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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF SAN JOAQUIN**

ARIES APCAR, individually, and on behalf of  
other members of the general public similarly  
situated, and as an aggrieved employee pursuant  
to the Private Attorneys General Act (“PAGA”),

Plaintiff,

vs.

FREEWAY INSURANCE SERVICES  
AMERICA, LLC, an Illinois limited liability  
company; ACCEPTANCE INSURANCE  
AGENCY OF TENNESSEE, INC., a  
Tennessee corporation; CONFIE  
ADMINISTRATIVE SERVICES, INC., a  
California corporation; CONFIE ESTRELLA,  
INC, a California corporation; CONFIE  
HOLDING CO., a California corporation;  
CONFIE HOLDING II CO., a California  
corporation; CONFIE PREMIUM FINANCE,  
LLC, a California limited liability company;  
CONFIE SEGUROS, INC., a Delaware  
corporation; CONFIE SEGUROS  
CALIFORNIA, LLC, a California limited  
liability company; CONFIE RISK  
SOLUTIONS, LLC, a California limited liability  
company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: STK-CV-UOE-2025-1715

Hon. Blanca Banuelos  
Dept. 10B

**AMENDED JOINT STIPULATION OF  
CLASS ACTION AND PAGA SETTLEMENT  
AND RELEASE**

Action Filed: February 3, 2025  
Amended Complaint Filed: April 29, 2025

Trial Date: Not Set

**AMENDED JOINT STIPULATION OF****CLASS ACTION AND PAGA SETTLEMENT AND RELEASE**

This Amended Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Aries Aparcar (“Plaintiff” or “Class Representative”), as an individual and on behalf of all others similarly situated, and Defendants Freeway Insurance Services America, LLC; Acceptance Insurance Agency of Tennessee, Inc.; Confie Administrative Services, Inc.; Confie Estrella, Inc; Confie Holding Co.; Confie Holding II Co.; Confie Premium Finance, LLC; Confie Seguros, Inc.; Confie Seguros California, LLC; and Confie Risk Solutions, LLC (“Defendants”) (collectively with Plaintiff, the “Parties”).

**DEFINITIONS**

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” means *Aparcar v. Freeway Insurance Services America, LLC, et al.*, No. STK-CV-UOE-2025-1715 (San Joaquin County Superior Court).

2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Class Counsel’s litigation and resolution of the Action, and all out-of-pocket costs incurred and to be incurred by Class Counsel in the Action, including but not limited to expert/consultant fees, investigation costs, and costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court order, securing the Court’s approval of the Settlement, administering the Settlement, and obtaining entry of a Judgment terminating the Action. Class Counsel will request attorneys’ fees not in excess of one-third (1/3) of the Gross Settlement Amount, or Seven Hundred Ninety-Five Thousand Nine Hundred Eight Dollars (\$795,908). The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any costs and expenses associated with Class Counsel’s litigation and settlement of the Action, up to Twenty-Five Thousand Dollars (\$25,000), subject to the Court’s approval. Defendants have agreed not to oppose Class Counsel’s request for fees and reimbursement of costs as set forth above.

3. “Class Counsel” means Capstone Law APC.

4. “Class List” means a complete list of all Class Members that Defendants will diligently

1 and in good faith compile from their records and provide to the Settlement Administrator within twenty  
2 (20) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in  
3 Microsoft Office Excel and will include each Class Member's full name; most recent known mailing  
4 address and telephone number; Social Security number; dates of employment; the respective number of  
5 Workweeks that each Class Member worked during the Class Period and PAGA Period; and any other  
6 relevant information needed to calculate settlement payments. Because social security numbers are  
7 included in the Class List, the Settlement Administrator shall maintain the Class List in confidence.  
8 Access shall be limited to those with a need to use the Class List as part of the administration of the  
9 Settlement, and transmission of the Class List shall be through use of a secure, password-protected file.

10 5. "Class Member(s)" or "Settlement Class" means all persons who worked for Defendants  
11 as non-exempt, hourly paid employees in the State of California at any time during the Class Period.

12 6. "Class Notice" means the Notice of Class Action Settlement, substantially in the form  
13 attached as Exhibit A.

14 7. "Class Period" means the period from January 1, 2022 through October 15, 2024.

15 8. "Class Representative Enhancement Payment" means the amount to be paid to Plaintiff  
16 in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his  
17 general release of claims. Subject to the Court granting final approval of this Settlement Agreement and  
18 subject to the exhaustion of any and all appeals, Plaintiff will request Court approval of a Class  
19 Representative Enhancement Payment of up to Ten Thousand Dollars (\$10,000).

20 9. "Court" means the San Joaquin County Superior Court.

21 10. "Defendants" means Defendants Freeway Insurance Services America, LLC;  
22 Acceptance Insurance Agency of Tennessee, Inc.; Confie Administrative Services, Inc.; Confie Estrella,  
23 Inc; Confie Holding Co.; Confie Holding II Co.; Confie Premium Finance, LLC; Confie Seguros, Inc.;  
24 Confie Seguros California, LLC; and Confie Risk Solutions, LLC.

25 11. "Effective Date" means the later of: (a) if no timely objections are filed, or are  
26 withdrawn prior to Final Approval, then the date of Final Approval; or (b) if a Class Member files an  
27 objection to the Settlement, the Effective Date shall be the thirty-first (31st) calendar day after the date of  
28 Final Approval, provided no appeal is initiated by an objector; or (c) if a timely appeal is initiated by an

1 objector, then the Effective Date will be the date of final resolution of that appeal (including any requests  
2 for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

3 12. "Final Approval" means the date on which the Court enters an order granting final  
4 approval of the Settlement Agreement.

5 13. "Gross Settlement Amount" means the Gross Settlement Amount of Two Million Three  
6 Hundred Eighty-Seven Thousand Seven Hundred Twenty-Five Dollars (\$2,387,725), to be paid by  
7 Defendants in full satisfaction of all Released Class Claims and Released PAGA Claims, which includes  
8 all Individual Settlement Payments, Attorneys' Fees and Costs, the Class Representative Enhancement  
9 Payment, the PAGA Settlement Amount, and Settlement Administration Costs. This Gross Settlement  
10 Amount has been agreed to by Plaintiff and Defendants based on the aggregation of the agreed-upon  
11 settlement value of individual claims. In no event will Defendants be liable for more than the Gross  
12 Settlement Amount except as otherwise explicitly set forth herein. There will be no reversion of the  
13 Gross Settlement Amount to Defendants. Defendants will be separately responsible for any employer  
14 payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall  
15 not be paid from the Gross Settlement Amount.

16 14. "Individual Settlement Payment" means each Participating Class Member's and PAGA  
17 Member's respective shares of the Net Settlement Fund and PAGA Fund.

18 15. "Net Settlement Fund" means the portion of the Gross Settlement Amount remaining  
19 after deducting the Attorneys' Fees and Costs, the Class Representative Enhancement Payment, the  
20 PAGA Settlement Amount, and Settlement Administration Costs. The Net Settlement Fund will be  
21 distributed to Participating Class Members. There will be no reversion of the Net Settlement Fund to  
22 Defendants.

23 16. "Notice of Objection" means a Class Member's valid and timely written objection to the  
24 Settlement Agreement. For the Notice of Objection to be valid, it must include: (a) the objector's full  
25 name, signature, address, telephone number, and last four (4) digits of the Class Member's Social  
26 Security Number and/or Employee ID number; (b) the dates of employment of the Class Member; (c) a  
27 written statement of all grounds for the objection accompanied by any legal support for such objection;  
28 (d) copies of any papers, briefs, or other documents upon which the objection is based; and (e) a



statement whether the objector intends to appear at the final fairness hearing.

17. “PAGA Members” means all persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time during the PAGA Period.

18. “PAGA Period” means the period from February 3, 2024 through December 26, 2025.

19. “PAGA Settlement Amount” means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) and PAGA Members in connection with Plaintiff’s claim under the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”) (“PAGA Settlement”). The Parties have agreed that One Hundred Thousand Dollars (\$100,000) of the Gross Settlement Amount will be allocated to the PAGA Settlement. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy-Five Thousand Dollars (\$75,000), of the PAGA Settlement Amount will be paid to the California Labor and Workforce Development Agency (“LWDA Payment”), and Twenty-Five Percent (25%), or Twenty-Five Thousand Dollars (\$25,000) (“PAGA Fund”), of the PAGA Settlement will be disbursed to PAGA Members, regardless whether they request to be excluded from the Settlement Class. The PAGA Members will not have the opportunity to opt out of, or object to, the PAGA Settlement Amount and the Released PAGA Claims. The PAGA Members shall be deemed to have released the Released PAGA Claims.

20. “Parties” means Plaintiff and Defendants collectively.

21. “Participating Class Members” means all Class Members who do not submit timely and valid Requests for Exclusion.

22. “Plaintiff” means Plaintiff Aries Apar.

23. “Preliminary Approval” means the date on which the Court enters an order granting preliminary approval of the Settlement Agreement.

24. “Released Class Claims” means all claims, rights, demands, liabilities, and causes of action that are alleged in the Second Amended Complaint during the Class Period, or which could have been alleged by reason of, or in connection with, any matter or fact set forth or referred to in the operative Second Amended Complaint, including claims for violation of: (a) California Labor Code §§ 510 and 1198 (unpaid overtime); (b) California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (c) California Labor Code §§ 226.7, 512(a), 516, and 1198 (failure to provide

meal periods); (d) California Labor Code §§ 226.7, 516, and 1198 (failure to authorize and permit rest periods); (e) California Labor Code § 246 (failure to properly calculate paid sick leave); (f) California Labor Code § 227.3 (failure to pay vested vacation time upon termination); (g) California Labor Code §§ 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (h) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (i) California Labor Code § 204 (failure to timely pay wages during employment); (j) California Labor Code § 1198 and California Code of Regulations, Title 8, California Labor Code § 11040 Subdivision 5(A) (failure to provide reporting time pay); (k) California Labor Code § 2802 (unreimbursed business expenses); (l) California Labor Code §§ 2698, *et seq.* (PAGA); (m) California Business & Professions Code §§ 17200, *et seq.* (unlawful business practices); (n) California Business & Professions Code §§ 17200, *et seq.* (unfair business practices); (o) California Business & Professions Code §§ 16600, 16600.1, and 16600.5 (unlawful restraints on trade).

25. “Released PAGA Claims” means all claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiff’s LWDA letter during the PAGA Period, including but not limited to claims for PAGA civil penalties predicated on the violation of: (a) California Labor Code §§ 510 and 1198 (unpaid overtime); (b) California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (c) California Labor Code §§ 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (d) California Labor Code §§ 226.7, 516, and 1198 (failure to authorize and permit rest periods); (e) California Labor Code § 246 (failure to properly calculate paid sick leave); (f) California Labor Code § 227.3 (failure to pay vested vacation time upon termination); (g) California Labor Code §§ 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (h) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (i) California Labor Code § 204 (failure to timely pay wages during employment); (j) California Labor Code § 1198 and California Code of Regulations, Title 8, California Labor Code § 11040 Subdivision 5(A) (failure to provide reporting time pay); (k) California Labor Code § 2802 (unreimbursed business expenses); and (l) the California Code of Regulations, and the Wage Orders of the California Industrial Welfare Commission and any other Labor Code section or Wage Order alleged to have been violated in

Plaintiff's Notice to the LWDA based on the facts alleged therein. Even if a Class Member chooses to "opt-out" of the Class Settlement, the Class Member would still be bound by the Released PAGA Claims.

26. "Released Parties" means Defendants, their past or present owners, officers, directors, members, shareholders, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys, if any.

27. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement Class. The Request for Exclusion must: (a) set forth the name, address, telephone number and last four digits of the Social Security Number of the Class Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement Administrator at the specified address; (d) clearly state that the Class Member does not wish to be included in the Settlement; and (e) be faxed or postmarked on or before the Response Deadline.

28. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Settlement Administrator Requests for Exclusion, postmark or fax disputes concerning the calculation of Individual Settlement Payments, or postmark Notices of Objection to the Settlement Administrator. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or State holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

29. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting, distributing the Gross Settlement Amount, and providing necessary reports and declarations, as requested by the Parties. The Settlement Administration Costs will be paid from the Gross Settlement Amount, including, if necessary, any such costs in excess of the amount represented by the Settlement Administrator as being the maximum costs necessary to administer the Settlement. Based on an estimated Settlement Class of approximately One Thousand Seven Hundred Fifty-Six (1,756) Class Members, the Settlement

Administration Costs are currently estimated to be Fifteen Thousand Dollars (\$15,000).

30. “Settlement Administrator” means CPT Group, Inc., or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for the purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

31. “Workweek” means any week during which a Class Member worked for Defendants for at least one day during the Class Period. All Class Members will be credited with at least one Workweek during the Class Period, and all PAGA Members will be credited with at least one Workweek during the PAGA Period.

### TERMS OF AGREEMENT

The Plaintiff, on behalf of himself and the Settlement Class, and Defendants agree as follows:

32. Second Amended Complaint. As a condition of settlement, Plaintiff will file a Second Amended Complaint (“SAC”) to conform the pleadings with the scope of the Released Class Claims and Released PAGA Claims. Defendants will not be required to file an answer or other responsive pleading to the SAC. If, for any reason, the Court does not approve of the Settlement, or if the Settlement does not become final for any reason, then the SAC will be deemed withdrawn and the First Amended Complaint will again become the operative complaint without prejudice to Plaintiff’s right to seek leave to file another amended complaint and without prejudice to Defendants’ rights to object and/or challenge an amended pleading. Defendants do not impliedly or expressly waive any arguments or defenses to the SAC. Plaintiff will also submit an amended PAGA Notice to the LWDA as necessary.

33. Funding of the Gross Settlement Amount. Defendants will make a one-time deposit of the Gross Settlement Amount of Two Million Three Hundred Eighty-Seven Thousand Seven Hundred Twenty-Five Dollars (\$2,387,725) into a Qualified Settlement Account to be established by the Settlement Administrator. Defendants will pay the employer’s share of payroll taxes separately. After the Effective Date, the Gross Settlement Amount will be used for: (a) Individual Settlement Payments; (b) the LWDA Payment; (c) the Class Representative Enhancement Payment; (d) Attorneys’ Fees and Costs; and (e) Settlement Administration Costs. Defendants will deposit the Gross Settlement Amount

1 and the employer's share of payroll taxes within thirty (30) calendar days of the Effective Date  
2 ("Funding Date").

3 34. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or  
4 motion for attorneys' fees and costs by Class Counsel for Attorneys' Fees and Costs of not more than  
5 Seven Hundred Ninety-Five Thousand Nine Hundred Eight Dollars (\$795,908), plus the reimbursement  
6 of all out-of-pocket costs and expenses associated with Class Counsel's litigation and settlement of the  
7 Action (including expert/consultant fees, investigations costs, etc.), not to exceed Twenty-Five Thousand  
8 Dollars (\$25,000), both of which will be paid from the Gross Settlement Amount. If the Court approves  
9 Attorneys' Fees and Costs less than the amounts requested, the Settlement Administrator will allocate the  
10 remainder to the Net Settlement Fund. Released Parties shall have no liability to Class Counsel or any  
11 other plaintiff's counsel arising from any claim to any portion of the Attorneys' Fees and Costs. The  
12 Settlement Administrator will pay the Attorneys' Fees and Costs using one or more IRS 1099 Forms.  
13 Class Counsel assumes full responsibility and liability for taxes owed on the Attorneys' Fees and Costs  
14 and holds Defendants harmless and indemnifies Defendants from any dispute or controversy regarding  
15 any division or sharing of any of these payments.

16 35. Class Representative Enhancement Payment. In exchange for a general release, and in  
17 recognition of his effort and work in prosecuting the Action on behalf of Class Members, Defendants  
18 agree not to oppose or impede any application or motion for a Class Representative Enhancement  
19 Payment of up to Ten Thousand Dollars (\$10,000). The Class Representative Enhancement Payment  
20 will be paid from the Gross Settlement Amount and will be in addition to Plaintiff's Individual  
21 Settlement Payment paid pursuant to the Settlement. Plaintiff will be solely and legally responsible to  
22 pay any and all applicable taxes on the Class Representative Enhancement Payment. Plaintiff  
23 understands and agrees that this Settlement Agreement shall remain in full force and effect even if the  
24 full amount of Class Representative Enhancement Payment sought by Plaintiff is not ultimately awarded  
25 by the Court.

26 36. Settlement Administration Costs. The Settlement Administrator will be paid for the  
27 reasonable costs of administration of the Settlement and distribution of payments from the Gross  
28 Settlement Amount, which is currently estimated to be Fifteen Thousand Dollars (\$15,000). These costs,

which will be paid from the Gross Settlement Amount, will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the issuing of 1099 and W-2 IRS Forms, distributing Class Notices, calculating and distributing the Gross Settlement Amount, and providing necessary reports and declarations.

37. PAGA Settlement Amount. Subject to Court approval, the Parties agree that the amount of One Hundred Thousand Dollars (\$100,000) from the Gross Settlement Amount will be designated for satisfaction of Plaintiff's PAGA claim. Pursuant to PAGA, Seventy-Five Percent (75%), or Seventy-Five Thousand Dollars (\$75,000), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), or Twenty-Five Thousand Dollars (\$25,000), will be paid to PAGA Members in proportion to the number of Workweeks worked during the PAGA Period.

38. No Right to Exclusion or Objections to the PAGA Settlement. Because this settlement resolves claims and actions brought pursuant to PAGA by Plaintiff acting as a proxy and as a Private Attorney General of, and for, the State of California and the LWDA, the Parties agree that no PAGA Member has the right to exclude himself or herself from the release of the Released PAGA Claims, and all PAGA Members will receive their shares of the PAGA Fund. The Parties also agree that no PAGA Member has the right to object to the PAGA Settlement Amount.

39. Net Settlement Fund. The entire Net Settlement Fund will be distributed to Participating Class Members. No portion of the Net Settlement Fund will revert to or be retained by Defendants.

40. PAGA Fund. The entire PAGA Fund will be distributed to all PAGA Members. No portion of the PAGA Fund will revert to or be retained by Defendants.

41. Individual Settlement Payment Calculations. Individual Settlement Payments will be calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of Workweeks a Class Member worked during the Class Period and PAGA Period. Specific calculations of Individual Settlement Payments will be made as follows:

41(a) Payments from the Net Settlement Fund. Defendants will calculate the total number of Workweeks worked by each Class Member during the Class Period and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's

estimated "Individual Settlement Payment" from the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's "Individual Settlement Payment" will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Participating Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. The entire Net Settlement Fund will be disbursed to all Class Members who do not submit timely and valid Requests for Exclusion. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase the Individual Settlement Payment for each Participating Class Member according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

41(b) Payments from the PAGA Fund. Defendants will calculate the total number of Workweeks worked by each PAGA Member during the PAGA Period and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's "Individual Settlement Payment" will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. The entire PAGA Fund will be disbursed to all PAGA Members.

42. No Credit Toward Benefit Plans. The Individual Settlement Payments made to

1 Participating Class Members under this Settlement, as well as any other payments made pursuant to this  
2 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any  
3 Class Members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k)  
4 plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.  
5 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights, contributions,  
6 or amounts to which any Class Members may be entitled under any benefit plans.

7 43. Administration Process. The Parties agree to cooperate in the administration of the  
8 settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in  
9 administration of the Settlement.

10 44. Delivery of the Class List. Within twenty (20) calendar days of Preliminary Approval,  
11 Defendants will provide the Class List to the Settlement Administrator and to Class Counsel.

12 45. Notice to Class Counsel. No later than three (3) calendar days after receiving the Class  
13 List from Defendants, the Settlement Administrator shall notify Class Counsel that the Class List has  
14 been received and state the number of Class Members, PAGA Members, and Workweeks in the Class  
15 List.

16 46. Notice by First-Class U.S. Mail. Within ten (10) calendar days after receiving the Class  
17 List from Defendants, the Settlement Administrator will mail a Class Notice to all Class Members via  
18 regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class  
19 List.

20 47. Confirmation of Updated Contact Information in the Class Lists. Prior to mailing, the  
21 Settlement Administrator will perform a search based on the National Change of Address Database for  
22 information to update and correct for any known or identifiable address changes. Any Class Notices  
23 returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will,  
24 within five (5) business days of receipt, be sent promptly via regular First-Class U.S. Mail to the  
25 forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-  
26 mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will  
27 promptly attempt to determine the correct address using a skip-trace, or other search using the name,  
28 address and/or Social Security Number of the Class Member involved, and will then perform a single re-



mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or by request, will have either (a) an additional fifteen (15) calendar days or (b) until the Response Deadline, whichever is later, to submit a Request for Exclusion or an objection to the Settlement.

48. Class Notices. All Class Members will be mailed a Class Notice. Each Class Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Settlement Class and PAGA Member definitions; (d) the total number of Workweeks each respective Class Member and PAGA Member worked for Defendants during the Class Period and PAGA Period; (e) each Class Member's and PAGA Member's estimated Individual Settlement Payment and the formula for calculating Individual Settlement Payments; (f) the dates which comprise the Class Period and PAGA Period; (g) instructions on how to submit Requests for Exclusion or Notices of Objection; (h) the deadlines by which the Class Member must postmark or fax Request for Exclusions, or postmark Notices of Objection to the Settlement; and (i) the claims to be released.

49. Disputed Information on Class Notices. Class Members will have an opportunity to dispute the information provided in their Class Notices. To the extent Class Members dispute their employment dates or the number of Workweeks on record, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. Defendants' records will be presumed correct, but the Settlement Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith to resolve it. All disputes must be submitted by the Response Deadline, and will be decided within ten (10) business days after the Response Deadline.

50. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his/her/their submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked or received by fax within that period, it will be deemed untimely.

51. Request for Exclusion Procedures. Any Class Member wishing to opt-out from the

1 Settlement Agreement must sign and fax or postmark a written Request for Exclusion to the Settlement  
2 Administrator within the Response Deadline. In the case of Requests for Exclusion that are mailed to the  
3 Settlement Administrator, the postmark date will be the exclusive means to determine whether a Request  
4 for Exclusion has been timely submitted.

5 52. Escalator. Defendants represent that during the Class Period of January 1, 2022 through  
6 October 15, 2024, Class Members worked an aggregate total of approximately Seventy-Nine Thousand  
7 Six Hundred Forty-Six (79,646) Workweeks. If the actual aggregate total of Workweeks worked during  
8 the entire Class Period is greater than Ten Percent (10%) of this estimate, then Defendants must either:  
9 (a) increase the Gross Settlement Amount proportionately for each Workweek above the Ten Percent  
10 (10%) allowance (e.g., if the total number of Workweeks increases by 11%, the Gross Settlement  
11 Amount will increase by 1%); or (b) advance the end date of the Class Period to the last date on which  
12 the total number of Workweeks worked by Class Members in aggregate during the entire Class Period is  
13 no greater than Eighty-Seven Thousand Six Hundred Eleven (87,611).

14 53. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class Member  
15 who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid  
16 Request for Exclusion will be bound by all of its terms, including those pertaining to the Released Class  
17 Claims, as well as any Judgment that may be entered by the Court if it grants final approval to the  
18 Settlement.

19 54. Releases by Participating Class Members. Upon the Funding Date, and except as to such  
20 rights or claims as may be created by this Settlement Agreement, each Participating Class Member,  
21 together and individually, on their behalf and on behalf of their respective heirs, executors,  
22 administrators, agents, and attorneys, shall fully and forever release and discharge all of the Released  
23 Parties, or any of them, from each of the Released Class Claims arising during the Class Period.

24 55. Releases by PAGA Members. Upon the Funding Date, and except as to such rights or  
25 claims as may be created by this Settlement Agreement, each PAGA Member, together and individually,  
26 on their behalf and on behalf of their respective heirs, executors, administrators, agents, and attorneys,  
27 shall fully and forever release and discharge all of the Released Parties, or any of them, from each of the  
28 Released PAGA Claims during the PAGA Period.

1           56.     Objection Procedures. To object to the Settlement Agreement, a Class Member may  
2 either postmark a valid Notice of Objection to the Settlement Administrator on or before the Response  
3 Deadline, or appear in person at the Final Approval Hearing. Class Members who fail to object either by  
4 submitting a valid Notice of Objection or appearing in person at the Final Approval Hearing will be  
5 deemed to have waived all objections to the Settlement and will be foreclosed from making any  
6 objections, whether by appeal or otherwise, to the Settlement Agreement. At no time will any of the  
7 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written  
8 objections to the Settlement Agreement or appeal from the final approval order and judgment. Class  
9 Counsel will not represent any Class Members with respect to any such objections to this Settlement. If a  
10 Class Member timely submits both a Notice of Objection and a Request for Exclusion, the Request for  
11 Exclusion will be given effect and considered valid, the Notice of Objection shall be rejected, and the  
12 Class Member shall not participate in or be bound by the Settlement.

13           57.     Certification Reports Regarding Individual Settlement Payment Calculations. The  
14 Settlement Administrator will provide Defendants' counsel and Class Counsel a weekly report that  
15 certifies the number of Class Members who have submitted valid Requests for Exclusion or objections to  
16 the Settlement, and whether any Class Member has submitted a challenge to any information contained  
17 in their Class Notice, including those received after the Response Deadline. Additionally, the Settlement  
18 Administrator will provide to counsel for both Parties any updated reports regarding the administration  
19 of the Settlement Agreement as needed or requested.

20           58.     Distribution Timing of Individual Settlement Payments. Within fifteen (15) calendar  
21 days of the Funding Date, the Settlement Administrator will issue payments to: (a) Participating Class  
22 Members and PAGA Members; (b) the Labor and Workforce Development Agency; (c) Plaintiff; and  
23 (d) Class Counsel. The Settlement Administrator will also issue a payment to itself for Court-approved  
24 services performed in connection with the Settlement.

25           59.     Un-cashed Settlement Checks. Proceeds represented by Individual Settlement Payment  
26 checks returned as undeliverable and Individual Settlement Payment checks remaining un-cashed for  
27 more than one hundred and eighty (180) calendar days after issuance will be tendered pursuant to Code  
28 of Civil Procedure section 384 to The Justice Gap Fund maintained by The State Bar of California

(“JGF”). The Parties do not have a connection to or a relationship with JGF that could reasonably create the appearance of impropriety as between the selection of JGF as the recipient of the unclaimed residuals and the interests of the Settlement Class.

60. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

61. Treatment of Individual Settlement Payments. All Individual Settlement Payments will be allocated as follows: (a) Twenty Percent (20%) of each Individual Settlement Payment will be allocated as wages for which IRS Forms W-2 will be issued; and (b) Eighty Percent (80%) will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

62. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities.

63. Tax Liability. The Parties make no representation as to the tax treatment or legal effect of the payments called for hereunder, and Plaintiff, Participating Class Members, and PAGA Members are not relying on any statement, representation, or calculation by Defendants or by the Settlement Administrator in this regard.

64. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED

1 OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES  
2 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE  
3 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS  
4 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX  
5 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS  
6 AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY  
7 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY  
8 UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO  
9 ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE  
10 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER  
11 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF  
12 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER  
13 SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE  
14 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY  
15 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS  
16 AGREEMENT.

17 65. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant  
18 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
19 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of  
20 action or right herein released and discharged.

21 66. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally  
22 approve the Settlement as provided herein; or (b) the Settlement does not become final for any other  
23 reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null  
24 and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will  
25 likewise be treated as void from the beginning.

26 67. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court to request  
27 the Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary Approval Order  
28 for: (a) conditional certification of the Settlement Class for settlement purposes only, (b) preliminary

1 approval of the proposed Settlement Agreement, (c) setting a date for a final fairness hearing. The  
2 Preliminary Approval Order will provide for the Class Notice to be sent to all Class Members as  
3 specified herein. In conjunction with the Preliminary Approval hearing, Plaintiff will submit this  
4 Settlement Agreement, which sets forth the terms of this Settlement, and will include the proposed  
5 Notice of Class Action Settlement, attached as Exhibit A. Class Counsel will be responsible for drafting  
6 all documents necessary to obtain preliminary approval.

7 68. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the  
8 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with the  
9 Court's permission, a final fairness hearing will be conducted to determine the Final Approval of the  
10 Settlement Agreement along with the amounts properly payable for: (a) Attorneys' Fees and Costs; (b)  
11 the Class Representative Enhancement Payment; (c) Individual Settlement Payments; (d) the LWDA  
12 Payment; (e) all Settlement Administration Costs. Class Counsel will be responsible for drafting all  
13 documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the  
14 attorneys' fees and costs application to be heard at the final approval hearing.

15 69. Judgment and Continued Jurisdiction. Upon final approval of the Settlement by the  
16 Court or after the final fairness hearing, the Parties will present the Judgment to the Court for its  
17 approval. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of  
18 addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement  
19 administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as  
20 set forth in this Settlement Agreement. A copy of the Judgment will be posted to the Settlement  
21 Administrator's website.

22 70. Release by Plaintiff. Upon the Funding Date, in addition to the claims being released by  
23 all Participating Class Members, Plaintiff and any respective former and present spouses, representatives,  
24 agents, attorneys, heirs, administrators, successors, and assigns generally, will release and forever  
25 discharge the Released Parties, to the fullest extent permitted by law, of and from any and all claims,  
26 known and unknown, asserted and not asserted, which Plaintiff has or may have against the Released  
27 Parties as of the date of execution of this Settlement Agreement, including, but not limited to: (a) all  
28 claims that were, or reasonably could have been, alleged, based on the facts contained, in the Second

Amended Complaint or ascertained during the Action; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with his employment with Defendants, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Plaintiff executed this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to pay vacation and sick pay at the correct rate, failure to provide meal periods or rest breaks, failure to provide/fully provide meal and rest period premiums, failure to provide/fully provide paid sick leave, and any claim for violations of the California Labor Code, California's Business and Professions Code, and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits,

1 disability benefits, social security benefits, workers' compensation benefits that arose at any time.  
2 Plaintiff acknowledges that he may discover facts or law different from, or in addition to, the facts or law  
3 that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be  
4 and remain effective in all respects, notwithstanding such different or additional facts or their discovery  
5 of them.

6 71. **This specifically includes Plaintiff's waiver of rights under California Civil Code**  
7 **Section 1542.** For purposes of Plaintiff's Release, Plaintiff expressly waives any and all rights and  
8 benefits conferred upon him by the provisions of Section 1542 of the California Civil Code or similar  
9 provisions of applicable law which are as follows:

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

16 72. **Exhibits Incorporated by Reference.** The terms of this Settlement Agreement include the  
17 terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth  
18 herein. Any Exhibits to this Settlement Agreement are an integral part of the Settlement.

19 73. **Entire Agreement.** This Settlement Agreement and any attached Exhibits constitute the  
20 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements  
21 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section  
22 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is  
23 to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and  
24 the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or  
25 contradict the terms of this Settlement Agreement.

26 74. **Amendment or Modification.** No amendment, change, or modification to this Settlement  
27 Agreement will be valid unless in writing and signed, either by the Parties or their counsel, and approved  
28 by the Court.



75. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

76. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

77. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be governed by and interpreted according to the laws of the State of California.

78. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including electronic (e.g., DocuSign), facsimile, and scanned copies of the signature page, will be deemed to be one and the same instrument.

79. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and have arrived at this Settlement after arm's-length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement.

80. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

81. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class

1 certification for purposes of this Settlement only; except, however, that Plaintiff or Class Counsel may  
2 appeal any reduction to the Attorneys' Fees and Costs below the amount they request from the Court,  
3 and either party may appeal any court order that materially alters the Settlement Agreement's terms.

4 82. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to  
5 class action certification for purposes of the Settlement only. If, for any reason, the Settlement is not  
6 approved, the stipulation to certification will be void. The Parties further agree that certification for  
7 purposes of the Settlement is not an admission that class action certification is proper under the standards  
8 applied to contested certification motions and that this Settlement Agreement will not be admissible in  
9 this or any other proceeding as evidence that either (a) a class action should be certified or (b) Defendants  
10 are liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

11 83. Non-Admission of Liability. The Parties enter into this Settlement to resolve the dispute  
12 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In  
13 entering into this Settlement, Defendants do not admit, and specifically deny, that they violated any  
14 federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or  
15 any other applicable laws, regulations or legal requirements; breached any contract; violated or breached  
16 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with  
17 respect to their employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any  
18 of the negotiations connected with it, will be construed as an admission or concession by Defendants of  
19 any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to  
20 enforce the terms of this Settlement, this Settlement Agreement and its terms and provisions will not be  
21 offered or received as evidence in any action or proceeding to establish any liability or admission on the  
22 part of Defendants or to establish the existence of any condition constituting a violation of, or a non-  
23 compliance with, federal, state, local or other applicable law.

24 84. No Public Comment: Prior to Preliminary Approval, the Parties and their counsel agree  
25 that they will not issue any press releases, initiate any contact with the press, respond to any press  
26 inquiry, or have any communication with the press about the fact, amount or terms of the Settlement.

27 85. Waiver. No waiver of any condition or covenant contained in this Settlement Agreement  
28 or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or

1 constitute a further waiver by such party of the same or any other condition, covenant, right or remedy.

2 86. Enforcement Actions. In the event that one or more of the Parties institutes any legal  
3 action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement  
4 or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be  
5 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including  
6 expert witness fees incurred in connection with any enforcement actions.

7 87. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and  
8 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed  
9 more strictly against one party than another merely by virtue of the fact that it may have been prepared  
10 by counsel for one of the Parties, it being recognized that, because of the arms'-length negotiations  
11 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

12 88. Representation By Counsel. The Parties acknowledge that they have been represented  
13 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and  
14 that this Settlement Agreement has been executed with the consent and advice of counsel. Further,  
15 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

16 89. All Terms Subject to Final Court Approval. All amounts and procedures described in  
17 this Settlement Agreement herein will be subject to final Court approval.

18 90. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good  
19 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this  
20 Settlement Agreement.

21 91. Binding Agreement. The Parties warrant that they understand and have full authority to  
22 enter into this Settlement Agreement, and further intend that this Settlement Agreement will be fully  
23 enforceable and binding on all parties, and agree that it will be admissible and subject to disclosure in  
24 any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that  
25 otherwise might apply under federal or state law.

26  
27 **THIS SECTION LEFT BLANK**  
28

**READ CAREFULLY BEFORE SIGNING**

**PLAINTIFF**

Dated: 7/10/2026

Signed by:  
  
\_\_\_\_\_  
Aries Apar

**DEFENDANTS**

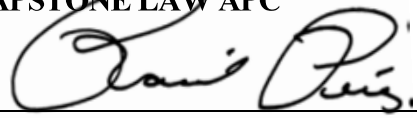
Dated: \_\_\_\_\_

\_\_\_\_\_  
Carol Newman  
General Counsel and Corporate Secretary  
Defendants Freeway Insurance Services America,  
LLC; Acceptance Insurance Agency of Tennessee,  
Inc.; Confie Administrative Services, Inc.; Confie  
Estrella, Inc; Confie Holding Co.; Confie Holding II  
Co.; Confie Premium Finance, LLC; Confie Seguros,  
Inc.; Confie Seguros California, LLC; and Confie  
Risk Solutions, LLC

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

Dated: 7/10/2026

By:   
\_\_\_\_\_  
Raul Perez  
Attorneys for Plaintiff Aries Apar

**VORYS, SATER, SEYMOUR AND PEASE LLP**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Jocelyn Hoffman  
Attorneys for Defendants Freeway Insurance Services  
America, LLC; Acceptance Insurance Agency of  
Tennessee, Inc.; Confie Administrative Services, Inc.;  
Confie Estrella, Inc; Confie Holding Co.; Confie  
Holding II Co.; Confie Premium Finance, LLC;  
Confie Seguros, Inc.; Confie Seguros California,  
LLC; and Confie Risk Solutions, LLC

**READ CAREFULLY BEFORE SIGNING**

**PLAINTIFF**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Aries Apcar

**DEFENDANTS**

Dated: 7/1/2026  
\_\_\_\_\_

\_\_\_\_\_  
Carol Newman  
A52438E116B6494...  
Carol Newman  
General Counsel and Corporate Secretary  
Defendants Freeway Insurance Services America,  
LLC; Acceptance Insurance Agency of Tennessee,  
Inc.; Confie Administrative Services, Inc.; Confie  
Estrella, Inc; Confie Holding Co.; Confie Holding II  
Co.; Confie Premium Finance, LLC; Confie Seguros,  
Inc.; Confie Seguros California, LLC; and Confie  
Risk Solutions, LLC

**APPROVED AS TO FORM**

**CAPSTONE LAW APC**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Raul Perez  
Attorneys for Plaintiff Aries Apcar

**VORYS, SATER, SEYMOUR AND PEASE LLP**

Dated: 7/1/2026  
\_\_\_\_\_

Signed by:  
By: Jocelyn Hoffman  
F3DE45F4D0F5455...  
Jocelyn Hoffman  
Attorneys for Defendants Freeway Insurance Services  
America, LLC; Acceptance Insurance Agency of  
Tennessee, Inc.; Confie Administrative Services, Inc.;  
Confie Estrella, Inc; Confie Holding Co.; Confie  
Holding II Co.; Confie Premium Finance, LLC;  
Confie Seguros, Inc.; Confie Seguros California,  
LLC; and Confie Risk Solutions, LLC

# Exhibit A

*Apcar v. Freeway Insurance Services America, LLC, et al.*, No. STK-CV-UOE-2025-1715  
SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE COUNTY OF SAN JOAQUIN  
NOTICE OF CLASS ACTION SETTLEMENT

*You are not being sued. This notice affects your rights. Please read it carefully.*

***Si desea una traducción al Español de este Aviso, por favor llame al administrador al \*\*\*-\*\*\*-\*\*\*\****

To: All persons who worked for Defendants Freeway Insurance Services America, LLC; Acceptance Insurance Agency of Tennessee, Inc.; Confie Administrative Services, Inc.; Confie Estrella, Inc; Confie Holding Co.; Confie Holding II Co.; Confie Premium Finance, LLC; Confie Seguros, Inc.; Confie Seguros California, LLC; and Confie Risk Solutions, LLC (“Defendants”) as non-exempt, hourly paid employees in the State of California at any time during the Class Period (defined as the period from January 1, 2022 through October 15, 2024) (“Class Members”).

All persons who worked for Defendants as non-exempt, hourly paid employees in the State of California at any time during the PAGA Period (defined as the period from February 3, 2024 through December 26, 2025) (“PAGA Members”).

On \_\_\_\_\_, the Honorable Blanca A. Bañuelos of the San Joaquin County Superior Court granted preliminary approval of this class action settlement and ordered the litigants to notify all Class Members of the settlement. **You have received this Notice because Defendants’ records indicate that you are a Class Member, and therefore entitled to a payment from the Settlement.**

**Unless you choose to opt out of the Settlement by following the procedures described below, you will be deemed a Class Member and, if the Court grants final approval of the settlement, you will be mailed a check for your share of the Settlement Fund.** The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at \_\_:00 \_\_m. on \_\_\_\_\_, 2026 in Department 10B of the San Joaquin County Superior Court located at 180 E. Weber Avenue, Stockton, California 95202.

Please also note that the Final Approval Hearing may be rescheduled by the Court to another date and/or time. Please visit [settlement website] for any scheduling changes.

If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator.

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don’t Have to Do Anything to Participate in the Settlement</b> | If you do nothing, you will be deemed a “Participating Class Member,” and will be eligible for a payment from the Net Settlement Fund and, if you are also a PAGA Member, the PAGA Fund. In exchange, you will be bound by the terms of the proposed Settlement and give up your right to assert wage and hour claims against Defendants based on the same facts alleged in the Action during the Class Period. |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Can Opt-out of the Class Settlement but not the PAGA Settlement</b>                                                                                     | If you don't want to participate in the proposed class Settlement, you can opt-out of the class Settlement by sending the Settlement Administrator a written Request for Exclusion. Once excluded, you will no longer be eligible for a payment from the Net Settlement Fund and will not be bound by the terms of the proposed class Settlement.                                                                                                                                                                                                                                                                                                                                                                               |
| <b>The Opt-out Deadline is [DATE]</b>                                                                                                                          | You cannot opt-out of the PAGA portion of the proposed Settlement. PAGA Members remain eligible to receive a payment from the PAGA Fund and must give up their rights to pursue PAGA penalty claims against Defendants based on the facts alleged in the Action during the PAGA Period.                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement</b><br><br><b>Written Objections Must be Submitted by [DATE]</b> | All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed class Settlement, but not the PAGA Settlement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>You Can Participate in the [DATE] Final Approval Hearing</b>                                                                                                | <p>The Court's Final Approval Hearing is scheduled to take place on [DATE] in Department 10B of the San Joaquin County Superior Court located at 180 E. Weber Avenue, Stockton, California 95202. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing.</p> <p>If the Court grants final approval of the Settlement despite your objection, you will receive a payment from the Net Settlement Fund and you will be bound by the terms of the Settlement and Release.</p> |

### **Summary of the Litigation**

Plaintiff Aries Apar, on his behalf and on behalf of other current and former non-exempt employees, alleges that Defendants violated California state labor laws as a result of their alleged failure to, among other things: (1) pay minimum and overtime wages to employees for all hours worked; (2) provide employees with meal and rest breaks; (3) timely pay all wages owed to employees during each pay period and upon termination of their employment, including accrued but unused PTO; (4) failure to pay all sick time pay; and (5) provide employees with accurate, itemized wage statements. Plaintiff also alleges violations of California's laws banning restrictive covenants in employment-related agreements.

After the exchange of relevant information and evidence, the parties agreed to enter into settlement negotiations in an attempt to informally resolve the claims in the case. On September 26, 2025, the parties participated in a mediation with Louis Marlin, Esq., an experienced and well-respected class action mediator. With Mr. Marlin's guidance, the parties were able to negotiate a complete settlement of Plaintiff's claims.

Counsel for Plaintiff, and the attorneys appointed by the Court to represent the class, Capstone Law APC ("Class Counsel"), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Class Members.

Defendants have denied, and continue to deny the factual and legal allegations in the case and believe that they have valid defenses to Plaintiff's claims. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Defendants have agreed to settle the case as part of a compromise with Plaintiff.

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***



### **Summary of The Proposed Settlement Terms**

Plaintiff and Defendants have agreed to settle the underlying class claims in exchange for a Gross Settlement Amount of \$2,387,725. This amount is inclusive of: (1) individual settlement payments to all Participating Class Members; (2) a Class Representative Enhancement Payment of \$10,000 to Aries Apcar for his services on behalf of the class, and for a release of all claims arising out of his employment with Defendants; (3) \$795,908 in attorneys' fees and up to \$25,000 in litigation costs and expenses; (4) a \$100,000 settlement of claims under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), inclusive of a \$75,000 payment to the California Labor and Workforce Development Agency ("LWDA") in connection with PAGA, and a \$25,000 payment ("PAGA Fund") split between all PAGA Members; and (5) reasonable Settlement Administrator's fees and expenses currently estimated at \$15,000. After deducting the above payments, a total of approximately \$\_\_\_\_\_ will be allocated to Class Members who do not opt out of the Settlement Class ("Net Settlement Fund"). Additionally, all PAGA Members will receive a proportional share of the \$25,000 PAGA Fund, regardless whether they opt out of the Settlement Class.

**Payments from Net Settlement Fund.** Defendants will calculate the total number of Workweeks worked by each Class Member from January 1, 2022 through October 15, 2024 ("Class Period") and the aggregate total number of Workweeks worked by all Class Members during the Class Period. To determine each Class Member's estimated share of the Net Settlement Fund, the Settlement Administrator will use the following formula: The Net Settlement Fund will be divided by the aggregate total number of Workweeks during the Class Period, resulting in the "Workweek Value." Each Class Member's share of the Net Settlement Fund will be calculated by multiplying each individual Class Member's total number of Workweeks by the Workweek Value. The Individual Settlement Payment will be reduced by any required deductions for each Class Member as specifically set forth herein, including employee-side tax withholdings or deductions. If there are any valid and timely Requests for Exclusion, the Settlement Administrator shall proportionately increase each Participating Class Member's share of the Net Settlement Fund according to the number of Workweeks worked, so that the amount actually distributed to the Settlement Class equals 100% of the Net Settlement Fund.

According to Defendants' records, you worked during the Class Period in a non-exempt position for a total of \_\_\_\_\_ Workweeks. Accordingly, your estimated payment from the Net Settlement Fund is approximately \$\_\_\_\_\_.

**Payments from PAGA Fund.** Defendants will calculate the total number of Workweeks worked by each PAGA Member from February 3, 2024 through December 26, 2025 ("PAGA Period") and the aggregate total number of Workweeks worked by all PAGA Members during the PAGA Period. To determine each PAGA Member's estimated share of the PAGA Fund, the Settlement Administrator will use the following formula: The PAGA Fund will be divided by the aggregate total number of Workweeks during the PAGA Period, resulting in the "PAGA Workweek Value." Each PAGA Member's share of the PAGA Fund will be calculated by multiplying each individual PAGA Member's total number of Workweeks by the PAGA Workweek Value. A Request for Exclusion does not exclude a PAGA Member from the release of claims under California Labor Code §§ 2698, *et seq.* and the PAGA Member will receive their portion of the PAGA fund even if he/she/they submits a valid Request for Exclusion.

According to Defendants' records, you worked during the PAGA Period in a non-exempt position for a total of \_\_\_\_\_ Workweeks. Accordingly, your estimated payment from the PAGA Fund is approximately \$\_\_\_\_\_.

**Your Estimated Payment:** Based on the above, your estimated payment from the Settlement is approximately \$\_\_\_\_\_. If you believe the Workweek information provided above is incorrect, please contact the Settlement Administrator to dispute the calculation. You must attach all documentation in support of your dispute (such as check stubs, W2s, or letters from HR). All disputes must be postmarked or faxed on or before [insert date of Response Deadline] and must be sent to:

Settlement Administrator

c/o \_\_\_\_\_

Fax No. \_\_\_\_\_

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

If you dispute the information stated above, Defendants' records will control unless you are able to provide documentation that establishes otherwise.

**Taxes on Settlement Payments.** IRS Forms W-2 and 1099 will be distributed to participating Class Members by the Settlement Administrator and the appropriate taxing authorities reflecting the payments they receive under the Settlement. Class Members should consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. For purposes of this Settlement, 20% of each settlement payment will be allocated as wages for which IRS Forms W-2 will be issued, and 80% will be allocated as non-wages for which IRS Forms 1099-MISC will be issued. Payments issued to PAGA Members from the PAGA Fund will be treated as non-wages for which IRS Forms 1099-MISC will be issued.

### **Your Options Under the Settlement**

#### ***Option 1 – Automatically Receive a Payment from the Settlement***

If you want to receive your payment from the Settlement, then no further action is required on your part. You will automatically receive your Settlement payment from the Settlement Administrator if and when the Settlement receives final approval by the Court.

If you choose **Option 1**, and if the Court grants final approval of the Settlement, you will be mailed a check for your share of the Settlement funds. In addition, on the date on which Defendants fully fund the Gross Settlement Amount, you will be deemed to have released or waived the Released Class Claims, and if you are also a PAGA Member, the Released PAGA Claims:

**Released Class Claims:** All claims, rights, demands, liabilities, and causes of action that are alleged in the Second Amended Complaint during the Class Period, or which could have been alleged by reason of, or in connection with, any matter or fact set forth or referred to in the operative Second Amended Complaint, including claims for violation of: (a) California Labor Code §§ 510 and 1198 (unpaid overtime); (b) California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (c) California Labor Code §§ 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (d) California Labor Code §§ 226.7, 516, and 1198 (failure to authorize and permit rest periods); (e) California Labor Code § 246 (failure to properly calculate paid sick leave); (f) California Labor Code § 227.3 (failure to pay vested vacation time upon termination); (g) California Labor Code §§ 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (h) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (i) California Labor Code § 204 (failure to timely pay wages during employment); (j) California Labor Code § 1198 and California Code of Regulations, Title 8, California Labor Code § 11040 Subdivision 5(A) (failure to provide reporting time pay); (k) California Labor Code § 2802 (unreimbursed business expenses); (l) California Labor Code §§ 2698, *et seq.* (PAGA); (m) California Business & Professions Code §§ 17200, *et seq.* (unlawful business practices); (n) California Business & Professions Code §§ 17200, *et seq.* (unfair business practices); (o) California Business & Professions Code §§ 16600, 16600.1, and 16600.5 (unlawful restraints on trade).

**Released PAGA Claims:** All claims for civil penalties under California Labor Code §§ 2698, *et seq.*, that were brought or could reasonably have been brought based on the same facts alleged in Plaintiff's LWDA letter during the PAGA Period, including but not limited to claims for PAGA civil penalties predicated on the violation of: (a) California Labor Code §§ 510 and 1198 (unpaid overtime); (b) California Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198 (unpaid minimum wages); (c) California Labor Code §§ 226.7, 512(a), 516, and 1198 (failure to provide meal periods); (d) California Labor Code §§ 226.7, 516, and 1198 (failure to authorize and permit rest periods); (e) California Labor Code § 246 (failure to properly calculate paid sick leave); (f) California Labor Code § 227.3 (failure to pay vested vacation time upon termination); (g) California Labor Code §§ 226(a), 1174(d), and 1198 (non-compliant wage statements and failure to maintain payroll records); (h) California Labor Code §§ 201 and 202 (wages not timely paid upon termination); (i) California Labor Code § 204 (failure to timely pay wages during employment); (j) California Labor Code § 1198 and California Code of Regulations, Title 8, California

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

Labor Code § 11040 Subdivision 5(A) (failure to provide reporting time pay); (k) California Labor Code § 2802 (unreimbursed business expenses); and (l) the California Code of Regulations, and the Wage Orders of the California Industrial Welfare Commission and any other Labor Code section or Wage Order alleged to have been violated in Plaintiff's Notice to the LWDA based on the facts alleged therein. Even if a Class Member chooses to "opt-out" of the Class Settlement, the Class Member would still be bound by the Released PAGA Claims.

### **Option 2 – Opt Out of the Settlement**

If you do not wish to participate in the Settlement, you may exclude yourself from participating by submitting a written request to the Settlement Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the Settlement, and desire to be excluded from the Settlement. The written request for exclusion must include your name, signature, address, telephone number, and last four digits of your Social Security Number. Sign, date, and mail the request for exclusion by First Class U.S. Mail or equivalent, to the address below.

Settlement Administrator

c/o \_\_\_\_\_

The Request for Exclusion must be postmarked or faxed not later than \_\_\_\_\_, 2026. If you submit a Request for Exclusion which is not postmarked or faxed by \_\_\_\_\_, 2026, your Request for Exclusion will be rejected, and you will be included in the Settlement Class.

If you choose **Option 2**, you will no longer be a Class Member, and you will:

- Not Receive a Payment from the Net Settlement Fund.
- Not release the Released Class Claims.
- If you are a PAGA Member, you will still release the Released PAGA Claims, and will receive a payment from the PAGA Fund.

### **Option 3 – Object to the Settlement**

If you decide to object to the Settlement because you find it unfair or unreasonable, you may submit a written objection stating why you object to the Settlement, or you may instead appear at the Final Approval Hearing to object to the Settlement. Written objections must provide: (1) your full name, signature, address, telephone number, last four (4) digits of the Class Member's Social Security Number and/or Employee ID number, and dates of employment, (2) a written statement of all grounds for the objection accompanied by any legal support for such objection; (3) copies of any papers, briefs, or other documents upon which the objection is based; and (4) a statement about whether you intend to appear at the Fairness Hearing. The objection must be mailed to the Settlement Administrator at [administrator's address].

All written objections must be received by the Settlement Administrator by not later than \_\_\_\_\_ 2026. By submitting an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

You may also, if you wish, appear at the Final Approval Hearing set for \_\_\_\_\_ at \_\_\_\_\_ a.m./p.m. in the Superior Court of the State of California, for the County of San Joaquin and discuss your objection with the Court and the Parties at your own expense. You may also retain an attorney to represent you at the hearing. If you choose **Option 3**, you will still be entitled to the money from the settlement. If the Court overrules your objection, you will be deemed to have released the Released Class Claims and Released PAGA Claims.

### **Additional Information**

This Notice of Class Action Settlement is only a summary of the case and the Settlement. For a more detailed statement of the matters involved in the case and the Settlement, you may refer to the pleadings, the settlement agreement, and other papers filed in the case. All inquiries by Class Members regarding this Class Notice and/or the settlement should be directed to the Settlement Administrator or Class Counsel.

**Questions? Contact the Settlement Administrator toll free at 1-\*\*\*-\*\*\*-\*\*\*\***

Raul Perez  
**Capstone Law APC**  
1875 Century Park E., Suite 1000  
Los Angeles, CA 90067  
Phone: 1 (888) 485-2334

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.