. Named Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint or ascertained during the Lawsuits; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Walashek, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Named Plaintiff(s) executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order, and any claim for violations of the FLSA; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Named Plaintiff's General 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. Named Plaintiff(s) acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Plaintiff now know or believe to be true but agree, nonetheless, that Named Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

7.1.1. Named Plaintiff's Section 1542 Waiver. For purposes of Named Plaintiff's General Release, Named Plaintiff expressly waives and relinquish 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.

7.2. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint. Participating Class Members **do not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts outside of the Operative Complaint or outside the Class Period.

7.3. Release by PAGA Members: All Aggrieved Employees – including Non-Participating Class Members who are Aggrieved Employees – 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 facts stated in the Operative Complaint and/or in the PAGA Notice.

7.4. Release of FLSA Claims by Collective Members: All Participating Collective Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint alleging claims under the Fair Labor Standards Act for: (1) Failure to Pay Minimum and Straight Time Wages (29 U.S.C. § 206); and (2) Failure to Pay Overtime Wages (29 U.S.C. § 207).

8. MOTION FOR SETTLEMENT APPROVAL.

8.1. Preliminary Approval. Not later than 16 court days before the Preliminary Approval Hearing, Named Plaintiff shall move for an order conditionally certifying the Class and Collective for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice and FLSA Notice. Walashek shall accept service of the Motion (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

8.2. PAGA Approval. Plaintiff shall prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this PAGA Settlement under Labor Code § 2699(s)(2). To effectuate Final Approval and Judgment of the Settlement of PAGA claims,

Plaintiff shall prepare either a Joint Stipulation Approving PAGA Settlement (subject to Defense Counsels' review and revision) or a Motion for Approval of PAGA Settlement. Plaintiff shall file declarations from Plaintiff's Counsel and the Named Plaintiff to support the Settlement.

8.3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming motions or joint stipulations for approval, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant settlement approval or conditions any approval or review on any material change to this Agreement, Plaintiff's Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it.

9. SETTLEMENT ADMINISTRATION.

9.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. 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 Expenses. 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.

9.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to calculate payroll tax withholdings and report to state and federal tax authorities.

9.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under U.S. Treasury Regulation section 468B-1.

9.4. Defense Counsel and Plaintiff's Counsel and the Administrator's determination of the challenges.

9.5. Objections to Settlement.

9.5.1. Only Participating Class Members and Participating Collective Members may object to the Settlement, including contesting the fairness of the Settlement.

9.5.2. Participating Class Members and Participating Collective Members may send written objections to the Administrator, by email or mail. Alternatively, Participating Class Members and Participating Collective 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 or Participating Collective Member who elects to send a written objection to the Administrator must do so not later than the Class Response Deadline or Collective Response Deadline, respectively, (plus an additional 14 days for Class Members or Collective Members whose Class Notice or FLSA Notice was re-mailed).

9.5.3. Non-Participating Class Members and Non-Participating Collective Members have no right to object to any of the class action or Collective Action components of the Settlement.

9.6. Administrator Duties. The Administrator has a duty and is authorized to perform and observe all tasks necessary to effectuate and administer the Settlement in a manner consistent with the terms of this Agreement.

9.6.1. Email Address and Toll-Free Number. The Administrator will establish, maintain, and use its own company website with their contact information included so that Covered Employees may find the Administrator on the World Wide Web. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member and Collective Member telephone calls and emails.

9.6.2. 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 5 days after the Class Response Deadline, the Administrator shall email a list to Plaintiff's Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

9.6.3. Consent to Join Forms (Opt-ins) and Inclusion List. The Administrator will promptly review on a rolling basis Consent to Join Forms to ascertain their validity. Not later than 5 days after the Collective Response Deadline, the Administrator shall email a list to Plaintiff's Counsel and Defense Counsel containing (a) the names and other identifying information of Collective Members who have timely submitted valid Consent to Join Forms ("Inclusion List"); (b) the names and other identifying information of Collective Members who have submitted invalid Consent to Join Forms; (c) copies of all Consent to Join Forms submitted (whether valid or invalid).

9.6.4. Weekly Reports. The Administrator must, on a weekly or biweekly basis, provide written reports to Plaintiff's Counsel and Defense Counsel that tally the number of: Class Notices and Collective Notices mailed or re-mailed, Class Notices and Collective Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, Consent to Join Forms (whether valid or invalid) received, objections received, challenges to Class Workweeks received and/or resolved, challenges to FLSA Workweeks received and/or resolved, checks mailed for Individual Class Payments, and checks mailed for Individual FLSA Payments. The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion, assessment of the validity of Consent to Join Forms, attach copies of all Requests for Exclusion, attach copies of all Consent to Join Forms, and all objections received.

9.6.5. Class Workweek or FLSA Workweek Challenges. The Administrator has the authority to address and make final decisions, consistent with the terms of this Agreement, on all Class Member challenges over the calculation of Class Workweeks. The Administrator has the authority to address and make final decisions, consistent with the terms of

this Agreement, on all Collective Member challenges over the calculation of FLSA Workweeks. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

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

9.6.7. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Plaintiff's Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, if applicable and if requested by either Party, the Administrator will prepare, and submit to Plaintiff's Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

10. ESCALATION CLAUSE. The Settlement is based on Defendant's belief that there are approximately 22,003 workweeks worked by Class Members, and an additional 12,180 workweeks worked by Collective Members, as of the date of mediation (September 12, 2025). If the total number of workweeks exceeds this total by 7% or more (e.g., workweek count x 1.07) for the applicable Class Period and Collective Period, or 23,543 workweeks for Class Members and 13,032 for Collective Members (inclusive of the California Class Workweeks), then Defendant shall, in its sole discretion, have the option to either: 1) de-escalate the Settlement so that the Class Period and Collective Period ends on the date that the workweek counts total 23,543 and 13,032, respectively; or (2) permit the Gross Settlement Amount to be increased proportionally by the workweeks worked in excess of 23,543 and 13,032 multiplied by the workweek value.

11. EMPLOYEE ESTIMATE. Based on the records evaluated, there are an estimated 217 Class Members, 429 Collective Members, and 179 PAGA Members covered by this Agreement.

12. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 15% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party shall have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to

that point. To elect to withdraw, Defendant must notify Plaintiff's Counsel and the Court of its election to withdraw not later than 7 days after the Response Deadline.

13. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the Final Approval Hearing, Named Plaintiff will file in Court and serve on Defendants a Motion for Final Approval of the Settlement that includes a Proposed Final Approval Order and a Proposed Judgment, which shall specifically state and include a request for approval of the PAGA settlement under Labor Code § 2699, subd. (s). Plaintiff's Counsel will provide drafts of the Proposed Final Approval Order and Proposed Judgment to Defense Counsel in advance of filing for Defense Counsel's review. Walashek shall accept service of the Motion for Final Approval (or any other motions, stipulations, declarations, proposed orders, exhibits, or other documents filed in connection with this Settlement) via electronic service at the email addresses set forth in this Agreement or, if an electronic service agreement is already in place, at the email addresses in the Parties' electronic service agreement.

13.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member or Participating Collective Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise provided by the Court.

13.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together through counsel in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

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

13.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Covered Employees, excluding opt outs, as applicable and provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

13.5. 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 Covered Employees), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

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

15. ADDITIONAL PROVISIONS.

15.1. 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 the Parties that any of the allegations or the defenses in the Operative Complaint have merit or that there is any liability for any claims asserted or that any claims may proceed on a class, collective, or representative basis. The Settlement, this Agreement, and the Parties' willingness to settle the Lawsuits will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

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

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

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

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

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

15.7. No Tax Advice. Neither the Parties, Plaintiff's Counsel, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this

Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

15.8. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Plaintiff's Counsel and Defense Counsel, as their legal representatives.

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

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

15.11. 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.

15.12. 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.

15.13. 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.

15.14. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiff:

Ferraro Vega Employment Lawyers, Inc.

Attn: Nicholas J. Ferraro

3333 Camino del Rio South, Suite 300

San Diego, CA 92108 USA

nick@ferrarovega.com / classactions@ferrarovega.com

www.ferrarovega.com

To Defendant:

O'Hagan Meyer, LLP

Attn: Alyson Dudkowski

550 South Hope Street, Suite 2400

Los Angeles, 90071

adudkowski@ohaganmeyer.com

15.15. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

15.16. Enforcement. The parties agree to expressly stipulate for the settlement of the case on the terms set forth in this Settlement Agreement, and hereby agree that Court, upon motion of either party, may enter judgment pursuant to the terms of this Settlement or otherwise enforce a breach of this Settlement. The parties expressly request that the Court retain jurisdiction over the Parties to enforce the Settlement until performance in full of the terms of the settlement, pursuant to Code of Civil Procedure sec. 664.6 and its procedures for enforcement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Kevin Murgas

Date: Jan 5, 2026

Kevin Murgas

Kevin Murgas

Defendant Walashek Industrial & Marine, Inc.

Date: 1/9/2026

Paula J. Walashek

Name: Paula J. Walashek

Title: CEO

Attachment A

Notice of Class Action Settlement

NOTICE OF CLASS ACTION SETTLEMENT

Kevin Murgas et al. v. Walashek Industrial & Marine, Inc. et al.
Superior Court of the State of California for the County of San Diego
Case No. 24CU029601C

This notice is to the following individuals in connection with a pending class action settlement:

All individuals currently or formerly employed by Walashek in California as hourly, non-exempt employees during the Class Period [December 19, 2020 through November 11, 2025 or the date of preliminary approval, whichever is earlier]

Read this notice carefully. Your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of San Diego (the “Court”) has preliminarily approved this class and representative action lawsuit filed by Kevin Murgas (“Class Representative”) against Walashek Industrial & Marine, Inc. (“Walashek”) for alleged wage and hour violations (the “Lawsuit”).

The Lawsuit is based on the following legal causes of action: (1) Failure to Pay All Wages Owed (FLSA, 29 U.S.C. §§ 201 et seq.), (2) Failure to Pay All, Overtime Wages (FLSA, 29 U.S.C. §§ 201 et seq.), (3) Failure to Pay All Wages Owed (Labor Code §§ 200, 218, 1194, 1194.2 and 1197), (4) Failure to Pay All Overtime Wages (Labor Code §§ 510 and 1194), (5) Meal Period Violations (Labor Code §§ 226.7 and 512), (6) Rest Period Violations (Labor Code §§ 226.7 and 516), (7) Paid Sick Leave Violations (Labor Code §§ 200, 218, 246 et seq.), (8) Untimely Payment of Wages (Labor Code §§ 204, 210, 218), (9) Wage Statement Violations (Labor Code § 226), (10) Waiting Time Penalties (Labor Code §§ 201 et seq.), (11) Failure to Reimburse Business Expenses (Labor Code § 2802), (12) Unfair Competition (Bus. & Prof. Code § 17200 et seq.), and (13) Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Walashek denies all claims and maintains it has fully complied with the law.

Walashek’s records reflect you worked **[[Individual Workweeks]]** workweeks during the Class Period of December 19, 2020 through November 11, 2025. Based on this information, your Individual Class Payment is estimated to be **\$[[Individual Class Payment]]** (less any applicable state and federal withholdings). The actual amount you may receive will likely be different and will depend on multiple factors, such as how many other individuals decide to opt out.

Additionally, Walashek’s records reflect you worked **[Insert Pay Periods]** during the PAGA Period of December 11, 2023, through November 11, 2025. Based on this information, your Individual PAGA Payment is estimated to be **[\$Individual PAGA Payment]**. You may not opt out of the PAGA Settlement.

<u>YOUR OPTIONS</u>	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement and release your claims in exchange for compensation.
OPT OUT	You may opt out of the Settlement by submitting a Request for Exclusion form. If you opt out, you may not object to the Settlement, you will not receive an Individual Class Payment, and you shall not be bound by the release provisions in the settlement. You may <u>not</u> opt out of the PAGA Settlement or seek exclusion from the PAGA Settlement and will be bound by the release provisions in the settlement.
OBJECT	You may object to the Settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.

The Court's final approval hearing is scheduled to take place on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Dept. 74 of the San Diego Superior Court, located at 330 W Broadway, San Diego, CA 92101. You do not have to attend but you do have the right to appear. ***For more information, please carefully read this notice.***

1. WHAT ARE THE LAWSUITS ABOUT?

The Class Representative is former employee of Walashek. The Class Representative alleged Walashek violated California labor and employment laws as follows: (1) Failure to Pay All Wages Owed (FLSA, 29 U.S.C. §§ 201 et seq.), (2) Failure to Pay All, Overtime Wages (FLSA, 29 U.S.C. §§ 201 et seq.), (3) Failure to Pay All Wages Owed (Labor Code §§ 200, 218, 1194, 1194.2 and 1197), (4) Failure to Pay All Overtime Wages (Labor Code §§ 510 and 1194), (5) Meal Period Violations (Labor Code §§ 226.7 and 512), (6) Rest Period Violations (Labor Code §§ 226.7 and 516), (7) Paid Sick Leave Violations (Labor Code §§ 200, 218, 246 et seq.), (8) Untimely Payment of Wages (Labor Code §§ 204, 210, 218), (9) Wage Statement Violations (Labor Code § 226), (10) Waiting Time Penalties (Labor Code §§ 201 et seq.), (11) Failure to Reimburse Business Expenses (Labor Code § 2802), (12) Unfair Competition (Bus. & Prof. Code § 17200 et seq.), and (13) Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 et seq.). Plaintiff is represented by [Ferraro Vega Employment Lawyers](#) ("Class Counsel.")

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

2. WHAT ARE THE PROPOSED SETTLEMENT TERMS?

At the Final Approval Hearing, the Class Representative, through Class Counsel, will ask the Court to approve a Gross Settlement Amount of \$650,000 and authorize the following payments from that amount: Service Payment to the Class Representative (\$10,000), Attorneys' Fees in the amount of \$216,645.00, representing 33.33% of the Gross Settlement Amount, Litigation Costs (not to exceed \$30,000), the LWDA's 65% portion of the PAGA Payment (\$6,500), and Administration Expenses (not to exceed \$7,000) to be paid to the third-party settlement administrator. The Attorneys fees will be allocated proportionally among the FLSA collective action settlement and the class settlement.

After the above deductions in amounts approved by the Court, the Administrator will calculate and distribute Individual Class Payments to Participating Class Members based on their Class Workweeks. 25% of each Individual Class Payment shall constitute taxable wages ("Wage Portion") and 75% shall constitute interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Walashek will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

You will be treated as a Participating Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by **[[Response Deadline]]** ("Response Deadline").

After the Judgment is final and Walashek has fully funded the settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the settlement, as follows:

Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint. Participating Class Members **do not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts outside of the Operative Complaint or outside the Class Period.

Release by PAGA Members: All Aggrieved Employees – including Non-Participating Class Members who are Aggrieved Employees – 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 facts stated in the Operative Complaint and/or in the PAGA Notice.

3. HOW IS MY INDIVIDUAL CLASS PAYMENT CALCULATED?

The number of Class Workweeks you worked during the Class Period are stated on the first page of this Class Notice. The Administrator will calculate your Individual Class Payment by (1) dividing the Net Settlement Amount by the total number of Class Workweeks worked by all Participating Class Members, and then (2) multiplying the result by the number of Class Workweeks worked by each respective Participating Class Member. In other words, you will receive a proportional recovery based on your length of employment in relation to other Class Members.

4. HOW IS MY INDIVIDUAL PAGA PAYMENT CALCULATED?

The number of Pay Periods you worked during the PAGA Period are stated on the first page of this Class Notice. The Administrator will calculate your Individual PAGA Payment by (1) dividing the Net Settlement Amount by the total number of PAGA Pay Periods worked by all PAGA Members during the PAGA Period, and then (2) multiplying the results by the number of Pay Periods worked by each PAGA Member. In other words, you will receive a proportional recovery based on your length of employment in relation to other PAGA Members.

5. HOW CAN I CORRECT THE NUMBER OF CLASS WORKWEEKS?

You have until the Response Deadline to correct or challenge the number of Class Workweeks. You can submit your challenge by signing and sending a letter to the Administrator via mail or email to the Administrator at the following address:

Administrator:

Phoenix Settlement Administrators

P.O. Box 7208

Orange, CA, 92863

(800) 523-5773

<https://www.phoenixclassaction.com/contact-us/class-member-inquiries/>

The Administrator will accept Walashek's calculation of Class Workweeks as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you.

6. HOW WILL I GET PAID?

The Administrator will send, by U.S. mail, a single check to every Participating Class Member following the Effective Date of this Settlement. Your check will be sent to the same address as this notice. If you change your address, notify the Administrator as soon as possible.

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

Complete the attached Request for Exclusion form and mail or email it to the Administrator before the Response Deadline. If you opt-out, you will not receive an Individual Class Payment and you will not be bound by the Release.

8. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement by submitting a written objection to the Administrator before the Response Deadline. To object, please provide a written statement to the Administrator advising what you object to, why you object, and any facts that support your objection. Please sign the objection and identify the Lawsuits and include your name, current address, telephone number, and your approximate dates of employment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection.

9. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but are not required to, attend the Final Approval Hearing on [\[\[Final Approval Hearing Date\]\]](#) at [\[\[Final Approval Hearing Time\]\]](#) in Dept. 74 of the San Diego County Superior Court, located at 330 W Broadway, San Diego, CA 92101. At the hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to the LWDA, Class Counsel, the Class Representative(s), and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision.

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you believe it may have been continued or otherwise changed.

10. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Walashek and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the following website [\[\[website\]\]](#). You can also telephone or send an email to Class Counsel at the address below:

Class Counsel

Nicholas J. Ferraro (State Bar No. 306528)
Lauren N. Vega (State Bar No. 306525)
Ferraro Vega Employment Lawyers, Inc.
3333 Camino del Rio South, Suite 300
San Diego, California 92108
(619) 693-7727 telephone

classactions@ferrarovega.com
ferrarovega.com

11. WHAT IF I LOSE MY SETTLEMENT CHECK OR FAIL TO CASH IT?

If you lose or misplace your settlement check, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the State of California's Unclaimed Property Division in your name. For more information, please review how to process a claim for your funds with the State of California, https://www.sco.ca.gov/upd_form_claim.html.

**DO NOT CONTACT THE COURT OR THE COURT CLERK TO OBTAIN
INFORMATION ABOUT THE SETTLEMENT**

Attachment B

Request for Exclusion Form

Request for Exclusion Form

Kevin Murgas et al. v. Walashek Industrial & Marine, Inc. et al.
Superior Court of the State of California for the County of San Diego
Case No. 24CU029601C

By signing and returning this form, I confirm that I do not want to be included in the Settlement or receive a settlement check in the class action lawsuit referenced above.

I understand that by opting out, I am giving up my right to receive any payments in this Settlement. To “opt out,” this form must be postmarked no later than **[[Response Deadline]]** and mailed via U.S. Mail to the following address:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA, 92863
(800) 523-5773

<https://www.phoenixclassaction.com/contact-us/class-member-inquiries/>

I confirm I have reviewed the Notice of Class Action Settlement. I have decided to be excluded from the class and **not** participate in the proposed settlement or receive an individual settlement check I am otherwise entitled to receive.

Dated: _____

(Signature)

(Last Four Digits of SSN)

(Type or print name and former name(s))

(Telephone Number)

(Address)

Attachment C

FLSA OPT-IN CLAIM FORM

SAN DIEGO COUNTY SUPERIOR COURT
FTHE STATE OF CALIFORNIA

KEVIN MURGAS, individually and on behalf
of others similarly situated,

Plaintiffs,

vs.

WALASHEK INDUSTRIAL & MARINE,
INC. and DOES 1 through 50, inclusive,

Defendants.

Case No.: 25CU011091C

**FLSA OPT-IN FORM AND RELEASE OF
CLAIMS**

You are receiving this form because you are an individual who worked for Walashek Industrial and Marine, Inc., as an hourly employee, between December 19, 2021 and November 11, 2025 (the “FLSA Period”). You must return this form by [INSERT] to receive your share of the FLSA settlement reached as part of the Settlement in the above-entitled action.

Instructions: Please complete this FLSA Opt-In Form and Release of Claims if you would like to claim your share of the settlement monies allocated to claims under the federal Fair and Labor Standards Act (“FLSA”). By signing below, you will agree to release the following claims during the FLSA Period:

Release of FLSA Claims by Collective Members: All Participating Collective Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint alleging claims under the Fair Labor Standards Act for: (1) Failure to Pay Minimum and Straight Time Wages (FLSA, 29 U.S.C. §§ 201 et seq.); and (2) Failure to Pay Overtime Wages (FLSA, 29 U.S.C. §§ 201 et seq.).

To assist you in getting your claim form postmarked or e-mailed by [INSERT], a pre-printed form has been enclosed for your convenience. Once you have signed and dated this claim form, please mail the form to [INSERT] or e-mail the form to [INSERT].

If you have lost or misplaced the pre-printed, postage paid return envelope, you may mail your signed and dated claim form to the Settlement Administrator via first class mail at the following address: [INSERT]

CLAIM FORM

Name(s): _____
(Please list all names you use or are known by)

Street Address and Mailing Address if different: _____

City, State & Zip Code (to receive mail): _____

Telephone: _____ Cell Phone: _____

Personal Email Address(es): _____