CLASS ACTION AND PAGA REPRESENTATIVE ACTION SETTLEMENT AND RELEASE

This Class Action and PAGA Representative Action Settlement and Release ("Settlement") is made by and between Plaintiff Mark Hendrickson ("Plaintiff"), individually, and on behalf of the Class (as defined herein) and the PAGA Employees (as defined herein), and Defendant Wal-Mart Associates, Inc. ("Defendant") (collectively the "Parties") with regard to the actions entitled *Mark Hendrickson v. Wal-Mart Associates, Inc.*, pending in the United States District Court, Southern District of California, Case No. 3:23-cv-00110-AJB-BJW (the "Action") and in the California Superior Court, for the County of San Diego, Case No. 37-2022-00049939-CU-OE-CTL, subject to the terms and conditions herein and the approval of the Court.

1. DEFINITIONS

1.1. "Action" means the civil actions entitled *Mark Hendrickson v. Wal-Mart Associates Inc.*, Case No. 3:23-cv-00110-AJB-MSB, pending in the United States District Court for the Southern District of California, and Case No. 37-2022, 00049939-CU-OE-CTL, pending in the California Superior Court, for the County of San Diego.

1.2. Class Definitions:

1.2.1. "Settlement Class," "Class," and/or "Class Member(s)" means all persons who were classified as hourly non-exempt employees at Walmart's El Centro location, Store 1555, located at 2150 N Waterman Avenue, El Centro, California 92243 (the "Store"), during the Class Period, and who worked at least one shift on a day when the outdoor temperature reached or exceeded 80 degrees Fahrenheit. The Parties stipulate to the certification of the Settlement Class for settlement purposes only.

1.2.2. The parties mutually agree to use the National Weather Service data, collected by the National Oceanic and Atmospheric Administration (NOAA) at the Naval Air Facility in El Centro, or from the NOAA closest available facility if the El Centro location is not available, as the source of the historical outdoor temperature data.

1.3. "Class Counsel" means the attorneys for Plaintiff and the Class Members, Vilmarie Cordero and Nathan J. Reese of ARCH Legal, P.C. 3555 Fifth Avenue, San Diego, California 92103. Class Counsel represents that no other counsel has been involved in or has any claim for fees or costs associated with the Action, or has represented Plaintiff in connection with this Action or any other contemplated action against Defendant concerning the subject matter of this Action.

1.4. "Class Counsel Attorney's Fees" means the amount of attorneys' fees incurred and to be incurred by Class Counsel in this Action as authorized by the Court.

1.5. "Class Counsel's Costs" means all costs incurred and to be incurred by Class Counsel in this Action.

1.6. "Class Notice" means the Court-approved Notice of Proposed Class and PAGA Action Settlement, substantially in the form attached hereto as **Exhibit A**.

1.7. "Class Period" means the period of June 19, 2018, through and including April 24, 2026.

1.8. "Class Representative" or "Plaintiff" means named Plaintiff Mark Hendrickson in the operative complaint in the Action seeking Court approval to serve as Class Representative.

1.9. "Class Representative Service Award" means the sum to be paid from the Gross Settlement Amount to Plaintiff in recognition of his efforts in obtaining the benefits of this Settlement and in exchange for a general release, which the Parties agree will not exceed $10,000.

1.10. "Defendant" means Wal-Mart Associates, Inc.

1.11. "Defense Counsel" means Ryan C. Bykerk and Jonathan A. Schaub of Greenberg Traurig, LLP, 1840 Century Park East, Suite 1900, Los Angeles, California 90067.

1.12. "Effective Date" means the later of (a) the 61st day (unless the last such date is a weekend or holiday, in which case the next business day shall be used) after the Court enters an order granting final approval of the Settlement provided that no timely appeal is taken of the order granting final approval and entering judgment in the Action; or (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; or (c) the final resolution of any timely appeal that has been filed, provided, however, that the result of the appeal has not altered any material terms of the Settlement.

1.13. "Final Approval" means the court order and judgment signed by the Court following the Final Fairness and Approval Hearing in accordance with the terms herein, approving the Settlement.

1.14. "Final Approval Hearing" means the hearing set by the Court to, among other potential items: (1) determine whether the Court should give Final Approval to this Settlement; (2) consider any objections made; (3) consider the request for attorney's fees and costs submitted by Class Counsel; (4) consider the Settlement Administrator's Fees; (5) consider the PAGA Payment to the LWDA; and (6) consider the request for the Class Representative Service Award to Plaintiff.

1.15. "Gross Settlement Amount" means the maximum gross settlement amount sum of Four Hundred Thousand Dollars and Zero Cents ($400,000.00) that Defendant shall be required to pay pursuant to this Settlement on a non-reversionary basis, and it shall de (1) all Individual Settlement Payments to Class Members; (2) the court-approved PAGA Payment to the LWDA and the PAGA Employees; (3) the court-approved Class Representative Service Award; (4) court-approved Class Counsel's Fees and Costs; and (5) court-approved Settlement Administrator Fees. Defendant shall pay only the employer's share of applicable payroll taxes due on the portion of the Net Settlement Fund allocated to unpaid wages paid to Class Members separate from and in addition to the Gross Settlement Amount.

1.16. "Individual Settlement Payment(s)" means the portion of the Net Settlement Fund that each Participating Class Member shall be entitled to receive pursuant to this Settlement.

1.17. "LWDA" means the California Labor and Workforce Development Agency.

1.18. "Net Settlement Fund" means the portion of the Gross Settlement Amount left over and available for distribution to participating Class Members after the deduction of the Court-approved (1) PAGA Payment; (2) Class Counsel's Attorneys' Fees; (3) Class Counsel's Litigation Costs; (4) Class Representative Service Award; and (5) Settlement Administration Costs, as approved by the court.

1.19. "Non-Participating Class Member" means a Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.20. "Objection/Request for Exclusion Deadline" means the 45 calendar days after the Settlement Administrator first mails the Notice to Class Members, by which date Class Members who wish to object to or exclude themselves from the Settlement must submit a timely and valid written objection, dispute the workweek calculation, or Request for Exclusion.

1.21. "PAGA" means the California Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698 – 2699.8.

1.22. "PAGA Employees" means all current and former non-exempt employees who worked for Walmart at the Store during the PAGA Period. PAGA Employees may not opt out of the settlement of the PAGA claims, as the PAGA claims are representative claims for civil penalties brought on behalf of the State of California.

1.23. "PAGA Period" means August 19, 2021, through and including April 24, 2026.

1.24. "PAGA Payment" means the total amount of Thirty Thousand Dollars and Zero Cents ($30,000.00) to be paid from the Gross Settlement Amount allocated to PAGA civil penalties and in exchange for the PAGA Release as defined in Section 5, below. The PAGA Payment shall be allocated 75% to the LWDA and the remaining 25% to the PAGA Employees as defined herein. The PAGA Payment shall be considered 100% penalties, and the portion of the PAGA Payment payable to the PAGA Employees will be distributed on a pro rata basis based on the number of pay periods worked during the PAGA Period.

1.25. "Preliminary Approval" means the entry of an order by the Court preliminarily approving the Settlement.

1.26. "Qualifying Settlement Fund" or "QSF" means the account set up by the Settlement Administrator and from which the Individual Settlement Payments to Participating Settlement Class Members shall be made.

1.27. "Qualifying Workweek(s)" means any workweek during the Class Period during which a participating Class Member worked for Walmart for at least one shift on a day when the outdoor temperature reached or exceeded 80 degrees Fahrenheit. The Settlement Administrator will have the ultimate responsibility of calculating the applicable Qualifying Workweeks during the Class Period. The Class Members' Qualifying Workweeks shall be determined by referencing the Class Members' timekeeping records, payroll records, hire dates, termination dates (if applicable), and re-hire dates (if applicable), along with the temperature data as defined in Section 1.2.2.

1.28. "Released Parties" means Wal-Mart Associates, Inc. and each of its past, present, and/or future, direct, and/or indirect, officers, officials, directors, shareholders, owners, members, principals, partners, personal representatives, executors, employees, employers, agents, representatives, attorneys, accountants, insurers, reinsurers, consultants, parent companies, subsidiaries, related or affiliated companies, divisions, joint venturers, predecessors, successors, and assigns, including pension, profit sharing, savings, health, and other employee benefits plans of any nature, the successors of such plans, and those plans' respective former, present, and future trustees and administrators, agents, employees, fiduciaries, as well as the personal representatives or executors of any such persons, and any individual or entity that could be liable for any of the Released Class Claims or Released PAGA Claims.

1.29. "Releases" means all Releases under this Settlement, as further described in Section **5** below, including the Released Class Claims, Released PAGA Claims, and Plaintiff's Release.

1.30. "Request for Exclusion" means a letter or written request to be excluded from the Settlement submitted by a Class Member to the Settlement Administrator and postmarked by the Objection/Request for Exclusion Deadline. The Request for Exclusion must include the Class Member's name and signature, current address, telephone number, and contain a statement to the effect of: "I wish to be excluded from the Hendrickson Settlement."

1.31. "Settlement Administrator" or "Administrator" means Apex Class Action LLC, the third-party entity selected by the Parties to mail the Class Notice to Class Members and perform all duties relating to the administration of the Settlement.

1.32. "Settlement Administration Costs" means the actual and direct fees and expenses reasonably incurred by the Settlement Administrator in administering the Settlement, h in no event will exceed Twelve Thousand Five Hundred Dollars and Zero

Cents ($12,500.00).

2. RECITALS

2.1. On August 19, 2022, Plaintiff submitted a notice with the LWDA against Defendant seeking to represent other employees for various violations of the Labor Code ("PAGA Notice").

2.2. Plaintiff filed a putative class and PAGA representative action complaint on December 14, 2022, in the California Superior Court, County of San Diego. Walmart removed the case to the United States District Court, Southern District of California, and filed a motion to dismiss. Plaintiff subsequently amended the complaint four (4) times after successive motions to dismiss were granted. Additionally, on or about November 26, 2024, the federal court remanded Plaintiff's UCL claim to San Diego Superior Court, which proceeding was subsequently stayed for all purposes by stipulation of the Parties and Court Order. The Fourth Amended Complaint dated June 25, 2024 in the federal proceeding, and the Complaint dated December 14, 2022 in the San Diego Superior Court proceeding, are the operative pleadings (together, the "Operative Complaint" in the "Action").

2.3. The Parties engage in extensive formal discovery including written requests for production of documents, interrogatories, and the exchange detailed expert reports. Defendant produced hundreds of pages of documents relevant to the claims asserted in the operative complaint. The Parties further engaged in significant motion practice, including several motions to dismiss, and the filing of Plaintiff's Motion seeking Class Certification and Defendant's Motion for Summary Judgment.

2.4. The parties conducted several in depth depositions, including Plaintiff Hendrickson deposition on October 15, 2025, and approximately five depositions of several of Walmart's designees under Rule 30(b)(6).

2.5. As part of Plaintiff's investigation, following a Belaire-West notice procedure, Plaintiff's attorneys also reached out to the Store's employees who did not opt out of providing their contact information, and conducted over 30 employee interviews centered around the allegations in the operative complaint.

2.6. Prior to filing their respective motions for Class Certification and Summary Judgment, the parties decided they had enough information to attempt to resolve the case at mediation on a class and representative basis. The parties agreed to mediate with experienced employment mediator Kevin Barnes.

2.7. Prior to the mediation, Defendant estimated that as of February 2026, a total of 1,081 non-exempt employees worked during the Class Period an approximately 169,902 workweeks. Plaintiff also obtained reliable data showing the specific dates of the Class Period during which the temperatures outside exceeded 80 degrees and 90 degrees. Using this data, along with the other data obtained through discovery, and the Class Member interviews, Plaintiff's counsel was able to prepare a detailed damages model and damages analysis prior to the mediation.

2.8. On February 12, 2026, the Parties participated in a full day mediation. During mediation, the Parties engaged in good-faith, arm's length negotiations. Mediator Barnes presented a mediator's proposal, and the Parties resolved the Action, subject to the execution of this comprehensive Settlement and entry of Preliminary Approval by the Court.

2.9. The Parties promptly notified the Court of their Settlement, and the Court vacated all then-set hearing dates. The Parties have stipulated to certification of the Settlement Class for settlement purposes only.

2.10. If the Court does not grant approval of the Settlement, the Action shall be returned to its status as of March 18, 2026.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Defendant shall pay a non-reversionary Gross Settlement Amount of Four Hundred Thousand Dollars and Zero Cents ($400,000.00), subject to Court approval, on an "all-in" common fund basis. The Gross Settlement Amount includes (1) all Individual Settlement Payments to Class Members; (2) the court-approved PAGA Payment to the LWDA and the PAGA Employees; (3) the court-approved Class Representative Service Award; (4) court-approved Class Counsel's Fees and Costs; and (5) court-approved Settlement Administrator Fees, all as expressly set forth and defined herein. Defendant shall pay the employer's share of applicable payroll taxes due on the portion of the Net Settlement Fund allocated to unpaid wages paid to Class Members separate from and in addition to the Gross Settlement Amount. Defendant shall pay the Gross Settlement Amount to the Settlement Administrator within 30 (thirty) days after the "Effective Date" as defined herein.

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 Order.

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative Mark Hendrickson of not more than Ten Thousand Dollars ($10,000), which is in addition to any Individual Class Payment and/or any Individual PAGA Payment he may be entitled to receive as a Class Member and/or PAGA Employee. Defendant will not oppose Plaintiff's Request for a Class Representative Service Award that does not exceed this amount. Any amounts not awarded (i.e. less than $10,000.00) will revert to the Net Settlement Fund for payment to the Class Members who do not opt out of the Settlement (the "Participating Settlement Class Members"). To be clear, the Parties agree that a decision by the Court to award Plaintiff an amount less than the requested Class Representative Service Payment shall not be a basis for Plaintiff to void this Agreement. In consideration for the Class

Representative Service Award, Plaintiff also agrees to a broad general release of all legally waivable claims against the Released Parties arising prior to the date of the execution of this Settlement. The Administrator will pay the Class Representative Service Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for any taxes owed on the Class Representative Service Award.

3.2.2. To Class Counsel: A Class Counsel's Fees payment of not more than 1/3 of the Gross Settlement Amount or One Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents ($133,333.33), and Class Counsel's Costs payment not to exceed $40,000.00 as reimbursement for actual and documented costs incurred in the Action. Defendant will not oppose requests for these payments. If the Court approves a payment amount for Class Counsel's Fees and/or Class Counsel's Costs that is less than the amount requested, any amounts not awarded will revert to the Net Settlement Fund for payment to Participating Settlement Class Members. To be clear, the Parties agree that a decision by the Court to award Class Counsel an amount less than the requested Class Counsel's Fees Payment shall not be a basis for Plaintiff to void this Agreement. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion any Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel's Fees and the Class Counsel's Costs awarded by the Court using one or more IRS Form 1099.

3.2.3. To the Settlement Administrator: Settlement Administration Costs to the Administrator in an amount not to exceed Twelve Thousand Five Hundred Dollars and Zero Cents ($12,500.00), except for a showing of good cause and as approved by the Court. To the extent the Settlement Administration Costs are less, or the Court approves payment less than the amount requested, any amounts not awarded will be allocated to the Net Settlement Fund for payment to Participating Settlement Class Members.

3.2.4. To the LWDA and PAGA Employees: A PAGA Payment in the amount of Thirty Thousand Dollars and Zero Cents ($30,000) to be paid from the Gross Settlement Amount, with seventy-five percent (75%) ($22,500) allocated to the LWDA Payment for payment to the LWDA and twenty-five percent (25%) ($7,500) allocated to the Individual PAGA Payments for payment to the PAGA Employees, in accordance with California Labor Code section 2699(m). The portion of the PAGA Payment payable to the PAGA Employees will be distributed on a pro rata basis based on the number of pay periods worked by the PAGA Employees during the PAGA Period. The PAGA Employees' pay periods shall be determined by referencing the PAGA Employees' timekeeping records, payroll records, hire dates, termination dates (if applicable), and re-hire dates (if applicable). The PAGA Payment, including the portion payable to PAGA Employees, will be allocated as 100% penalties and will be reported on an IRS Form 1099, if applicable. If the Court approves a PAGA Payment less than the amount requested, any amounts not awarded will be allocated to the Net Settlement Fund for payment to Participating Settlement Class Members.

3.3. Payments from the Net Settlement Fund: Each participating Class Member will receive a pro rata portion of the Net Settlement Fund depending on the number of Qualifying Workweeks each participating Class Member worked during the Class Period. The Administrator will calculate each Individual Class Payment by (a) dividing the Net Settlement Fund by the total number of Qualifying Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Member's Workweeks.

3.3.1. Tax Allocation of Individual Payments. The Parties agree that payments to Class Members from the Net Settlement Fund will be allocated as follows: fifty percent (50%) wages, fifty percent (50%) non-wages, including interest and penalties. The portion allocated to wages will be reported on an IRS Form W-2, and the non-wage portion will be reported on an IRS Form 1099, if applicable.

3.3.2. Effect of Non-Participating Class Members on Calculation of Individual Payments. Non-Participating Class Members will not receive any payment from the Net Settlement Fund, and Non-Participating Class Members' Qualifying Workweeks will not be included in any Qualifying Workweek calculations for Individual Payments from the Net Settlement Fund. The Administrator will retain any amounts that would have been paid to any Non-Participating Class Member in the Net Settlement Fund for distribution to all Participating Class Members on a pro rata basis. As expressly set forth elsewhere herein, to the extent any Non-Participating Class Members are also PAGA Employees, such Non-Participating Class Members cannot opt out of the PAGA Payment and PAGA Release.

4. SETTLEMENT FUNDING AND DISTRIBUTION OF SETTLEMENT FUNDS

4.1. Funding of Gross Settlement Amount. Defendant shall pay the Gross Settlement Amount to the Settlement Administrator within thirty (30) calendar days following the Effective Date. The Gross Settlement Amount is non-reversionary, meaning that any unclaimed funds shall be distributed to Class Members on a pro rata basis and shall not revert to Defendant.

4.2. Timeline of the Distribution of Settlement Funds. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will make all the payments from the Gross Settlement Amount, as stated in section 3.2 above, and calculate and mail all checks for all Individual Class Payments to the participating Class Members from the Net Settlement Fund, as stated in section 3.3 above.

The Administrator will issue checks for the Individual Class Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state a void-after date that is not less than 180 calendar days from the date of mailing. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments and PAGA Payments to all Participating Class Members and PAGA Employees, including Non-Participating Class Members who qualify as PAGA Employees (including those for whom Class Notice was returned undelivered). If a recipient is both a Participating Class Member and a PAGA Employee, the payments may be combined into a single check. Before mailing any settlement checks, the Administrator must update mailing addresses using the National Change of Address ("NCOA") Database.

4.2.2. The Administrator must conduct an address search for all Participating Class Members and PAGA Employees whose checks are returned as undelivered without a United States Postal Service ("USPS") forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the address search. The Administrator is not required to take further steps to deliver checks if a re-mailed check is also returned as undeliverable. The Administrator shall promptly send a replacement check to any Participating Class Member and PAGA Employee who requests one for a lost or misplaced check prior to the check's void date.

4.2.3. For any Participating Class Member's or PAGA Employee's check that remains uncashed after the 180-day void date, the Administrator shall transmit the funds represented by such uncashed checks to the California State Controller's Unclaimed Property Fund in the name of the respective individual. This will result in no "unpaid residue" subject to the requirements of California Code of Civil Procedure section 384(b).

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

5. RELEASES OF CLAIMS

5.1. <u>Released Class Claims by Participating Class Members ("Released Class Claims")</u>. Upon the Effective Date, Plaintiff and each Participating Settlement Class Member will release the Released Parties (defined below) of all claims, actions, demands, causes of action, suits, debts, obligations, demands, rights, liabilities, or legal theories of relief, that are alleged in any pleading in the Action or that could have been alleged based on the facts and legal theories asserted in any pleading in the Action, including without limitation claims for (1) failure to provide recovery periods and pay premium wages under Labor Code sections 226.7 and 6720 and California Code of Regulations, Title 8, Section 3395; (2) failure to prevent heat-related illnesses under Labor Code on 6720; (3) failure to maintain accurate records under Labor Code sections

1174, 1174.5, and 1198, and the "Records" section of IWC Wage Order No. 7-2001; (4) failure to furnish accurate itemized wage statements under Labor Code sections 226, 226.3, and 1198; (5) failure to timely pay wages during and after separation of employment under Labor Code sections 201-204, 210, 1194, 1194.2, 1198, and the "Minimum Wages" section of IWC Wage Order No. 7-2001, and (6) engaging in unlawful, unfair, and/or fraudulent business practices in violation of Business and Professions Code section 17200 et seq. The period of the Released Class Claims shall extend to the limits of the Class Period. The res judicata effect of the judgment will be the same as that of the Class Period.

5.2. <u>Released PAGA Claims by PAGA Employees ("Released PAGA Claims")</u>. Upon the Effective Date, Plaintiff and each PAGA Employee (whether or not they decide to participate in the Class) will release the Released Parties of all claims pursuant to the California Private Attorneys General Act (codified in Labor Code section 2698 et seq.) based on the facts and legal theories asserted in the PAGA Notice or the operative complaint in the Action, which relate to the primary rights asserted in any pleading in the Action, or that could have been alleged in the PAGA Notice or the operative complaint in the Action based on the facts and legal theories asserted in any the PAGA Notice or any pleading in the Action, including without limitation claims for violations of Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 221, 223, 225.5, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1193.6, 1194, 1194.2, 1197, 1197.1, 1198, 2802, and 6720. The period of the Released PAGA Claims shall extend to the limits of the PAGA Period. The res judicata effect of the judgment will be the same as that of the PAGA Period.

5.3. <u>General Release by Plaintiff ("Plaintiff's Release").</u> Upon the Effective Date, in addition to the Released Class Claims and Released PAGA Claims, Plaintiff Mark Hendrickson grants a general release of any and all known or unknown liabilities, claims, demands for damages, costs, attorneys' fees, indemnification, contribution, or any other thing for which Plaintiff has or may have, including known or unknown causes of action, claims, or demands for damages, costs, attorneys' fees, indemnification, or contribution, whether certain or speculative, class or individualized, which may have come into existence at any time prior to execution of this Settlement , or that may be brought in the future in connection with any acts or omissions that have arisen at any time prior to execution, including any and all claims that Plaintiff has actually alleged or could have alleged to date, without regard to the scope of the allegations in this lawsuit, including, but not limited to, any and all claims that Plaintiffs have actually alleged or could have alleged to date, any and all claims arising out of Plaintiffs' work for Defendant and/or employment status, any claims related to FMLA or CFRA leave, any claims that Plaintiffs were wrongfully terminated or have been discriminated against or retaliated against in any way, or that Plaintiffs' privacy rights have been violated in any way, any and all claims arising under a "whistleblower" statute (including any claims arising under Labor Code §§ 6310, 1102.5), any and all claims for wage and hour violations, any and all claims for tortious conduct resulting in personal injuries or intentional infliction of emotional distress, any and all claims for violations under the California Business and ssions Code Section 17200, and any and all claims for or related to harassment, discrimination or retaliation on the basis of race, color, national origin, religion, gender, age, sexual orientation, ancestry, medical condition, marital status, pregnancy, physical or mental disability, associational disability, or other protected class, discharge in violation of public policy and/or violation of any state and federal laws, regulations, or constitutions, including without limitation, the *Age Discrimination in Employment Act* ("ADEA") and its amendment, the *Older Workers Benefit Protection Act* ("OWBPA"), the *California Fair Employment and Housing Act* ("FEHA"), the *Americans with Disabilities Act*, *Title VII of the Civil Rights Act of 1964*, as amended, Secs. 503 and 504 of the *Rehabilitation Act of 1973*, as amended, *The Fair Labor Standards Act*, as amended, *the National Labor Relations Act*, as amended, *the Labor – Management Relations Act*, as amended, *the Worker Adjustment and Retraining Notification Act of 1988*, as amended, *the Pregnancy Discrimination Act*, *the Employee Retirement Income Security Act of 1974*, as amended, *the Family Medical Leave Act of 1993*, as amended, *the California Family Rights Act*, as amended, and *the California Labor Code*, including divisible individual claims under the Private Attorneys General Act, Labor Code § 2698, et seq, and *the California Wage Orders*.

5.3.1. Plaintiff's Release does not extend to any claims or actions to enforce this Settlement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or 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 that Plaintiff now knows to or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them,.

5.3.2. Plaintiff's Release shall be complete to the full extent allowed by law and includes a Civil Code section 1542 waiver. Plaintiff hereby expressly waives any and all rights granted under any state or federal law or regulation limiting the effect of this general release, including the provisions of section 1542 of the California Civil Code, which are hereby expressly waived. Section 1542 of the California Civil Code reads as follows:

> "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."

6. MOTION FOR PRELIMINARY APPROVAL

6.1. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all ments necessary for obtaining Preliminary Approval, including: (1) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (2) a draft proposed Order Granting Preliminary Approval; (3) a draft proposed Class Notice; (4) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve, competency, operative procedures for protecting the security of Class Data, amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance, all facts relevant to any actual or potential conflicts of interest with Class Members, and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (5) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members; (6) a signed declaration from the Class Counsel firm attesting to its competency to represent the Class Members, its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), and this Settlement (Labor Code section 2699, subd. (l)(2)); and (7) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator. The Parties agree that Defense Counsel must approve the proposed Class Notice and Order Granting Preliminary Approval before it is submitted to the Court.

6.2. Responsibilities of Counsel. Class Counsel shall be responsible for expeditiously finalizing and filing the Motion for Preliminary Approval, obtaining a prompt hearing date for the motion, and appearing in Court to advocate in favor of preliminary approval. Class Counsel shall be responsible for serving a copy of the Court's signed Preliminary Approval Order on the Administrator.

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

6.4. Dismissal of State Court Action. As needed, the Parties agree to seek a continuation of the stay of the proceeding pending in the California Superior Court, County of San Diego, pending Final Approval, Judgment, and the Effective Date of this Settlement. Within fourteen (14) calendar days of the Effective Date of this Settlement, Plaintiff will submit a Request for Dismissal with prejudice of the San Diego Superior Court proceeding.

7. SETTLEMENT ADMINISTRATION

tion of Administrator. The Parties have agreed to appoint Apex Class Action

LLC to administer the Settlement. The Parties and their Counsel represent that they have no financial interest or other relationship with the Administrator that would create a conflict of interest. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities. The Administrator shall also establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under U.S. Treasury Regulation section 1.468B-1.

7.2. Duties. The Settlement Administrator, once appointed by the Court, will have the responsibility of administering the Settlement, including but not limited to distributing the notices, calculating and distributing settlement payment amounts, timely handling all required tax reporting on the settlement payments, calculating, deducting, and remitting all state and federal taxes on the employee and employer-side payroll taxes (including but not limited to Federal and State Income Tax, FICA, Federal Unemployment Tax (FUTA), State Unemployment Tax/Insurance (SUTA or SUI), California Employment Training Tax (ETT), California State Disability Insurance (SDI)), and issuing the requisite tax reports to the IRS associated with such payments for all members of the Settlement Class who timely negotiate their settlement checks. Any amounts of the Gross Settlement Amount not otherwise awarded will be allocated to the Net Settlement Amount for payment to Participating Settlement Class Members.

7.3. Class Qualifying Workweeks / PAGA Employee Pay Periods. The Settlement Administrator will have the ultimate responsibility of calculating the applicable Qualifying Workweeks during the Class Period as well as the pay periods worked by PAGA Employees.

7.4. Class and PAGA Employee Data. Not later than fourteen (14) calendar days after the date of the Preliminary Approval Order, Defendant will deliver the Class and PAGA Employee Data to the Administrator in a Microsoft Excel spreadsheet format. To protect the privacy rights of Class Members and PAGA Employees, the Administrator shall maintain the data in confidence, use it only for the purposes of administering this Settlement, and restrict access to employees who require it to perform their duties under this Agreement. The Settlement Administrator may not share the Class and PAGA Employee Data (in a non-anonymized form) with Class Counsel. Defendant has a continuing duty to promptly notify Class Counsel and the Administrator if it discovers any omissions or inaccuracies in the data provided and to furnish corrected or updated data as soon as reasonable feasible. Without any extension of the deadline by which Defendant must send the Class and PAGA Employee 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 the missing or omitted Class and PAGA Employee Data.

8. NOTICE TO CLASS MEMBERS

8.1. Not later than seven (7) calendar days after receipt of the Class and PAGA Employee from Defendant, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Employees, Qualified Workweeks, and PAGA Employee pay periods in the Class and PAGA Employee Data.

8.2. No Claim Form/Right to Opt Out. Each Class Member will receive a Notice of Settlement and Release of Claims notifying them of the settlement. No Class Member will be required to submit a claim form to receive their share of the Net Settlement Amount. Class Members will be permitted to opt out of or object to the settlement of the class claims by following the procedures set forth in the Notice. Class Members who are also PAGA Employees may not opt out of the settlement of the PAGA claims, as the PAGA claims are representative claims brought on behalf of the State of California.

8.3. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class and PAGA Employee Data from Defendant, the Administrator will send to all Class Members and PAGA Employees identified in the Class and PAGA Employee Data, via first-class U.S. mail. 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/or PAGA Employee. The Class Notice shall also include the number of Qualified Workweeks and/or, if applicable, PAGA pay periods used to calculate these amounts. Before mailing, the Administrator shall update all mailing addresses using the NCOA Database and performing an Accurint skip trace (or substantially similar skip trace) to obtain the best possible mailing address for each of the Class Members and PAGA Employees.

8.4. 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 USPS. If the USPS does not provide a forwarding address, the Administrator shall promptly conduct a second in-depth skip trace to obtain the most current address and re-mail the Class Notice to the most current address found. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time.

8.5. Response Deadline. Class Members shall have forty-five (45) calendar days after the Administrator mails the Class Notice to fax, e-mail, or mail either their (a) Request for Exclusion from the Settlement, (b) Objection to the Settlement, or (c) challenges to their Qualified Workweek and/or pay period calculations. Class Members to whom the Class Notice is resent after having been returned as undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the expiration of the Response Deadline. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

8.6. If the Administrator, Defendant, Defense Counsel, or Class Counsel are contacted by or discover any persons who claims they should have been included in the Class and A Employee Data but did not receive a Class Notice, the Parties will promptly meet and confer in good faith to determine whether to include the person as a Class Member. If the Parties agree, such persons will be entitled to the same rights as other Class Members, and the Administrator will promptly send, via email or overnight delivery, a Class Notice requiring them to exercise the options under this Agreement no later than fourteen (14) calendar days after receipt of the Class Notice, or the Response Deadline in the Class Notice, whichever is later.

8.7. Requests for Exclusion (Opt-Outs). Class Members who wish to exclude themselves (opt-out of) the Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion must be faxed, e-mailed, or mailed, postmarked or transmitted, no later than the Response Deadline and must include the Class Member's name and address and reasonably communicate the Class Member's election to be excluded from the Settlement.

8.7.1. 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 so long as it is timely and the Administrator can reasonably ascertain the identity of the Class Member and the Class Member's desire to be excluded. 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.

8.7.2. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Settlement and shall be entitled to all benefits and bound by the terms and conditions of the Settlement, including the Released Class Claims under Paragraph 5.1 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

8.7.3. Every Class Member who submits a timely and valid Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Requests for Exclusion do not apply to PAGA Employees; PAGA Employees will be bound by the PAGA Release irrespective of whether they made a Request for Exclusion. For the avoidance of doubt, no Class Members or PAGA Employees may opt out of the Settlement with respect to the PAGA Release.

8.8. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline to challenge the number of Qualified Workweeks and, if applicable, pay periods allocated to them in the Class Notice. Any such challenge must be communicated in writing to the Administrator via fax, e-mail, or mail. The Administrator shall encourage the challenging Class Member to submit supporting documentation. In the absence of contrary documentation, the Administrator is entitled to presume that the data in the Class Notice is correct. The Administrator's mination of each Class Member's allocation of Qualified Workweeks and/or pay periods shall be final, binding, and not subject to appeal or challenge. The Administrator shall promptly provide copies of all challenges and determinations to Class Counsel and Defense Counsel.

8.9. Objections to Settlement. Only Participating Class Members may object to the class action components of the Settlement, including contesting the fairness of the terms, and/or the amounts requested for the Class Representative Service Award, Class Counsel Fees Payment, and/or Class Counsel Litigation Costs Payment.

8.9.1. Participating Class Members may either: (a) submit a written objection to the Administrator by fax, e-mail, or mail, postmarked or transmitted, no later than the Response Deadline, or (b) appear at the Final Approval Hearing, either in person or through their own attorney, to present verbal objections. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

8.10. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will review all Requests for Exclusion as they are received. No later than ten (10) calendar days after the expiration of the Response Deadline, the Administrator shall e-mail a final list to Class Counsel and Defense Counsel containing: (a) the names of all Class Members who submitted timely and valid Requests for Exclusion (the "Exclusion List"); (b) the names of all Class Members who submitted invalid or untimely Requests for Exclusion; and (c) copies of all submitted Requests for Exclusion (whether valid or invalid).

8.11. Weekly Reports. On a weekly basis, from the mailing of the Class Notice until the Response Deadline, the Administrator must provide written reports to the Class Counsel and Defense Counsel tallying the number of: Class Notices mailed and re-mailed, Class Notices returned as undeliverable, Requests for Exclusion received, objections received, and challenges to Workweeks and Pay Periods received and/or resolved ("Weekly Report"). The Weekly Report must include the Administrator's assessment of the validity of the Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

8.12. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Qualified Workweeks and/or pay periods.

8.13. Administrator's Declaration for Final Approval. Not later than ten (10) calendar days before the deadline for Plaintiff to file the Motion for Final Approval, the Administrator shall provide Class Counsel and Defense Counsel with a signed declaration suitable for filing with the Court, attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of the Class Notice, its efforts to locate Class Members, the number of Class Notices returned as undeliverable, the number of Class Notices re-mailed, the total number of Requests for Exclusion received, the number of written objections ved, and attaching a copy of the final Exclusion List. Class Counsel shall be responsible for filing this declaration with the Court.

8.14. Final Report by Settlement Administrator. Within ten (10) calendar 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 anonymized employee identification number of all payments made under this Agreement. At least fifteen (15) calendar 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.

8.15. Defendant's Right to Withdraw. If the number of Class Members who submit valid and timely Requests for Exclusion, as identified in the final Exclusion List provided by the Administrator, exceeds five percent (5%) of the total number of all Class Members to whom a Class Notice was mailed, Defendant may, but is not obligated to, elect to withdraw from and terminate this Settlement. If Defendant elects to withdraw, this Settlement shall be void ab initio and shall have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Administration Costs incurred up to the point of withdrawal. Defendant must notify Class Counsel and the Court in writing of its election to withdraw no later than seven (7) calendar days after the Administrator sends the final Exclusion List to Class Counsel and Defense Counsel. A failure by Defendant to provide timely notice shall be deemed a waiver of its right to withdraw from the Settlement.

9. MOTION FOR FINAL APPROVAL

9.1. Before the calendared Final Approval Hearing, Plaintiff will timely file with the Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(s)(2), a Proposed Final Approval Order, and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel with reasonably sufficient time to review prior to filing the motion for final approval. Class Counsel and Defense Counsel will expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the motion for final approval.

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

9.3. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to this 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 Settlement as sary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Award, Class Counsel Fees Payment, Class Counsel Litigation Costs Payment, and/or Administrator Costs Payment shall not constitute a material modification to the Settlement within the meaning of this paragraph.

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

9.5. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Settlement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Costs Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating 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 to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Settlement 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 Fund.

9.6. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If a 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 Settlement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

9.7. Amended Judgement. If any amended judgment is required, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

10. ADDITIONAL PROVISIONS

10.1. 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 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, or if the Settlement is terminated for any other reason, this Settlement shall be null and void, and the Parties' stipulation to class certification for settlement purposes shall become void. In such an event, Defendant reserves the right to contest certification of any class for any reason, 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. This Settlement and the 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.

10.2. <u>Confidentiality Prior to Preliminary Approval</u>. Plaintiff, Class Counsel, Defendant, and Defense Counsel agree that until the Motion for Preliminary Approval of Settlement is filed with the court, 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 Settlement directly or indirectly, 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) to 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; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or (6) as necessary to obtain approval of this Settlement or enforce the terms of this Settlement. 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 with any third party regarding this Agreement or the matters giving rise to this Settlement. If asked about the Action, the Parties and their counsel agree to respond only that "the matter has been 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.

10.3. <u>No Solicitation</u>. The Parties and their respective counsel agree that they will not solicit, encourage, or otherwise assist any Class Member to opt out of or object to the Settlement, or to appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members regarding their rights and options under the Settlement in accordance with Class Counsel's ethical obligations.

10.4. <u>Integrated Agreement</u>. This Settlement, together with its attached exhibits, shall constitute the entire agreement between the Parties relating to the Settlement and supersedes any and all prior oral or written representations, warranties, covenants, or agreements, including but not limited to the Memorandum of Understanding executed arch 18, 2026. No other representations, warranties, or inducements have been made to any Party concerning this Settlement or its exhibits other than the representations, warranties, and covenants memorialized in this document.

10.5. Attorney Authorization. Class Counsel and Defense Counsel 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 Settlement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Settlement including any amendments to this hereto.

10.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement, obtain Court approval, and effectuate the terms of this agreement. This includes, without limitation, executing all necessary documents and taking all steps necessary to secure the prompt approval of the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement this Settlement, or on any modification of the Settlement that may become necessary, the Parties will meet and confer in good faith to resolve the issue and, if necessary, seek the assistance of a mediator and/or the Court for resolution.

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

10.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or the tax consequences of this Settlement, 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.

10.9. 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.

10.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, beneficiaries, administrators, executors, representatives, successors, and assigns.

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

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

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

10.14. Use and Return of Class And PAGA Employee Data. Information provided to Class Counsel for settlement negotiation and mediation purposes, and all copies and summaries of the Class and PAGA Employee Data provided to Class Counsel by Defendant or the Administrator 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.

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

10.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or a state or federal legal holiday, such date or deadline shall be extended to the next business day.

10.17. 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:

Vilmarie Cordero, Esq.
Nathan J. Reese, Esq.
ARCH Legal, P.C.
3555 Fifth Avenue, Suite 200
San Diego, California 92103
Telephone: 619.692.0800
Email: vcordero@archlegal.com; nreese@archlegal.com

To Defendant:

Ryan C. Bykerk
Jonathan A. Schaub
Greenberg Traurig, LLP
1840 Century Park East, Suite 1900
Los Angeles, California 90067
Telephone: 310.586.7711
Email: bykerkr@gtlaw.com; schaubj@gtlaw.com

10.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts. Electronic (i.e., DocuSign), facsimile, or scanned signatures shall be deemed as valid and binding as original signatures. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.19. Stay of Litigation. Upon execution of this Agreement, the Parties agree that the Action shall be considered stayed for all purposes except those related to seeking approval and effectuating the terms of this Settlement.

10.20. Severability. In the event that one or more of the provisions contained in this Settlement shall for any reason be held invalid, il, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way affect any other provision if Defense Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement.

IT IS SO AGREED.

Date: 4/13/2026

DocuSigned by:
2AD9B32D5E14414...
Mark Hendrickson, Plaintiff

Date: 04/13/2026

Signed by:
Amy Morgan
EAE04BE1831D405...
Wal-Mart Associates, Inc.
By: Amy Morgan
Name: Amy Morgan
Title: Lead Counsel

Date: 4/13/2026

Vilmarie Cordero
Vilmarie Cordero
ARCH Legal PC
Counsel for Plaintiff Mark Hendrickson

Date: 4/13/2026

s/ Ryan C. Bykerk
Ryan C. Bykerk
Greenberg Traurig, LLP
Counsel for Defendant Wal-Mart Associates, Inc.

EXHIBIT A

United States District Court
SOUTHERN DISTRICT OF CALIFORNIA
Mark Hendrickson v. Wal-Mart Associates, Inc.
Case No. 23-cv-00110-AJB-BJW

Class Action Settlement Notice

INSERT QR CODE

Why did you get this notice?

This notice is to tell you about a proposed settlement ("Settlement") of a putative class and representative PAGA lawsuit titled *Mark Hendrickson v. Wal-Mart Associates, Inc.* (the "Lawsuit"), brought on behalf of certain associates who worked for Walmart's El Centro location, Store # 1555, located at 2150 N. Waterman Avenue, El Centro, California 92243 (the "Store") as non-exempt hourly employees. You received this notice because Walmart's records indicate that you are a current or former non-exempt hourly employee at the Store between June 19, 2018 and April 24, 2026, who worked at least one shift on a day when the outdoor temperature reached or exceeded 80 degrees Fahrenheit (the "Class"), and **you may be eligible to receive money as part of the Settlement**. Not all associates who work or worked at the Store are part of the Class. This notice tells you how to get more information about the Settlement and advises you about your rights and options.

The Settlement is subject to Court approval. On [DATE], the Court preliminarily approved the Settlement and conditionally certified the Class for settlement purposes only. The Court has ordered that this Notice be provided to you.

What is the Lawsuit about?

Summary of the Lawsuit

This case includes claims under California state law and the California Labor Code Private Attorneys General Act (PAGA) for alleged wage and hour violations. The Lawsuit was filed on December 14, 2022, by a current non-exempt employee working at the Store, Mark Hendrickson. Mr. Hendrickson claims that Walmart committed California Labor Code violations by failing to provide employees working shifts outside the Store and in the heat with off duty paid recovery periods in a shaded area whenever the temperatures exceeded 80 degrees outside. Mr. Hendrickson also claims that the Store was inadequately cooled inside. Walmart denies all claims and wrongdoing. Walmart asserts it followed the law. Walmart contends that none of the claims alleged by Mr. Hendrickson will succeed in Court. The Court has not decided who is right or otherwise ruled on the merits of the parties' claims, allegations, or defenses.

If you would like to read the operative Complaint, you can obtain a copy online at this address: [insert address to the Settlement Administrator's website: www. -----------------]

The Court did not hold a trial to decide in favor of Mr. Hendrickson or Walmart. The Court has made no ruling on any of the claims. Instead, the parties agreed to the Settlement because they believe it is fair, reasonable, and adequate under the circumstances. Mr. Hendrickson believes his claims have merit. Walmart believes that Mr. Hendrickson would not have won anything at trial. The parties negotiated this Settlement in good faith to avoid the risks, delays, and uncertainties of litigation and subsequent appeals. The parties agree that the Settlement is the best resolution for everyone considering the significant risks, delays, and uncertainties if the Lawsuit continues.

Are You a Class Member?

The Class. You are part of the Class because you worked for Walmart at the Store as an hourly non-exempt employee at any time from **June 19, 2018 to April 24, 2026, and worked at least one shift on a day when the outdoor temperature reached or exceeded 80 degrees Fahrenheit.**

The Settlement covers claims under the California Labor Code that relate to unpaid wages for missed recovery periods, failure to timely pay wages, failure to provide accurate pay records, and other claims described herein. If you do not exclude yourself from the Class, you will receive a settlement payment and give up your right to sue Walmart under California law for these claims for the period **June 19, 2018 to April 24, 2026**.

You are estimated to receive [$ estimated amount for Class member], less applicable taxes and payroll deductions.

Your options:	More about each option:
Do Nothing	Do nothing and stay a Class member. You will get a Settlement payment and no longer have the right to sue Walmart for the specified claims and time period.
Opt-Out	Submit a letter and request to be excluded. You get no payment for this part of the Settlement, and keep the right to sue Walmart.
Object	Stay a Class Member, but tell the Court why you don't like the Settlement.

Are You a PAGA Employee?

[Yes/No.] The PAGA Employees are all current and former employees who worked for Walmart at the Store as an hourly non-exempt employee at any time from **August 19, 2021 to April 24, 2026**.

All PAGA Employees will receive their pro-rata share of the PAGA Payment regardless of whether they opt out of the Settlement.

<<<INSERT FOR PAGA EMPLOYEES ONLY>>> You will automatically receive **$[estimated amount]**. You will no longer have the right to sue Walmart for civil penalties under the California Labor Code Private Attorneys General Act (PAGA) about the same issues covered by the Settlement.]

Learning About the Settlement

What does the Settlement Provide?

Although Walmart denies any wrongdoing, and the Court has not decided in favor of Mr. Hendrickson, Walmart has agreed to pay $400,000 into a settlement fund to avoid the costs and burden of continued litigation. This money will be divided among the Class members and PAGA Employees and will also be used to pay for the costs of the Settlement administration, the Class lawyers' fees, and the Class lawyers' out-of-pocket expenses in the case.

The Court named the company Apex Class Action LLC as the settlement administrator ("Settlement Administrator" or "Administrator"). They will be in charge of the settlement fund and sending this Notice to you.

They will also be in charge of making all the payments and sending the settlement checks, if the Court grants the final approval of this Settlement. The amounts that Apex will pay, if the Settlement is approved, are:

- Individual Class Settlement Payments = approximately $174,166.67 (divided amongst participating Class members as described herein)
- Class Attorneys' fees =$133,333.33 (requested)
- Class Attorneys' out-of-pocket expenses = up to $40,000.00
- Apex's costs of administering the Settlement = up to $12,500.00
- Payment to the California LWDA and the PAGA Employees = $30,000.00
- Plaintiff is also seeking a Service Award for his service to the Class. For more information, please go to [website link].

If you are unsure whether you are part of this Settlement, contact the Settlement Administrator at [Administrator's phone number]; or send an email with your name and telephone number to Administrator's email.

You can access the full Settlement document, including the claims releases, free of charge,

at www. [website link to Settlement]

How much will I receive?

<u>You are estimated to receive</u>:

- Class Member = $[est. total amount], less applicable taxes and payroll deductions.

- PAGA Payment = [if applicable] $[est. amount]

<u>Please Note</u>: The actual amount of your Individual Settlement Payment may increase or decrease based on several factors, including, but not limited to, the number of individuals who decide to participate in the Settlement.

Walmart's records show you worked a total of [INSERT Number] Workweeks during which the outdoor temperature reached or exceeded 80 degrees Fahrenheit from **June 19, 2018 to April 24, 2026.**

You may have worked additional Workweeks for Walmart i when the temperatures outside the Store were below 80 degrees Fahrenheit, but those Workweeks are <u>not</u> included for purposes of this Settlement. The total number of your Workweeks listed above is presumed to be correct unless you submit documents that show otherwise.

If you believe your total number of Workweeks is incorrect, you **<u>must</u>** contact the Settlement Administrator as soon as possible and provide documentation that you believe demonstrates that this number of Workweeks calculated by the Administrator is incorrect. You can reach the Settlement Administrator at [Administrator's phone number]; or send an email with your name and telephone number to [Administrator's email]. You must contact the Settlement Administrator and provide any supporting documents no later than <<45 calendar days from mailing>>. If you do not provide any documents or other evidence to support your challenge, the Settlement Administrator will reject it.

How will my payment be calculated?

The Settlement provides that the Class Members will receive approximately $174,166.67 (called the Net Settlement Fund). This amount will be shared equally among the participating Class Members depending on the number of Workweeks worked when outdoor temperatures exceeded 80 degrees Fahrenheit. Your individual payment will be based on how many of these weeks you worked compared to others in the Class.

First, the Administrator will calculate the total number of Workweeks all participating Class Members worked in which outdoor temperatures exceeded 80 degrees Fahrenheit. To do so, the Settlement provides that the Settlement Administrator will use Walmart's employment records (to determine the dates and shifts worked by the Class) along with the National Weather Service data, collected by the National Oceanic and Atmospheric Administration (NOAA) at the Naval Air Facility in El Centro, as the source of the historical outdoor temperature data.

Then, the Administrator will calculate the dollar amount each Class member will receive per qualifying Workweek and multiply that amount by the number of weeks you worked to calculate your payment.

If you are unsure about how your settlement amount was calculated, contact the Settlement Administrator at [Administrator's phone number] or [Administrator's email].

When do I get my payment?

If and when the Court grants final approval of the Settlement, no later than thirty (30) days after the Effective Date, Walmart will deposit the $400,000.00 into the Settlement account set up by the Settlement Administrator.

The Settlement Administrator will then start processing the Settlement payments.

Once your check is mailed, you will have **180 days** to cash or deposit your check.

Any checks that are returned undelivered or remain uncashed 180 calendar days after mailing will be cancelled. **YOU WILL LOSE YOUR CALIFORNIA STATE CLAIMS, EVEN IF YOU DO NOT CASH YOUR CHECK, UNLESS YOU HAD PREVIOUSLY OPTED OUT FROM THE CLASS.**

After the 180 days, the Administrator will transmit the funds of any uncashed checks to the California State Controller's Unclaimed Property Fund in the name of the individual that failed to cash the check.

Do I have a lawyer in the Lawsuit?

In a class action, the Court appoints lawyers to work on the case and represent the interests of all class members. The Court has appointed the following lawyers as counsel for the Class for settlement purposes:

Vilmarie Cordero
ARCH LEGAL PC
3555 Fifth Avenue,
San Diego, CA 92103
Telephone: (619) 906-4025
vcordero@archlegal.com

Do I have to pay the lawyers in the Lawsuit?

The Class lawyers' fees and out-of-pocket expenses will be paid from the settlement fund. **You will not have to pay the Class lawyers directly.**

To date, the Class lawyers have not been paid any money for their work or the expenses that they have paid out of pocket for the case. The Class lawyers will request, as part of the final approval of this Settlement, that the Court approve a payment of up to $133,333.33 total in attorneys' fees; plus the reimbursement of out-of-pocket expenses up to $40,000.00. Lawyers' fees and expenses will only be awarded if approved by the Court as a fair and reasonable amount. You have the right to object to the lawyers' fees even if you think other settlement terms are fair. You may also choose to be represented by your own counsel at your own cost.

Doing Nothing

What are the consequences of doing nothing as a Class member?

If you do nothing, you will be part of the Class Settlement, receive a payment, and be covered by the "release" provisions. That means you won't be able to start, continue, or be part of any other lawsuit against Walmart for the same claims at issue in this case. A full description of the claims and persons who will be released if this Settlement is approved can be found in the Settlement Agreement. You can review the full signed Settlement Agreement **online at www**. [website link to Settlement].

Opting Out of the Class

What if I do not want to be part of the Class?

You can opt out of the Class. If you do, you will not receive payment for the class claims and cannot object to the Settlement. However, you will not be bound or affected by anything that happens to the Class in the Lawsuit, including the releases of claims. **Regardless of whether or not you opt out of the Class, you cannot opt out of the PAGA settlement and you will not be able to pursue the released PAGA claims**.

If you want to Opt-Out of the Class, you must do so by: [45 days after mailing]

How do I Opt-Out? You must send a letter to the Settlement Administrator that:
1. is postmarked by [45 days after mailing];
2. includes your full name, last 4 of your social security number or employee id number, telephone number, and email address (if you have one);
3. states, "I wish to exclude myself from the Settlement in *Mark Hendrickson v. Wal-Mart Associates, Inc.*, and
4. includes your signature.

Mail your letter to:

[Settlement Administrator]
[Street address]

[City, State, Zip Code]

Objecting

What if I disagree with the Settlement?

Only Class Members may object to the Class Settlement.

You can ask the Court to deny final approval of the Settlement by filing an objection with the Court. You can't ask the Court to order a different Settlement; the Court can only approve or reject the Settlement. If the Court denies approval, no settlement payments will be sent out, and the Lawsuit will continue.

Any objection to the proposed Settlement must be in writing on or before [45 days after mailing]. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing. If you appear through your own attorney, you are responsible for hiring and paying that attorney.

All written objections and supporting papers must (a) clearly identify the case name and number (*Mark Hendrickson v. Wal-Mart Associates, Inc.;* Case No. 23-cv-00110-AJB-BJW, (b) be submitted to the Court either by filing them electronically or in person at any location of the United States District Court for the Southern District of California or by mailing them to the Class Action Clerk, United States District Court for the [ADDRESS] , and (c) be filed or postmarked on or before [45 days after mailing].

Final Approval Hearing

Can I be heard by the Judge?

The Court will hold a Final Approval Hearing to decide whether to grant final approval of the Settlement. You may attend this hearing. If you filed a timely objection, you or your attorney may ask to speak, but you do not have to.

Hearing Time: [date and time]

Hearing Location:

Judge:

The date of the Final Hearing may change without further notice. To make sure you have the correct date PLEASE CHECK with one of the following to confirm the **hearing date and time**:

1) The Settlement website at [insert website]

2) The Court's PACER site at https://ecf.cand.uscourts.gov

3) The Class Lawyers at ARCH Legal PC at 619-906-4025

Key Resources

How do I get more information?

This Notice summarizes the proposed Settlement. For the precise terms of the Settlement, please see the Settlement Agreement available at [website link].

You can find copies of other important documents in the case, including the operative Complaint, and the Court Order preliminarily approving the Settlement at [website link] or you can use the QR code located on the top right corner of the first page.

You can also:

- Contact the Class lawyer (information below)
- Visit the office of the Clerk of the Court for the United States District Court for the Southern District of California, [ADDRESS], between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.
- Access the Court's [eCourt Public Portal online] also known as PACER.

PACER is an online system that lets you view federal court case information and documents.

Instructions on how to use PACER:

1) Create a PACER account by visiting pacer.gov. Click Register and select "PACER-Case Search Only" and complete the form and follow the email to set up your account.
2) Log in to the Southern District's case search at https://ecf.casd.uscourts.gov/cgi-bin/ShowIndex.pl and click "Southern District of California – Document Filing System."
3) Click "Query" in the top menu, enter the case number 23-cv-00110 and select the button "Find This Case" and "Run Query."
4) Select History/Documents and click the button "Run Query."
5) To view the documents click the number on the left side.

Resource	Contact Information
Settlement Website	[website]
Settlement Administrator	[Settlement Administrator] [Street address] [City, State, Zip Code] [Phone Number]
Class Lawyers	Vilmarie Cordero ARCH Legal PC vcordero@archlegal.com 3555 Fifth Avenue, San Diego, CA 92103 Telephone: (619) 906-4025 Facsimile: (619) 692-0822
Court (DO NOT CONTACT)	United States District Court for the Southern District of California [ADDRESS]

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT, THE JUDGE, OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.