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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN JOAQUIN

JUAN JIMENEZ-PADILLA, an individual; on
behalf of Plaintiffs, and on behalf of all persons
similarly situated,

Plaintiff,

v.

SANDAIR CORPORATION d.b.a.
CALIFORNIA FREIGHT SALES, a California
corporation; SUPERIOR TRUCK LINES,
INC., a California corporation; and DOES 1-50,
Inclusive,

Defendants.

Case No: STK-CV-UOE-2025-0009283

**DECLARATION OF SYDNEY CASTILLO-
JOHNSON, ESQ., IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Judge: Hon. Esmeralda Zendejas
Dept.: 11A

1 I, Sydney Castillo-Johnson, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law at JCL LAW
4 FIRM, APC (“Class Counsel”). I am co-counsel of record for Plaintiff JUAN JIMENEZ-PADILLA
5 (“Plaintiff”) in this wage and hour class action filed against Defendant SANDAIR CORPORATION
6 (“Defendant”) This declaration is being submitted in support of Plaintiff’s motion for Preliminary
7 Approval of Class and PAGA Action Settlement.

8 **I. EXHIBITS**

9 2. Attached hereto as **Exhibit “1”** is a true and correct copy of the fully executed Class
10 Action and PAGA Settlement Agreement (“Agreement” or “Settlement Agreement”). Attached as
11 **Exhibit “A”** to the Agreement is a true and correct copy of the proposed Class Notice.

12 3. Attached hereto as **Exhibit “2”** is a true and correct copy of the proof of filing with the
13 Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement
14 and Motion for Preliminary Approval of Class Action and PAGA Settlement evidencing Class
15 Counsel’s compliance with California Labor Code Section 2699(l)(2).

16 **II. INTRODUCTION**

17 4. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of
18 the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm’s length.
19 The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement
20 is particularly impressive when viewed against the difficulties encountered by Plaintiff pursuing wage
21 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Settlement Class
22 Members will not have to wait (possibly years) for relief, nor will they have to bear the risk of class
23 certification being denied or of Defendant prevailing at trial. At the time of mediation, there were
24 approximately 1,049 Class Members during the Class Period. The entire Net Settlement Amount will
25 be paid to all Settlement Class Members who do not opt out of the Settlement resulting in an average
26 Individual Settlement Payment of ***\$1,034.46***.

27 5. As discussed below, the proposed Settlement satisfies all criteria for preliminary
28 settlement approval and falls within the range of reasonableness. The average Individual Class Payment

1 to the Settlement Class meets or exceeds awards in similar wage and hour class actions. Moreover, the
2 proposed Class is appropriate for provisional certification. Accordingly, Plaintiff respectfully requests
3 the Court grant preliminary approval of the Settlement.

4 **III. FACTS AND PROCEDURE**

5 **Overview of the Litigation and Mediated Settlement**

6 6. Defendant owns and operates a transportation business in the state of California,
7 including in San Joaquin County, where Plaintiff worked. Plaintiff was employed by Defendant as a
8 non-exempt employee, paid on an hourly basis, from approximately September 2024 through January
9 2025. At all times during his employment, Plaintiff was classified by Defendant as a non-exempt
10 employee, paid on an hourly basis, and was entitled to legally compliant meal and/or rest periods, and
11 minimum and overtime wages for all hours worked. Throughout his employment, Plaintiff was subject
12 to Defendant's written policies and procedures.

13 7. Generally, Plaintiff claims that Defendant failed to pay for all hours worked, failed to
14 provide compliant meal and rest periods, failed to properly calculate the regular rate of pay for purposes
15 of overtime and redeemed sick pay, failed to reimburse employees for required business expenses, failed
16 to furnish accurate itemized wage statements, and failed to timely pay all wages due upon separation of
17 employment. Defendant adamantly denies liability for each of Plaintiff's claims. Further, Defendant
18 asserts that it fully complied with all applicable employment laws and raised several other significant
19 defenses to Plaintiff's claims, including but not limited to, that it maintained compliant timekeeping,
20 meal and rest period, and reimbursement policies and practices, that certain of its transportation drivers
21 were exempt from California's meal, rest period, and overtime requirements, and that it timely paid all
22 wages due upon separation of employment.

23 8. On July 7, 2025, Plaintiff served Defendant and the Labor and Workforce Development
24 Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiff's PAGA Notice sets forth
25 the facts and theories supporting Defendant's alleged violations of various provisions of the California
26 Labor Code and applicable Industrial Welfare Commission ("IWC") Wage Order and of his intent to
27 pursue claims under the California Labor Code Private Attorneys General Act, Cal. Lab. Code Sections
28 2698 *et seq.* ("PAGA").

1 9. On July 7, 2025, Plaintiff filed a class action complaint in the San Joaquin County
2 Superior Court, Case Number STK-CV-UOE-2025-0009283, alleging eight causes of action against
3 Defendant and Superior Truck Lines, Inc. for: (1) Unfair Competition in Violation of Cal. Bus. & Prof.
4 Code §§ 17200 *et seq.*; (2) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194,
5 1197 and 1197.1; (3) Failure to Pay Overtime Wages in Violation of Cal. Lab. Code §§ 510 *et seq.*; (4)
6 Failure to Provide Required Meal Periods in Violation of Cal. Lab. Code §§ 226.7 and 512 and the
7 Applicable IWC Wage Order; (5) Failure to Provide Required Rest Periods in Violation of Cal. Lab.
8 Code §§ 226.7 and 512 and the Applicable IWC Wage Order; (6) Failure to Provide Accurate Itemized
9 Wage Statements in Violation of Cal. Lab. Code § 226; (7) Failure to Provide Wages When Due in
10 Violation of Cal. Lab. Code §§ 201, 202 and 203; and (8) Failure to Reimburse Employees for Required
11 Business Expenses in Violation of Cal. Lab. Code § 2802 (“Action”).

12 10. On September 12, 2025, Plaintiff filed a separate representative action complaint in the
13 San Joaquin County Superior Court, Case Number STK-CV-UOE-2025-13172, alleging a single cause
14 of action for violations of PAGA (“PAGA Action”).

15 11. On April 28, 2026, Plaintiff filed a First Amended Complaint (“Operative Complaint”)
16 in the Class Action adding an additional cause of action for violations of PAGA, and subsequently
17 dismissed the PAGA Action. (SCJ Dec., ¶ 12.) On August 14, 2026, Plaintiff dismissed Defendant
18 Superior Truck Lines, Inc. from the Action.

19 12. The Parties agreed relatively early to attend mediation. To facilitate settlement
20 negotiations, the Parties agreed to informally exchange documents and data points subject to the
21 mediation privilege, including but not limited to, the Class Members’ timekeeping and payroll records.
22 As discussed *infra*, the Parties jointly retained the forensic consultants at Berger Consulting Group
23 (“BCG”) to analyze Defendant’s time and payroll data.

24 13. On March 3, 2026, the Parties participated in an all-day mediation presided over by Lisa
25 Klerman, Esq. (“Mediator Klerman”), a mediator of wage and hour class and representative actions.
26 Mediator Klerman helped manage the Parties’ expectations and provided a useful, neutral analysis of
27 the issues and risks to both sides. The Parties made substantial progress with Mediator Klerman’s
28 assistance. Namely, the Parties exchanged information regarding their respective claims and defenses,

1 including their respective evaluation of the damages. The mediation concluded with a settlement after
2 both sides agreed to a Mediator's proposal, which was subsequently memorialized in the form of a
3 Memorandum of Understanding ("MOU"). After reaching an agreement in principle, the Parties drafted
4 and negotiated a long-form settlement agreement, which is the subject of the instant motion.

5 **Class Counsel Thoroughly Investigated the Factual and Legal Issues**

6 14. Months before filing the Action, Class Counsel began their pre-filing investigation into
7 the Plaintiff's complaints. Class Counsel's investigation started with several lengthy interviews with
8 Plaintiff. As part of the interview process, Plaintiff produced documents related to his employment,
9 including payroll records and policy documents. At the conclusion of the interviews, Class Counsel
10 determined that Plaintiff's complaints justified further inquiry.

11 15. Class Counsel subsequently requested Plaintiff's employee file from Defendant. In
12 response, Defendant produced documents, including but not limited to, Plaintiff's hiring and separation
13 documents, payroll records, and time records. Class Counsel reviewed and analyzed the documents and
14 determined the documents appeared to substantiate Plaintiff's claim that Defendant failed to, among
15 other things, pay for all time worked, provide compliant meal and rest periods, properly calculate the
16 regular rate of pay, reimburse for required business expenses, provide accurate itemized wage
17 statements, and timely pay all wages due upon separation of employment.

18 16. After the Parties agreed to mediate the Action, Defendant produced timekeeping and
19 payroll records for the Class Members, aggregate workweek and pay period data, and copies of
20 applicable policies and agreements. In total, Class Counsel reviewed hundreds of thousands of pages of
21 documents and time and payroll data.

22 17. The Parties jointly retained the statisticians and economists at BCG to evaluate the Class
23 Members' payroll and time data. BCG provides data analysis and damage modeling consulting services
24 specializing in wage and hour class actions. BCG's team of financial and data analysts are credentialed
25 and experienced experts in their fields and have provided their expertise on thousands of cases. Stated
26 differently, the BCG is uniquely qualified to analyze Defendant's time and payroll data.

27 18. BCG analyzed Defendant's time and payroll data to assist in the development of various
28 damage models. Among other things, BCG determined the approximate number of work shifts,

workweeks, and pay periods during the Class Period, and the average length of shift and average number of hours worked per week and per pay period during the Class Period. BCG also estimated the number of missed, late, or truncated meal and rest periods, the amount of unpaid wages owed, the amount of off-the-clock work performed, the amount of unreimbursed business expenses, and Defendant's potential exposure for wage statement and waiting time penalties during the Class Period.

19. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1) determining Plaintiff's suitability as a putative class representative through interviews, background investigations, and analysis of his employment file; (2) evaluating all of Plaintiff's potential claims; (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions, and the type of employer; (4) analyzing the Settlement Class' time and payroll data; (5) analyzing Defendant's labor policies and practices; (6) researching settlements in similar cases as well as outstanding issues which could affect settlement approval; (7) estimating Defendant's liability for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and magnitude of the claims being settled, as well as the impediments to recovery, such as to make an independent assessment of the reasonableness of the terms to which the Parties have agreed.

20. Class Counsel only agreed to enter the Settlement following this thorough investigation and evaluation of Plaintiff's claims. Based on its investigation of the facts, applicable law, and marketplace for similar settlements, and considering the risk of significant delay and uncertainty associated with litigation, and the various defenses asserted by Defendant, Class Counsel believes this Agreement to be in the best interest of the Class Members. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

IV. ARGUMENT

The Court Should Preliminarily Approve the Settlement

The Parties Reached the Settlement Through Arm's-Length Bargaining Led by Experienced Counsel.

21. The Parties participated in mediation with Mediator Klerman, a wage and hour class action mediator. Mediator Klerman managed the Parties' expectations and provided a useful, neutral

1 analysis of the issues and risks to both sides. (*In re Apple Computer, Inc. Derivative Litig*, No. C 06-
2 4128 JF (HRL), 2008 U.S. Dist. LEXIS 108195 (N.D. Cal. Nov. 5, 2008) (mediator's participation
3 weighs considerably against any inference of a collusive settlement); *D'Amato v. Deutsche Bank* (2d.
4 Cir. 2001) 236 F.3d 78, 85 (a "mediator's involvement in pre-certification settlement negotiations helps
5 to ensure that the proceedings were free of collusion and undue pressure.")). At all times, the Parties'
6 negotiations were at an arm's length, adversarial, and non-collusive. The Parties reached a settlement
7 following their acceptance of a mediator's proposal. The Parties subsequently drafted and negotiated a
8 long-form settlement which is the subject of the instant motion. The Agreement is the final product of
9 these mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a
10 reasonable compromise of the claims at issue.

11 Class Counsel's Thorough Investigation Provided an Objective Measurement of the Settlement's
12 Reasonableness.

13 22. As set forth in greater detail above, Class Counsel conducted a very thorough
14 investigation into the factual and legal issues in dispute. In addition to informal discovery, document
15 review, data analysis, and legal research, Class Counsel also researched similar wage and hour actions.
16 Although no two cases are identical, this research provided Class Counsel with a marker to inform
17 settlement discussions and, ultimately, to measure this settlement against. The investigation allowed
18 Class Counsel to realistically assess the value of Plaintiff's claims and intelligently engage with Defense
19 Counsel in settlement discussions that culminated in the proposed settlement now before the Court.

20 23. Class Counsel only agreed to enter the Settlement following this thorough investigation
21 and evaluation of Plaintiff's claims. Based on this investigation of the facts, applicable law, and
22 marketplace for similar settlements, and considering the risk of significant delay, uncertainty associated
23 with litigation, and the various defenses asserted by Defendant, Class Counsel firmly believes this
24 Agreement to be in the best interests of the Class Members. Because the Settlement's terms are fair,
25 reasonable, and adequate, the Court should preliminarily approve the Settlement.

26 The Gross Settlement Amount Meets the Recognized Range of Reasonableness.

27 24. The Gross Settlement Amount of \$1,845,000.00 is fair and reasonable considering the
28 nature and magnitude of the claims being settled and the various potential impediments to recovery.

1 Prior to mediation, the Parties retained BCG to assist in developing economic damage models
2 measuring Defendant's liability exposure while accounting for the uncertainties of continued litigation.
3 The various models were informed by Class Counsel's investigation, including the analysis of a
4 significant sample of time and payroll data. Class Counsel projected Defendant's liability exposure at
5 \$2,328,040.50 ("Conservative Model") and Defendant's *total* exposure for class claims (including
6 waiting time and wage statement penalties, but exclusive of PAGA penalties) at \$4,299,348.89
7 ("Aggressive Model"). Thus, the Gross Settlement Amount of \$1,845,000.00 represents between
8 42.91% and 78.25% of Defendant's class-wide exposure.

9 25. Plaintiff alleged that Defendant failed to provide compliant meal periods. Specifically,
10 Plaintiff alleged that Defendant's strict delivery schedules made it impracticable for drivers to stop and
11 take timely, uninterrupted, off-duty meal periods. Plaintiff's expert found that 31.3% of shifts greater
12 than six hours were without a recorded first meal period, 99.6% of shifts between 10 and 12 hours were
13 without a recorded second meal period, and 95.95% of shifts greater than 12 hours were without a
14 recorded second meal period.

15 26. Defendant contends that it fully complied with California meal period laws and
16 maintained compliant policies and practices. Defendant also argued that it provided Class Members
17 with the opportunity to take compliant meal periods, that Class Members executed on-duty meal period
18 agreements, and that certain interstate drivers are exempt from California's meal period requirements.
19 Defendant further argued that any non-compliant meal periods reflected individual employee choices
20 rather than a failure to provide compliant meal periods, and that any claimed violations required a highly
21 individualized inquiry not suitable to class treatment. In light of the foregoing, and considering
22 Defendant's defenses, Plaintiff provided a 25% discount and estimated that Defendant's exposure for
23 this claim ranged from \$937,263.96 to \$1,249,685.28.

24 27. Plaintiff also alleged that Defendant failed to provide compliant rest periods. Specifically,
25 Plaintiff alleged that, because of their rigorous and continuous delivery obligations, Plaintiff and other
26 Class Members were unable to take timely and duty-free rest periods and were not relieved of all duties
27 during rest periods. Again, Defendant denied liability and asserted that it maintained legally compliant
28 rest period policies and practices throughout the Class Period and that employees were in complete

1 control over when they took their rest periods. Moreover, Plaintiff recognizes the evidentiary burdens
2 in establishing this claim. Establishing Plaintiff's rest period claim would depend, almost entirely, on
3 Class Member testimony, making it a riskier claim at class certification and liability stages. Certification
4 likely would have required depositions of Class Members who provided declarations, and Defendant
5 surely would have obtained opposing declarations stating either rest breaks were taken or rest breaks
6 were voluntarily waived. *See, e.g., Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL
7 210223, at *11 ("Because of the competing testimony before the Court, Plaintiff's evidence that
8 Defendants may have an illegal, written rest break policy is insufficient for this Court to find that
9 common issues predominate."); *Villa v. United Site Servs. of California, Inc.* (N.D. Cal. Nov. 13, 2012)
10 2012 WL 5503550, at *8 ("Indeed, Plaintiff's own evidence confirms that the written policy does not
11 generate uniform practices."). Accordingly, Plaintiff provided a 25% discount and estimated that
12 Defendant's exposure for this claim ranged from \$937,263.96 to \$1,249,685.28.

13 28. Plaintiff alleged that Defendant failed to reimburse Class Members for all necessary
14 business expenses. Specifically, Plaintiff asserts that Class Members were required to use their personal
15 cell phones for work-related purposes, including clocking in through a fleet-management application
16 and using a delivery-tracking application, and to use their personal vehicles to travel between
17 Defendant's facilities, but that Defendant failed to fully reimburse Class Members for these costs, in
18 violation of Labor Code section 2802.

19 29. Defendant strongly denied any liability for this claim. Defendant argued, among other
20 things, that it provided its employees with all devices and vehicles necessary to perform their job duties
21 or provided appropriate reimbursements, and that any employee who voluntarily chose to use a personal
22 cell phone or vehicle was not entitled to reimbursement. Considering Defendant's defenses, Plaintiff
23 provided a 50% discount and estimated Defendant's exposure for this claim ranged from \$128,800.0 to
24 \$257,600.00.

25 30. Plaintiff also alleged that Defendant miscalculated the regular rate of pay for purposes of
26 overtime and redeemed sick pay. Specifically, Plaintiff alleges that Defendant paid Class Members non-
27 discretionary compensation that was not properly included in the regular rate of pay for purposes of
28 overtime and redeemed sick pay. The regular rate of pay, which can change from pay period to pay

1 period, includes adjustments to the straight time rate, reflecting, among other things, non-discretionary
2 bonuses and awards, shift differentials, and the per-hour value of any non-hourly compensation the
3 employee has earned. (*Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 552-554.)
4 For redeemed sick pay, California Labor Code section 246(l)(1) expressly mandates that sick pay for
5 non-exempt employees be based on either “the regular rate of pay for the workweek in which the
6 employee uses paid sick time” or the regular rate of pay in the 90 days preceding the use of the sick
7 leave. For overtime work, “an employee must receive a 50 percent premium on top of his or her regular
8 rate of pay[.]” (*Id.* at 553.) Defendant asserted that the incentive payments identified by Plaintiff were
9 not required to be included in the regular rate of pay and disputed that any miscalculation occurred. In
10 light of the above, Plaintiff estimated Defendant’s exposure for this claim ranged from \$34,086.80 to
11 \$85,217.00.

12 31. Plaintiff also alleged that Defendant failed to furnish its employees with accurate itemized
13 wage statements. Specifically, Plaintiff alleges that, as a result of Defendant’s failure to provide meal
14 and rest periods and failure to properly calculate the regular rate of pay as required by the California
15 Labor Code, Plaintiff and other Class Members are entitled to derivative wage statement penalties. (*See*
16 *Naranjo v. Spectrum Security Services* (2022) 13 Cal.5th 93 (concluding that meal premiums are
17 “wages” entitling employees to derivative wage statement penalties).) Defendant argued that its wage
18 statements contained all of the information required by Labor Code section 226, that it was not liable
19 for derivative penalties where it presented an objectively reasonable, good faith defense, and that even
20 if it failed to furnish accurate wage statements, Plaintiff could not establish the injury requirement on a
21 class-wide basis. As a result, Plaintiff estimated that Defendant’s exposure on this claim ranged between
22 \$149,160.00 and \$372,900.00.

23 32. Plaintiff also alleged that Defendant’s labor code violations resulted in derivative liability
24 for waiting time penalties. Although these *penalties* represented one of Defendant’s largest dollar
25 amounts of exposure, this is Plaintiff’s most uncertain claim. Specifically, Defendant argued that
26 Plaintiff could not prove the “willful” prong needed to obtain waiting time penalties under Labor Code
27 section 203. Additionally, Defendant argued that, under *Naranjo v. Spectrum Security Services* (2024)
28 15 Cal.5th 1056, an objectively reasonable, good faith defense creates difficulty in Plaintiff succeeding

1 on a purely derivative waiting time penalty claim. Notwithstanding the uncertain nature of the claim,
2 Plaintiff estimated that Defendant's exposure for this claim ranged between \$86,399.70 and
3 \$863,997.00.

4 33. Class Counsel's damage models also estimated Defendant's exposure for PAGA
5 penalties arising from the aforementioned violations. At the time of mediation, Plaintiff estimated
6 Defendant's PAGA exposure ranged from \$2,401,305.50 and \$5,462,648.89.

7 34. Here, the Parties negotiated a good faith PAGA Payment in the amount of \$60,0000.00
8 which is 3.25% of the Gross Settlement Amount. This amount falls well within the range of approved
9 PAGA Payments. Sixty-five percent (65%) of the PAGA Payment (\$39,000.00) will be paid to the
10 LWDA ("LWDA Payment"), with the remaining thirty-five percent (35%) of the PAGA Payment
11 (\$21,000.00) to be distributed to the Aggrieved Employees ("Aggrieved Employee Payment"), which
12 is within the range of PAGA penalties approved by courts and should be approved.

13 **Inherent Risks of Continued Litigation Support Preliminary Approval**

14 35. With respect to the most immediate challenge, i.e., class certification, the risks attendant
15 to the certification of similar wage and hour claims are demonstrated by *Ali v. U.S.A. Cab Ltd.* (2009)
16 176 Cal.App.4th 1333, 1341. There, the Court of Appeal affirmed the Trial Court's denial of class
17 certification because employees' declarations attesting to having taken meal and rest breaks
18 demonstrated that individualized inquiries were required to show harm. *See also Campbell v. Best Buy*
19 *Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification
20 of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed*
21 *Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest
22 period claims based on the predominance of individual issues).

23 36. Further, even if a class is certified, liability remains uncertain. The risks attendant to the
24 issue of Defendant's liability in similar wage and hour actions are demonstrated by *Duran v. U.S. Bank*
25 *National Association* (2014) 59 Cal.4th 1, 31. There, the Court reversed a trial verdict in favor of
26 Plaintiff in a wage and hour class action. *See also Tien v. Tenet Healthcare Corp.* (2012) 209
27 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were
28 predominantly individualized questions of fact not susceptible to class treatment.").

1 37. Finally, even if a class is certified and Defendant is found liable for the class claims
2 alleged, post-certification risks remain, including a reversal of a favorable judgment for Plaintiff and
3 decertification of the class. These post-certification risks are demonstrated by *Magadia v. Wal-Mart*
4 *Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit vacated, reversed, and remanded
5 a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed
6 the trial court to enter judgement in favor of the employer. *See also O’Conner v. Uber Technologies,*
7 *Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action).

8 38. Collectively, the examples cited above illustrate the uncertain nature of class litigation.
9 Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk
10 factor favoring settlement.

11 39. Finally, continuing to litigate this action would require continued and extensive resources
12 coupled with significant Court time to proceed through trial and post-trial motions, which can often
13 take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates
14 extensive expert testimony, particularly with regards to damages. But even if Plaintiff is successful at
15 trial, Plaintiff is acutely aware that a judgment does not end the litigation. Plaintiff fully expects that
16 Defendant would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d 668,
17 the risk of an appeal and subsequent reversal is real.

18 40. In this matter, Class Counsel negotiated a Gross Settlement Amount of \$1,845,000.00
19 that is between approximately 42.91% and 79.25% of Defendant’s class-wide exposure. Given the
20 amount of the settlement here, as compared to the potential value of the claims, offset by the various
21 inherent risks to continued litigation, the settlement is fair and reasonable.

22 **Proposed Notice Informs the Class About the Case and Settlement**

23 41. The Parties jointly drafted the Class Notice, which fairly and neutrally informs the Class
24 Members of their rights and remedies. The Settlement Administrator will first verify addresses, then
25 mail the proposed Class Notice to all Class Members. The Class Notice will include information
26 regarding the nature of the lawsuit, a summary of the substance of the Settlement’s terms, the class
27 definition, the procedure and time period within which to request exclusion from or object to the
28 Settlement, the date for the final approval hearing, the formula used to calculate settlement payments,

1 and the terms and scope of the Released Class Claims. (Agreement at § 7.4; Ex. A to the Agreement.)
2 This method was negotiated by the Parties to ensure delivering the most reasonable method of notice to
3 the Class Members while ensuring cost effective administration of the Settlement.

4 42. Accordingly, both the method of disseminating the Class Notice and content of the Class
5 Notice satisfy due process. (*See* C.R.C. 3.776(e)-(f); *State of Cal. v. Levi Strauss* (1986) 41 Cal.3d
6 460,485 (the class notice must “fairly apprise the class members of the terms of the proposed
7 compromise and of the options open to dissenting class members.”).)

8 **The Court Should Preliminarily Approve the Class Representative Service Award**

9 43. The Settlement provides for a Class Representative Payment of not more than \$10,000.00
10 to Plaintiff. The Class Representative Payment is fair and reasonable compensation for Plaintiff’s efforts
11 bringing the action, assisting Class Counsel with the litigation and settlement, regularly conferring with
12 Class Counsel on the status of his case and the strategies for prosecuting the claims, and reviewing the
13 proposed Settlement to ensure that its terms are fair and provide adequate relief for the Settlement Class.

14 44. Class Counsel on behalf of Plaintiff will file a formal motion for the negotiated Class
15 Representative Payment once preliminary approval of the Settlement is granted. Plaintiff respectfully
16 submits that the above showing is sufficient for preliminary approval of the negotiated Class
17 Representative Payment.

18 **The Court Should Preliminary Approve the Negotiated Class Counsel Award**

19 45. Class Counsel took this matter on a contingency fee basis and invested significant time
20 and expense successfully prosecuting Plaintiff’s claims. As discussed *supra*, the estimated average
21 Individual Class Payment illustrates the demonstrably positive outcome for the Class Members. The
22 Agreement provides for a payment of Attorneys’ Fees and Litigation Costs in the amount of not more
23 than thirty-three percent (33%) of the Gross Settlement Amount (\$608,850.00) and reimbursement of
24 actually incurred litigation costs in an amount not to exceed \$65,000.00. (Agreement at § 3.2.2.)
25 Considering the positive outcome for the Settlement Class Members, and in light of the supporting
26 authority, the proposed Attorneys’ Fees and Litigation Costs are fair and reasonable. Plaintiff will file
27 a formal motion for the negotiated Attorneys’ Fees and Litigation Costs once preliminary approval of
28

1 the Settlement is granted. Plaintiff respectfully submits that the above showing is sufficient for
2 preliminary approval of the negotiated attorneys' fees.

3 **Provisional Certification for Settlement Purposes Is Appropriate**

4 46. For Settlement, Plaintiff contends, and Defendant does not dispute, that provisional
5 certification of the Class is appropriate, provided that Plaintiff and Class Counsel are in compliance
6 with the terms of the Settlement Agreement.

7 47. Because all Class Members are Defendant's current and former employees, the class is
8 readily ascertainable from Defendant's regular business records, i.e., payroll records.

9 48. The statutes relating to each of Plaintiff's claims apply with equal force and effect to the
10 entire Settlement Class. Factually, Defendant's policies and practices apply class-wide and Defendant's
11 liability can be determined by facts common to all members of the class. The wage and hour issues are
12 both numerous and substantial, and a class action is the most advantageous method of dealing with the
13 claims of the Settlement Class.

14 49. Plaintiff's wage and hour claims are typical of the proposed Settlement Class because
15 they arise from the same factual basis and are based on the same legal theories applicable to the other
16 Class Members. Likewise, Plaintiff's interests are entirely coextensive with the interests of the
17 Settlement Class. Plaintiff alleges that he was injured by the same company-wide practices to which
18 the proposed Class Members were subjected and seeks the same relief. Plaintiff has already
19 demonstrated his ability to advocate for the interests of the Class by initiating this litigation, undertaking
20 extensive class discovery, and evaluating the proposed settlement to assure that it is fair.

21 50. A class action is superior to a multitude of individual lawsuits. Given the size and amount
22 of each individual claim, the Class Members likely have little incentive to litigate their claims on an
23 individual basis because the out-of-pocket expense and personal commitment necessary to litigate each
24 claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case
25 adjudication.

26 51. Additionally, Plaintiff is represented by competent Class Counsel who have extensive
27 experience in litigating wage and hour class action cases. Class Counsel have successfully briefed,
28 argued, certified, and gained state court settlement approval of the same class-wide causes of action that

are at issue in this case. Class Counsel's wage and hour class action experience establishes that they are well qualified to represent the interests of this Class.

F. Class Counsel's Experience

52. Plaintiff and Class Members are represented by competent and experienced counsel to pursue their claims.

53. I am qualified to represent the Plaintiff, the State of California, and the Class Members. Class Counsel has experience with wage and hour class and representative actions litigation like this matter, and employment matters in general. Class Counsel, will and have adequately represented the interests of the Plaintiff and Class Members throughout this action.

54. My primary practice is representative Plaintiff employment law. I have handled a number of wage and hour matters, including individual actions, class actions, and representative PAGA actions, on behalf of Plaintiff. The following is a list of wage and hour class and/or PAGA actions where I have served as counsel and in which final settlement approval was granted: *See generally Chrestensen v. Northeastern Rural Health Clinics Lassen*, Superior Court Case No. 63703 (April 13, 2023); *Toler v. Total Testing Solutions, LLC*, Los Angeles Superior Court Case No. 21STCV38452 (July 27, 2023); *O'Quinn v. Laugh Factory, Inc.*, Los Angeles Superior Court Case No. 19STCV28155 (August 1, 2023); *Kneisly v. SR Machining, Inc., et al.*, Riverside Superior Court Case No. CVRI2201491 (October 5, 2023); *Anderson v. Barton Myers Associates, Inc., et al.*, Los Angeles Superior Court Case No. 21STCV43314 (October 12, 2023); *Coles v. Carefusion Resources LLC, et. al.* San Diego Superior Court Case No. 37-2022-00048696-CU-OE-CTL (March 25, 2024); *Thomas v. Center for Elder's Independence* Alameda Superior Court Case No. 22CV024221 (July 2, 2024); *Klein v. RedZone Security, Inc.*, Riverside Superior Court Case No. CVRI2202841 (August 15, 2024); *Nunez v. Titan AG, et. al.* Tulare Superior Court Case No. VCU296822 (February 4, 2025); *Rene v. Koch Filter Corporation* Riverside Superior Court Case No. CVRI2300700 (March 11, 2025); *Winn v. City Electric Supply Company* San Diego Superior Court Case No. 37-2023-0004023 1-CU-OE-CTL (March 13, 2025); *Gamble v. AirX Utility Surveyors, Inc.* San Diego Superior Court Case No. 37-2022-00042178-CU-OE-CTL (March 14, 2025); *Garcia v. ConvergeOne* San Bernardino Superior Court Case No. CIVSB2305464 (May 12, 2025); *Lowe v. Ash's First LLC, et al* San Diego Superior Court Case No.

1 37-2023-00031528-CU-OE-CTL (August 8, 2025). *Solis v. 51st St. & 8th Ave. Corp., et al*, San Diego
2 Superior Court Case No. 37-2023-00031528-CU-OE-CTL (August 8, 2025).

3 55. The following is a list of wage and hour class actions where I was appointed as Class
4 Counsel: *Albert Ajero v. Wildcat Discovery Technologies, Inc., et al.*, San Diego Superior Court Case
5 No. 37-2023-00055145-CU-OE-CTL (December 5, 2025); *Thomas Weathermon v. Pacific Production*
6 *Plumbing*, San Diego Superior Court Case No. 37-2023-00006167-CU-OE-CTL (February 27, 2026).

7 56. As counsel for Plaintiff and the proposed Class, I have been actively involved in every
8 aspect of this case and believe that the proposed Settlement is an excellent result for the Class.

9 I declare under the penalty of perjury under the laws of the State of California that the foregoing
10 is true and correct. Executed this 4th day of September 2026, at San Diego, California.

11
12 **JCL LAW FIRM, APC**

13 By: Sydney Castillo-Johnson
14 Sydney Castillo-Johnson, Esq.
15 Attorney for Plaintiff
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EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Juan Jimenez-Padilla (“Plaintiff”) and Defendant Sandair Corporation, dba California Freight Sales (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Juan Jimenez-Padilla v. Sandair Corporation, dba California Freight Sales*, San Joaquin County Superior Court Case Number STK-CV-UOE-2025-0009283, initiated on July 7, 2025.
- 1.2. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.3. “Administrator” means Apex Class Action, LLC, P.O. Box 54668, Irvine, CA 92619; Tel: (800) 355-0700, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.4. “Aggrieved Employee” means all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the PAGA Period.
- 1.5. “Aggrieved Employee Payment” shall mean the thirty-five percent (35%) of the PAGA Payment (\$21,000.00) that will be distributed to the Aggrieved Employees as described in this Agreement.
- 1.6. “Attorneys’ Fees and Litigation Costs” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures in an amount of up to thirty-three percent (33%) of the Gross Settlement Amount and litigation costs of up to \$65,000.00. The Attorneys’ Fees Payment shall be divided between Class Counsel as follows: 50% to JCL Law Firm, APC, and 50% to Zakay Law Group, APLC.
- 1.7. “Class” or “Class Member” shall mean all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the Class Period.

- 1.8. “Class Counsel” means Jean Claude Lapuyade, Esq. and Sydney Castillo-Johson, Esq. of JCL Law Firm, APC, and Shani Zakay and Jackland K. Hom, Esq. of Zakay Law Group, APLC.
- 1.9. “Class Data” means Class Member identifying information in Defendant’s possession that Defendant will provide to the Administrator. To the extent available, the Class Data shall include each Class Member’s full name; last known address; Social Security Number; start dates and end dates of employment; and any other information the Settlement Administrator deems necessary to accurately confirm the number of Workweeks and Pay Period worked by each Class Member and Aggrieved Employee during the Class and PAGA Periods. The number of Class Period Workweeks and PAGA Periods will be calculated by Defendant based on Defendant’s wage records and provided to the Settlement Administrator along with the Class Data and will be presumed to be correct unless a particular Class Member and/or Aggrieved Employee proves otherwise to the Settlement Administrator by credible written evidence.
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the Court-approved Notice of Class Action Settlement in a form substantively similar to **Exhibit A**, to be mailed to Class Members informing them of the settlement, including their rights to request exclusion or to object to the Settlement, the right to dispute their estimated workweeks/payment, of their estimated payment to be received without the need to return a claim form, and the date set for the Final Approval Hearing.
- 1.12. “Class Period” means the period from July 7, 2021, through June 6, 2026.
- 1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as Class Representative.
- 1.14. “Class Representative Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of San Joaquin.
- 1.16. “Defendant” means Defendant Sandair Corporation, dba California Freight Sales.
- 1.17. “Defense Counsel” means Stacy Henderson of Henderson Arreola, A Professional Corporation.
- 1.18. “Effective Date” means the date by when both of the following have occurred:
- (a) the Court enters a Judgment on its Order Granting Final Approval of the

Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Settlement Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Settlement Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.
- 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.
- 1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. "Funding Date" means the date on which Defendant shall fund the Gross Settlement Amount to the Administrator.
- 1.23. "Gross Settlement Amount" means One Million Eight Hundred Forty-Five Thousand Dollars and Zero Cents (\$1,845,000.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 4.1 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Payment, and the Administrator's Expenses.
- 1.24. "Individual Class Payment" means the Settlement Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period. Any Class Member who submits a timely and valid request for exclusion pursuant to the procedures set forth herein, is not eligible to receive an Individual Class Payment.
- 1.25. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 35% of the PAGA Payment calculated according to the number of Workweeks 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. (m).
- 1.28. "LWDA Payment" means the 65% of the PAGA Payment paid to the LWDA (\$39,000.00) under Labor Code section 2699, subd. (m).
- 1.29. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the PAGA Payment, Class Representative Payment, Attorneys' Fees and Litigation Costs, and the

Administration Expenses Payment. The remainder is to be paid to Settlement Class Members as Individual Class Payments.

- 1.30. “Non-Settlement 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” shall mean the First Amended Complaint filed on [April 8, 2026, in the Action.
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s July 7, 2025, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.34. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.35. “PAGA Payment” means Sixty Thousand Dollars and Zero Cents (\$60,000.00) which is the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$21,000.00) and the 65% to LWDA (\$39,000.00) in settlement of PAGA claims.
- 1.36. “PAGA Period” means the period between July 7, 2024, through June 6, 2026.
- 1.37. “Plaintiff” means Juan Jimenez-Padilla, the named Plaintiff in the Action.
- 1.38. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.39. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.40. “Released Class Claims” means all damages, rights, liabilities, causes of action, obligations, losses, penalties, premiums, interest, attorneys’ fees, costs and all other forms of relief arising out of or relating to the class claims alleged, or reasonably could have been alleged based on the facts alleged, in the operative complaint in the Action which occurred during the Class Period, and expressly excluding all claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and class claims outside of the Class Period.
- 1.41. “Released PAGA Claims” means all PAGA claims pled and/or which are related to or arise out of the facts alleged in the operative Complaint and the PAGA Notice that occurred during the PAGA Period and expressly excluding claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers’ compensation, and PAGA claims outside of the PAGA Period.

- 1.42. “Released Parties” means Defendants and their past, present and future subsidiaries, dbas, parents, divisions, related entities, joint venturers, and any other entities that could be considered to have jointly employed the Class Members and/or Aggrieved Employees, as well as each of their respective owners, co-employers, joint employers, agents, officers, directors, stockholders, shareholders, investors, members, principals, subsidiaries, affiliates, partners, predecessors, successors, assigns, insurers, reinsurers, employees, attorneys, heirs, estates, executors, spouses, domestic partners, associates, representatives, administrators, fiduciaries, trustees, accountants, auditors, company-sponsored employee benefit plans of any nature, and all other legal entities affiliated with the foregoing, individually and in their representative capacities.
- 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 sixty (60) 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. “Settlement Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.47. “Workweek” means any seven (7) consecutive days beginning on Sunday and ending on Saturday, in which a Class Member was employed by Defendant during the Class Period in California and actually worked at least 1 day.

2. RECITALS.

- 2.1. On July 7, 2025, Plaintiff filed a Notice of Violations with the Labor and Workforce Development Agency (“LWDA”) and served the same on Defendant.
- 2.2. On July 7, 2025, Plaintiff filed a Class and Representative Action Complaint alleging eight (8) causes of action against Defendant and Superior Truck Lines, Inc. for (1) Unfair Competition in Violation of Bus. & Prof. Code sections 17200 et seq; (2) Failure to pay minimum wages in violation of California Labor Code sections 1194, 1197 and 1197.1; (3) Failure to pay overtime wages in violation of California Labor Code sections 510 et seq; (4) Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (5) Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order; (6) Failure to provide

accurate itemized wage statements in violation of California Labor Code section 226; (7) Failure to provide wages when due in violation of California Labor Code sections 201, 202 and 203; (8) Failure to reimburse employees for required business expenses in violation of California Labor Code section 2802. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

- 2.3. On September 12, 2025, Plaintiff filed a separate representative complaint alleging a single cause of action for violations of PAGA ("PAGA Action").
- 2.4. On April 28, 2026, Plaintiff filed a First Amended Complaint adding an additional cause of action for violations of PAGA and subsequently dismissed the PAGA Action.
- 2.5. On August 14, 2026, Plaintiff dismissed Defendant Superior Truck Lines, Inc. from the Action.
- 2.6. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.7. On March 3, 2026, the Parties participated in an all-day mediation presided over by Lisa Klerman, Esq., a mediator of wage and hour class and representative actions, which led to this Agreement to settle the Action.
- 2.8. Prior to mediation, Plaintiff obtained, through informal discovery, timekeeping records, and payroll records for the Class Members. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.9. 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 4.1 below, Defendant promises to pay One Million Eight Hundred Forty-Five Thousand Dollars and Zero Cents (\$1,845,000.00) 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. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Settlement Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To Plaintiff: Class Representative Payment to the Class Representative of not more than \$10,000.00. Defendant will not oppose Plaintiff's request for a Class Representative Payment that does not exceed this amount. As part of the motion for Attorneys' Fees and Litigation Costs, Plaintiff will seek Court approval for any Class Representative Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Representative Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Payment.

3.2.2. To Class Counsel: Attorneys' Fees of not more than thirty-three percent (33%) of the Gross Settlement Amount, which is currently estimated to be Six Hundred Eight Thousand, Eight Hundred Fifty Dollars and Zero Cents (\$608,850.00) and Litigation Costs of up to Sixty-Five Thousand Dollars and Zero Cents (\$65,000.00). To the extent the Escalator Clause is triggered pursuant to Paragraph 4.1, Class Counsel shall request Attorneys' Fees of up to thirty-three percent (33%) of the increased Gross Settlement Amount, and Defendant will not oppose such increased request provided it does not exceed thirty-three percent (33%) of the increased Gross Settlement Amount, and further provided that Class Counsel and the Class Representative are performing in compliance with the terms of this Agreement. Defendant will not oppose requests for these payments provided that they do not exceed these amounts, and further provided that Class Counsel and the Class Representative are performing in compliance with the terms of this Agreement. Plaintiff and/or Class Counsel will file a motion for Attorneys' Fees and Litigation Costs no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a payment for Attorneys' Fees and/or Litigation Costs less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any portion of Attorneys' Fees and/or Litigation Costs. The Administrator will pay the Attorneys' Fees and Litigation Costs using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Litigation Costs 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: The Administration Expenses Payment not to exceed Sixteen Thousand Dollars and Zero Cents (\$16,000.00) except for a showing

of good cause and as approved by the Court. Defendant will not oppose requests for these payments provided that they do not exceed this amount and further provided that the Administrator is performing in compliance with the terms of this Agreement. To the extent the Administration Expenses Payment is less, or the Court approves payment less than \$16,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Settlement Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members during the Class Period and (b) multiplying the result by each Settlement Class Member's Workweeks worked during the Class Period.

3.2.4.1. Tax Allocation of Individual Class Payments. Fifteen percent (15%) of each Settlement 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. Eighty-five percent (85%) of each Settlement 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. Settlement Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Settlement Class Members on Calculation of Individual Class Payments. Non-Settlement 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 Settlement Class Members on a pro rata basis.

3.2.4.3. The payment of Individual Class Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (including, but not limited to, 401(k) contributions or bonuses) beyond those specified in this Agreement.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Payment in the amount of \$60,000.00 to be paid from the Gross Settlement Amount, with 65% (\$39,000.00) allocated to the LWDA Payment and 35% (\$21,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Payment (\$21,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA

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

3.2.5.2.If the Court approves 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.

3.2.5.3.The payment of Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Aggrieved Employees (including, but not limited to, 401(k) contributions or bonuses) beyond those specified in this Agreement.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Class Size Estimates and Escalator Clause. Based on a review of its records through Mediation on March 3, 2026, Defendant estimates that there are 1,049 Class Members who collectively worked a total of 93,000 Workweeks, and 742 Aggrieved Employees who worked a total of 22,107 PAGA Pay Periods. Thus, the settlement workweek value is \$19.84 (\$1,845,000 Gross Settlement Amount / 93,000 Workweeks). If the actual number of Workweeks worked during the Class Period exceeds 93,000 by more than 10% (i.e., 102,300), the settlement amount will be increased by \$19.84 for each Workweek over 102,300 (for example, if the total Workweeks in the Class Period are 102,305, the Gross Settlement will increase by \$99.20 (i.e., \$19.84 for each of the 5 Workweeks over 102,300)).
- 4.2. Class Data. Not later than five (5) business days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
- 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than sixty (60) days after the final approval order.

- 4.4. Payments from the Gross Settlement Amount. Within fourteen (14) days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Expenses Payment, Attorneys' Fees and Litigation Costs, and the Class Representative Payment. Disbursement of the Attorneys' Fees and Litigation Costs and the Class Representative Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Settlement Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Settlement Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Settlement Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (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, if 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 cancelled after the void date, the Administrator shall transmit the funds represented by such checks, plus any interest that has accrued thereon, to Cricket's Hope, a *Cy Pres*, in accordance with California Code of Civil Procedure section 384.
- 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. Effective on the Funding Date, Plaintiff, Settlement Class Members, and the Aggrieved Employees will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff on behalf of himself and each of his former, present spouses, domestic partners, marital community, children, estates, trusts, heirs, representatives, agents, attorneys, administrators, executors, successors, and assigns, generally release and discharge the Released Parties from all causes of action, claims, transactions, occurrences, obligations, liabilities and damages of every kind and nature, including punitive damages, to the fullest extent permitted by law, which arise out of or relate to Plaintiff's employment with Defendant to the fullest extent permitted by law including, but not limited to: (a) all claims that were, or could have been, alleged based on the facts contained in the Operative Complaint; (b) all individual PAGA claims that were, or could have been, alleged based on facts contained in the PAGA Notice and/or the Operative Complaint; and (c) those arising under the Employee Retirement Income Security Act of 1974; the Americans with Disabilities Act; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Civil Rights Act of 1866 and 1870; 42 U.S.C. §§1981 through 1988; the Age Discrimination in Employment Act, as amended by the Older Workers' Benefit Protection Act of 1990 (29 U.S.C. §§ 621, *et seq.*), the Equal Pay Act of 1963; the Consolidated Omnibus Budget Reconciliation Act of 1985; the Occupational Safety and Health Act; the Sarbanes-Oxley Act of 2002; the Family and Medical Leave Act of 1993; Worker Adjustment and Benefit Protection Act of 1990; the Fair Labor Standards Act; Executive Order 11246; the California Fair Employment and Housing Act (Gov. Code §§ 12940 *et seq.*); California Family Rights Act (Gov. Code §12945.2 *et seq.*); the California Unruh Civil Rights Act (Civ. Code §51, *et seq.*); the California Whistleblower Protection Act (Lab. Code §1102.5); the California Occupational Safety and Health Act (Labor Code §6300, *et seq.*); Federal and California Worker Adjustment and Retraining Notification Acts; Immigration Control and Reform Act; the Federal or any State Constitution; applicable California Industrial Welfare Commission Wage Order provisions; California Business and Professions Code §§17200 *et seq.*; the California Civil Code; the California Labor Code; and any other Federal, State or local insurance, human rights, civil rights, wage-hour, pension or labor laws, rules and/or regulations, public policy, contract or tort laws, and any claim of retaliation under such laws, any claim under Labor Code §132a, any claim for serious and/or willful misconduct, and any claim arising under common law including, but not limited to, causes of action for wrongful termination, constructive discharge, discrimination, abusive conduct or harassment on the basis of race (including traits associated with race such as hair texture and protective hairstyle), color, religion (all aspects of religious beliefs, observance or practice including religious dress or grooming practices), sex, sexual orientation, gender (including gender identity, gender expression and transgender status), marital status, registered domestic partner status, pregnancy (including childbirth, breastfeeding or related medical condition), reproductive health decision-making, alienage, national origin (including language use restrictions and possession of a driver's license issued

under Vehicle Code §12801.9), ancestry, physical or mental disability, medical condition (including cancer and genetic characteristics), age, off-duty use of cannabis, citizenship or immigration status, military or veteran status, genetic information, political affiliation, position in a labor dispute, request for or use of protected leave, domestic violence victim status, or any other basis protected by applicable Federal, State or local law, or retaliation for opposing any such discrimination, abusive conduct or harassment; intentional infliction of emotional distress; negligent infliction of emotional distress; fraudulent misrepresentation; negligent misrepresentation; fraud; promissory estoppel; invasion of privacy; false imprisonment; conspiracy to commit any act mentioned herein; personal injury; pain and suffering; medical expenses; damage to reputation; emotional or economic injury; breach of contract (whether oral or written, express or implied); breach of the implied covenant of good faith and fair dealing; defamation; slander; libel; interference with business advantage; interference with prospective economic advantage; interference with contractual relationship; failure to provide suitable seating; failure to timely provide documents for review and/or inspection violation of any Federal, State or local statute, law, ordinance or regulation; wrongful termination in violation of public policy; and any other action, whether cognizable in law or in equity, based upon any conduct, act or omission by any Released Party, up to and including the Effective Date of this Agreement, and Plaintiff agrees that Plaintiff will not, from any source or proceeding, seek or accept any award or settlement therefrom.

Plaintiff's 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. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law Plaintiff now knows or believes to be true but agrees that Plaintiff's Release shall remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.

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

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

5.2 Release by Settlement Class Members: All Settlement Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from the Released Class Claims.

- 5.3 Release by Aggrieved Employees: As of the Funding Date, all 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 the Released PAGA Claims.

6. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

- 6.1 Responsibilities of Class Counsel. Class Counsel will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2) and a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement a minimum of ten (10) calendar days before filing the Motion for Preliminary Approval. Class Counsel is responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.2 Duty to Cooperate. Class Counsel and Defense Counsel shall work together in good faith to agree upon the content of the Motion for Preliminary Approval. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. Defendant shall not oppose Plaintiff's Motion for Preliminary Approval to the extent it is consistent with the terms and conditions of this Agreement and the content has been provided to Defense Counsel prior to filing the Motion for Preliminary Approval. Additionally, Defendant may provide a written response to any characterization of the law or facts contained in the Motion for Preliminary Approval. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action LLC to serve as the Administrator and verified that, as a condition of appointment, Apex Class Action LLC agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional

relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall use Defendant's Employer Identification Number for purposes of calculating payroll tax withholdings and providing the required payments and reports to the State and Federal tax authorities.

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

7.4 Notice to Class Members.

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

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

7.4.3 Not later than three (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 Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the sixty (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 fourteen (14) days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever is 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 sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (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 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.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Settlement Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Settlement Class Members' Releases under Paragraphs 5.2 of this Agreement, regardless of whether the Settlement Class Member actually receives the Class Notice or objects to the Settlement.
- 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Settlement Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon

entry of the Judgment, Non-Settlement Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.5.5 Any funds allocated to Class Members who opted out will be added to the Net Settlement Amount for distribution to the Settlement Class Members.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have sixty (60) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA 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 Settlement 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 Attorneys' Fees and Litigation Costs and/or Class Representative Payment.

7.7.2 Settlement Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Settlement Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Settlement Class Member who elects to send a written objection to the Administrator must do so not later than sixty (60) days after the Administrator's mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

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

7.8 Administrator's 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 and 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, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Attorneys' Fees and Litigation Costs and Class Representative Payment, the Final Approval 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 Administrator shall email a list to Class 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).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Workweek and/or PAGA Pay Period 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 Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5 Administrator's Declaration. Not later than fourteen (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 Class 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 Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate

Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid) including the full names of any Class Members who submitted Requests for Exclusion, the number of written objections and attach the Exclusion List, the high, low, and average Individual Class Payments, and the high, low, and average Individual PAGA Payments. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

8. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 7% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Expenses Payment incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than ten (10) days within learning this information; late elections will have no effect.
9. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than ten (10) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 9.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Settlement Class Member, including the right to file responsive documents in Court no later than five (5) days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court. Defendant shall not oppose Plaintiff's Motion for Final Approval to the extent it is consistent with the terms and conditions of this Agreement and the content has been provided to Defendant prior to filing the Motion

for Final Approval. Additionally, Defendant may provide a written response to any characterization of the law or facts contained in the Motion for Final Approval.

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

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

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees and Litigation Costs reflected set forth in this Settlement, the Parties, their respective counsel, and all Settlement Class Members who did not object to the Settlement as 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. 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.

9.5 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 Expenses Payment reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1 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 have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed

to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.4 No Media or Press. Plaintiff, Defendant and their respective Counsel, recognize, accept and agree that the Parties desire that the terms of the settlement, the fact that this Agreement has been entered into, the terms of the settlement embodied in this Agreement and the long form settlement agreement, the disposition of the Action, the Action, and all matters relating to the litigation of the Action, including informal and formal discovery proceedings therein, and evidence obtained during the course of the Action and discovery, shall not be discussed with or presented to the media or press in any form or manner at any time. Accordingly, Plaintiff, Defendant and their respective Counsel agree that they shall not initiate any press release, or publication via any form of media, and, if contacted by press or the media, their response shall be limited to a recitation of the facts, including Defendants' denial of liability for the allegations in the Operative Complaint and Operative PAGA Letter.
- 11.5 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.
- 11.6 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.7 Cooperation. The Parties will work together expeditiously to obtain preliminary and final approval of this settlement.
- 11.8 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 any portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 11.9 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.10 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

- 11.11 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.12 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.
- 11.13 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.
- 11.14 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.
- 11.15 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destruction of Class Data.
- 11.16 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.17 Calendar Days. Unless otherwise noted, all references to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.18 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

JCL LAW FIRM, APC
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-599-8292
jlapuyade@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC
3110 Camino Del Rio S, Suite 308
San Diego, CA 92108
T: 619-255-9047
shani@zakaylaw.com

To Defendant:

HENDERSON ARREOLA, A PROFESSIONAL CORPORATION
1101 15th Street
Modesto, California 95354
T: 209-599-5003
F: 209-599-5008
stacy@hendersonarreola.com

- 11.19 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be the same instrument when counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 11.20 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

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IT IS SO AGREED TO AS TO FORM AND CONTENT BY PLAINTIFF:

Dated: August 18, 2026


Juan Jimenez (Aug 18, 2026 10:07:37 PDT)

Plaintiff Juan Jimenez-Padilla

Dated: August 18, 2026


Jean-Claude Lapuyade
Sydney Castillo-Johnson
JCL Law Firm, APC
Attorney for Plaintiff

Dated: August 19, 2026


Shani O. Zakay
Jackland K. Hom
Zakay Law Group, APLC
Attorney for Plaintiff

IT IS SO AGREED TO AS TO FORM AND CONTENT BY DEFENDANT:

Dated: _____, 2026

Sandair Corporation, dba California Freight Sales

Printed Name

Title

Dated: _____, 2026

Stacy Henderson
Henderson Arreola, A Professional Corporation
Attorney for Defendant

IT IS SO AGREED TO AS TO FORM AND CONTENT BY PLAINTIFF:

Dated: _____, 2026

Plaintiff Juan Jimenez-Padilla

Dated: _____, 2026

Jean-Claude Lapuyade
Sydney Castillo-Johnson
JCL Law Firm, APC
Attorney for Plaintiff

Dated: _____, 2026

Shani O. Zakay
Jackland K. Hom
Zakay Law Group, APLC
Attorney for Plaintiff

IT IS SO AGREED TO AS TO FORM AND CONTENT BY DEFENDANT:

Dated: 8/21/2026, 2026

DocuSigned by:

14880B58CE314EB...
Sandair Corporation, dba California Freight Sales

Jim Aartman
Printed Name

Chief operating officer
Title

Dated: 8/24/2026, 2026

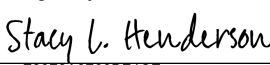
Signed by:

F2072A8768BF4CE...
Stacy Henderson
Henderson Arreola, A Professional Corporation
Attorney for Defendant

Exhibit A

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

Juan Jimenez-Padilla v. Sandair Corporation, dba California Freight Sales

Case No. STK-CV-UOE-2025-0009283

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Sandair Corporation, dba California Freight Sales (“Defendant”) for alleged wage and hour violations. The Action was filed by former employee, Juan Jimenez-Padilla (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees (“Class Members”) who worked for Defendant during the Class Period (July 7, 2021, through June 6, 2026); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all individuals who are or previously were employed by Defendant in California and classified as non-exempt employees during the PAGA Period [July 7, 2024, through June 6, 2026] (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$XX (less withholding) and your Individual PAGA Payment is estimated to be \$XX.** The actual amount you may receive may be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant’s records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked XX workweeks** during the Class Period, and **you worked XX PAGA Pay Periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Settlement Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Do not Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Settlement Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you do not want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Settlement Class Member and no longer eligible for an Individual Class Payment. Non-Settlement Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Settlement Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Settlement Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel.

You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Settlement Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many PAGA Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum wages, including overtime wages; failing to provide legally compliant meal and rest periods; failing to pay wages due upon termination; failure to reimburse for mandatory business expenses; failing to provide accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: The JCL Law Firm, APC, and the Zakay Law Group, APLC ("Class Counsel.")

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

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

So far, the Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired a neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable, and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement

is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Gross Settlement Amount. Defendant Will Pay \$1,845,000.00 as the Gross Settlement Amount ("Gross Settlement Amount"). Defendant has agreed to deposit the Gross Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement Amount not more than sixty (60) days after the final approval order. The Judgment will be final on the date the Court enters Judgment, or a later date if Settlement Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$608,850.00 (Thirty-three percent (33%) of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to \$65,000.00 for their litigation expenses. To date, Class Counsel has worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000.00 to the Class Representative as a Class Representative Payment for filing the Action, working with Class Counsel, and representing the Class. A Class Representative Payment will be the only monies Plaintiff will receive other than Plaintiff's respective Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$16,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$60,000.00 for PAGA Payment, allocated 65% to the LWDA Payment and 35% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

Settlement Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement Amount (the "Net Settlement") by making Individual Class Payments to Settlement Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 15% of each Individual Class Payment to taxable wages (“Wage Portion”) and 85% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the Community Law Project.
6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Settlement Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than **MONTH XX, 202X**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by **MONTH XX, 202X**, Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Settlement Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Settlement Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
8. Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information

is contained in Section 9 of this Notice.

9. Settlement Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement Amount, and separately paid all employer payroll taxes, Settlement Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA Payment based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Settlement Class Members will be bound by the following release: all Settlement 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 damages, rights, liabilities, causes of action, obligations, losses, penalties, premiums, interest, attorneys' fees, costs and all other forms of relief arising out of or relating to the class claims alleged, or reasonably could have been alleged based on the facts alleged, in the operative complaint in the Action which occurred during the Class Period, and expressly excluding all claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final and Defendant has paid the Gross Settlement Amount (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Settlement Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. The Aggrieved Employees' Releases for Participating and Non-Settlement Class Members are as follows:

All Participating and Non-Settlement 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 PAGA claims pled and/or which are related to or arise out of the facts alleged in the operative Complaint and the PAGA Notice that occurred during the PAGA Period and expressly excluding claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Settlement Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Settlement Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$21,000.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/PAGA Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **MONTH XX, 202X** to challenge the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email, or fax. Section 9 of this Notice has the Administrator's contact information.

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

5. HOW WILL I GET PAID?

1. Settlement Class Members. The Administrator will send, by U.S. mail, a single check to every Settlement Class Member (i.e., every Class Member who does not opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Non-Settlement Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Settlement Class Member).

Your check will be sent to the same address as in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Juan Jimenez-Padilla v. Sandair Corporation, dba California Freight Sales Case No. STK-CV-UOE-2025-0009283*, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request

yourself. If someone else makes the request for you, it will not be valid. **The Administrator must receive your request to be excluded by MONTH XX, 202X, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Settlement Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least twenty-eight (28) days before the **MONTH XX, 202X** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Payment. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www._____.com or the Court's website <https://cms.sjcourts.org/fullcourtweb/start.do>.

A Settlement Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Service Award may wish to object. **The deadline for sending written objections to the Administrator is MONTH XX, 202X.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Juan Jimenez-Padilla v. Sandair Corporation, dba California Freight Sales Case No. STK-CV-UOE-2025-0009283* and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Settlement Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on **MONTH XX, 202X** at **XX:XX am/pm** in Department 11A of the San Joaquin Superior Court, located at 180 E. Weber Avenue Stockton, CA 95202. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comments from objectors, Class Counsel and Defense Counsel before deciding. You can attend (or hire a lawyer to attend) either personally or virtually via <https://www.sjcourts.org/civil>. Check the Court's website for the most current information.

It is possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www._____.com beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant 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 Apex Class Action LLC's website at www.apexclassaction.com. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to <https://cms.sjcourts.org/fullcourtweb/start.do> and entering the Case Number for the Action, Case No. STK-CV-UOE-2025-0009283. You can also make an appointment to personally review court documents in the Clerk's Office at the San Joaquin Superior Court.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

JCL LAW FIRM, APC

5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
T: 619-599-8292
jlapyade@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

3110 Camino Del Rio S, Suite 308
San Diego, CA 92108
T: 619-255-9047
shani@zakaylaw.com

Settlement Administrator:

Apex Class Action LLC

P.O. Box 54668, Irvine, CA 92619;
Tel: (800) 355-0700

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Administrator shall pay all funds from such uncashed checks to the Community Law Project. If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 2