CLASS AND PAGA SETTLEMENT AGREEMENT

This Class and PAGA Settlement Agreement ("Settlement Agreement") is entered into by and between Plaintiffs GRISELDA DUNIA BUCIO, MERCY CAMPOS, MARIA ESCOBEDO LUGO, and KIRKLAND OMEGA SLATON (collectively "Plaintiffs"), individually and on behalf of all members of the Settlement Class (defined below) and in their capacity as representatives of the State of California and on behalf of PAGA Members (defined below), on one hand, and Defendant FN LOGISTICS, LLC ("Defendant"), on the other hand. Plaintiffs and Defendant are referred to herein collectively as the "Parties."

Plaintiffs filed PAGA notices with the Labor & Workforce Development Agency ("LWDA"), lawsuits, arbitration demands, and appeals, alleging wage and hour violations against Defendant (collectively, "Actions") as follows:

- Griselda Dunia Bucio v. FN Logistics, LLC (Los Angeles Superior Court Case No.: 22NWCV01505) - On August 18, 2022, Bucio submitted a PAGA notice to the LWDA, alleging (1) Failure to Pay Wages for All Hours Worked, (2) Failure to Pay Overtime Wages, (3) Failure to Authorize or Permit Rest Periods, (4) Failure to Timely Pay Earned Wages During Employment, (5) Failure to Provide Complete and Accurate Wage Statements, (6) Failure to Timely Pay Final Wages, and (7) Failure to Maintain Temperature Providing Reasonable Comfort. On December 6, 2022, Bucio filed a representative PAGA action against Defendant. Defendant's motion to compel arbitration is pending hearing.
- Griselda Dunia Bucio v. FN Logistics, LLC (Los Angeles Superior Court Case No.: 22STCV26948) – On August 19, 2022, Bucio filed a putative class action against Defendant, alleging (1) Failure to Pay Wages for All Hours Worked, (2) Failure to Pay Overtime Wages, (3) Failure to Authorize or Permit Rest Periods, (4) Failure to Timely Pay Earned Wages During Employment, (5) Failure to Provide Complete and Accurate Wage Statements, (6) Failure to Timely Pay Final Wages, (7) Unfair Business Practices. Bucio voluntarily dismissed her class claims and her individual claims are pending arbitration through JAMS.
- Mercy Campos v. FN Logistics, LLC (Los Angeles Superior Court Case No.: 23STCV00879) - On January 13, 2023, Campos filed a class action lawsuit against Defendant, alleging (1) Failure to Pay Overtime Wages, (2) Failure to Pay Minimum Wage, (3) Failure to Pay Sick Leave, (4) Failure to Pay All Wages Upon Termination, (5) Failure to Provide Accurate Wage Statements, and (6) Unfair Competition. On January 13, 2023, Campos submitted a PAGA notice to the LWDA. Thereafter, on June 2, 2023, Campos amended her complaint to add a representative PAGA claim. Campos is appealing from the granting of Defendant's motion to compel arbitration, dismiss her class claims, and stay the representative PAGA action.
- Maria Escobedo Lugo v. FN Logistics, LLC (Los Angeles Superior Court Case No.: 23STCV03283) - On February 14, 2023, Lugo filed a class action against Defendant, alleging (1) Failure to Pay Overtime Wages, (2) Failure to Pay All Wages and Minimum Wages, (3) Failure to Provide Meal Periods, (4) Failure to Provide Rest Periods, (5) Failure to Timely Furnish Accurate Itemized Wage Statements, (6) Failure to Provide Suitable Seating, (7) Failure to Provide Sick Pay, (8) Failure to Timely Pay Wages During Employment, (9) Waiting Time Penalties, (10) Failure to Adopt Standards that Minimize

Excessive Indoor Heat, and (11) Violation of Business & Professions Code 17200. On February 14, 2023, Lugo submitted a PAGA notice to the LWDA and on May 25, 2023, amended her Complaint to add a representative PAGA claim. The court granted Defendant's motion to compel arbitration, dismiss her class claims, and stay the representative PAGA action. Lugo has not initiated arbitration.

- Kirkland Omega Slaton v. Fashion Nova, LLC and Randstad Inhouse Services, LLC (Los Angeles Superior Court Case No.: 23STCV27933) - On November 14, 2023, Slaton submitted a PAGA notice to the LWDA and filed a class action against Defendant and Randstad (a staffing agency that employed Slaton and placed him to work for Defendant), alleging 1) Failure to Provide Meal Periods, 2) Failure to Provide Rest Periods, 3) Failure to pay Hourly Wages and Overtime, 4) Failure to Pay Proper Sick Pay, 5) Failure to Provide Accurate Written Wage Statements, 6) Failure to Timely Pay All Final Wages, 7) Failure to Indemnify, 8) Unfair Competition. On January 18, 2024, Slaton amended his Complaint to add a representative PAGA claim. Motions by Defendant and Randstad to compel arbitration, dismiss the class claims, and stay the representative PAGA action were granted. Slaton has not initiated arbitration.

On August 19, 2024, the Plaintiffs and Defendant engaged in a private mediation with mutually selected mediator, Judge Amy Hogue (Ret.). At mediation, Plaintiffs and Defendant engaged in an intensive discussion regarding their evaluation of the Actions, the relevant legal arguments, as well as the potential damages. After multiple post-mediation discussions facilitated by Judge Hogue, the Parties reached a settlement.

Solely for the purposes of effectuating this Settlement Agreement, Defendant will stipulate to allow all Plaintiffs, all claims alleged by Plaintiffs, and all claims subject to this Settlement Agreement to be consolidated in Griselda Dunia Bucio v. FN Logistics, LLC (Case No.: 22STCV26948) by way of an Amended Complaint to be filed in that case (the "Amended Complaint"). The Parties will seek Court approval of this Settlement Agreement in that case. Defendant shall have the right to review and approve the Amended Complaint and any necessary amended PAGA Notices to be sure they include all claims to be dismissed under this Settlement Agreement.

Plaintiffs and the Settlement Class are represented by Joseph Lavi, Vincent Granberry, William Tran, and Eric J. Naessig of Lavi & Ebrahimian, LLP; Marcus Bradley, Kiley Grombacher, and Lirit King of Bradley/Grombacher, LLP; Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.Law, Inc.; Michael Nourmand and James A. De Sario of The Nourmand Law Firm, APC (collectively, "Class Counsel"). Defendant is represented by Soojin Kang and Daniel Spencer of O'Hagan Meyer LLP and Kevin Gaut of Mitchell Silberberg & Knupp LLP ("Defense Counsel").

Defendant denies all of the claims and allegations, including but not limited to liability, damages, and restitution, asserted in the Actions. Defendant has agreed to resolve the Actions by this Settlement Agreement, but to the extent this Settlement Agreement is deemed void or does not take effect, Defendant does not waive, but rather expressly reserves all rights to challenge all such claims and allegations in the Actions upon all procedural and factual grounds, including without limitation, the ability to challenge class treatment on any grounds or to assert any and all defenses or privileges and rights to arbitration. The Plaintiffs and their counsel agree that

Defendant retains and reserves these rights. In particular, Plaintiffs and their counsel waive and agree not to argue or to present any argument that Defendant would be estopped from contesting class certification or asserting rights to arbitration because they have entered into this Settlement Agreement. In addition, Plaintiffs and Defendant recognize and agree that under California law, which is applicable here, courts impose a lesser burden for certification for settlement classes than they do for contested classes.

Given the uncertainty of litigation, Plaintiffs and Defendant wish to settle both individually and on behalf of the Settlement Class, the State of California, and PAGA Members. Accordingly, Plaintiffs and Defendant agree as follows:

1. **Settlement Class and PAGA Members Defined.** For the purposes of this Settlement Agreement only, Plaintiffs and Defendant stipulate to the certification of the following "Settlement Class" which shall consist of:

- All current and former hourly, non-exempt employees who worked for Defendant or its predecessor FN Logistics, Inc. in California at any time from January 13, 2019, through December 31, 2024 (the "Class Period"), as well as any and all temporary employees who worked for Defendant or its predecessor at any of their California locations during the Class Period and who were hired or placed through any temporary or staffing agencies. The Settlement Class includes, but is not limited to, temporary workers from the following temporary or staffing agencies: Adecco, Bluecrew, Personal HR, Randstad, Next Level Staffing, IWC, Compliant Care Staffing, Driven Talent, and Eastridge. Individuals who meet the foregoing criteria are referred to individually as a "Class Member" or collectively as "Class Members." Class Members who do not submit a timely and valid request to be excluded from the Settlement Class are referred to individually as a "Participating Class Member" or collectively as "Participating Class Members."

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure in a non-settlement context. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement. If for any reason this Settlement Agreement is not approved or is terminated, then the Settlement Agreement shall be of no force or effect whatsoever and shall not be referred to or used for any purpose whatsoever, and the negotiation, terms and entry of it shall remain subject to the provisions of California Evidence Code §§ 1119 and 1152.

Additionally, the "PAGA Members" shall be defined as:

- All Class Members who worked for Defendant or its predecessor or at any of their California locations at any time from October 2, 2021, through December 31, 2024 (the "PAGA Period").

This Settlement Agreement is intended by the Parties to result in a Judgment and to fully, finally, and forever resolve, discharge, and settle all claims released herein upon and subject to the terms and conditions hereof.

2. Defendant's Denial of Wrongdoing or Liability Defendant on behalf of itself and each Released Party denies all of the claims and contentions that the Plaintiffs allege in the Actions and have asserted numerous defenses to liability, class certification, and damages. Defendant does not, by this Settlement Agreement or otherwise, admit any liability of wrongdoing of any kind. Nothing in this Settlement is or shall be deemed to be an admission by Defendant or by any Released Party of any liability or wrongdoing whatsoever. Nonetheless, Defendant has taken into account the uncertainty and risks inherent in any litigation, particularly on a class-wide basis, and have concluded that to continue the Actions would be protracted and expensive. In light of the above, Defendant has determined that it is desirable and beneficial to it that the Actions be fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

3. **Claims of Plaintiffs and Benefits of Settlement.** The Plaintiffs believe that the claims asserted in the Actions have merit and that evidence developed to date supports the claims. The Plaintiffs and Class Counsel recognize and acknowledge, however, the expense and length of the type of continued proceedings necessary to prosecute the Actions against Defendant through class certification, trial, and appeals. The Plaintiffs and Class Counsel have also taken into account the uncertain outcome and the risks of any litigation or arbitration, especially in putative class actions such as the Actions, as well as the difficulties and delays inherent in such litigation or arbitration. The Plaintiffs and Class Counsel are also mindful of the inherent problems of proof in establishing and overcoming potential defenses to the claims asserted in the Actions. In light of these considerations, the Plaintiffs and Class Counsel believe that the settlement set forth in the Settlement Agreement confers substantial benefits and is in the best interests of the Plaintiffs, the Class, the State of California, and PAGA Members.

4. **Releases by Participating Class Members, PAGA Members, and Plaintiffs**. Plaintiffs, all Participating Class Members, and all PAGA Members, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, will release and discharge (a) Defendant and any temporary or staffing agencies (including but not limited to those expressly identified in paragraph 1) which provided any Class Members or PAGA Members for Defendant; (b) the respective former and present parents (including but not limited to Fashion Nova LLC), subsidiaries, affiliated corporations and entities, clients, vendors and independent contractors of the entities identified in subparagraph (a); (c) the successors and predecessors of the entities identified in subparagraphs (a) and (b); and (d) each of the respective current, former, and future officers, directors, members, managers, insurers, accountants, attorneys, investment bankers, trusts, trustees, licensors, licensees, employees, consultants, vendors, payroll companies, independent contractors, clients, partners, shareholders, joint venturers, and third-party agents of any entities identified in subparagraphs (a) through (c) (the "Released Parties"), as follows:

A. Release by Participating Class Members. Upon the occurrence of the Effective Date and Defendant's payment of the Gross Settlement Amount to the Settlement Administrator, Plaintiffs and all Participating Class Members, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, will release and discharge the Released Parties from all state, federal, or local claims, rights, demands, liabilities, and causes of action, whether known or unknown, arising from and/or relating to any of the claims ever asserted in any of the Actions or LWDA notices related to any of the Actions, or that could have been asserted based on any facts ever alleged in any of the Actions or any LWDA notices related to any of the Actions, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 206, 210, 215, 216, 218, 218.5, 218.6, 221, 223, 225, 225.5, 226, 226.3, 226.6, 226.7, 233, 246, 246.5, 354, 408, 500, 510, 512, 515, 516, 553, 558, 558.1, 1174, 1174.5, 1175, 1182, 1182.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 6720; California Business and Professions Code sections 17200, *et seq.*; California Civil Code sections 3287, 3289; California Code of Civil Procedure section 1021.5; and applicable Industrial Welfare Commission Wage Orders, and claims for failure to pay minimum wages and overtime wages, including any overtime wages owed on bonuses, incentive pay, or other such compensation; failure to pay wages for all hours worked, including for off the clock work; failure to provide meal periods; failure to pay meal period premium wages; failure to provide rest periods; failure to pay rest period premium wages; failure to reimburse for necessary business expenditures; failure to pay all wages due; failure to furnish complete, accurate, itemized wage statements; failure to pay all earned wages timely during employment and at termination; and failure to maintain accurate records; failure to provide sick leave; failure to pay sick leave, including sick leave owed on bonuses, incentive pay, or other such compensation; failure to adopt standards that minimize excessive indoor heat; and failure to provide suitable seating (the "<u>Class Released Claims</u>"). Except as set forth in Paragraphs 4(B), (C), and (D) of this Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

B. <u>Release by PAGA Members</u>. Upon the occurrence of the Effective Date and Defendant's payment of the Gross Settlement Amount to the Settlement Administrator, Plaintiffs and all PAGA Members, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, and the State of California, release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 (Labor Code section 2698 et seq.), whether known or unknown, arising from and/or relating to any of the claims ever asserted in any of the Actions or LWDA notices related to any of the Actions, or that could have been asserted based on any facts ever alleged in any of the Actions or any LWDA notices related to any of the Actions, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 206, 210, 215, 216, 218, 218.5, 218.6, 221, 223, 225, 225.5, 226, 226.3, 226.6, 226.7, 233, 246, 246.5, 354, 408, 500, 510, 512, 515, 516, 553, 558, 558.1, 1174, 1174.5, 1175, 1182, 1182.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 6720, and applicable Industrial Welfare Commission Wage Orders, and claims for failure to pay minimum wages and overtime wages, including any overtime wages owed on bonuses, incentive pay, or other such compensation; failure to pay wages for all hours worked, including for off the clock work; failure to provide meal periods; failure to pay meal period premium wages; failure to provide rest periods; failure to pay rest period premium wages; failure to reimburse for necessary business expenditures; failure to pay all wages due; failure to furnish complete, accurate, itemized wage statements; failure to pay all earned wages timely during employment and at termination; and failure to maintain accurate records; failure to provide sick leave; failure to pay sick leave, including sick leave owed on bonuses, incentive pay, or other such compensation; failure to adopt standards that minimize excessive indoor heat; and failure to provide suitable seating (the "<u>PAGA Released Claims</u>"). The PAGA Period and the time period of the PAGA Released Claims is October 2, 2021 through December 31, 2024.

The PAGA Released Claims do not include the claims related to suitable temperature that have been resolved through a settlement in the case of <u>Hill v. Fashion Nova et al.</u>, Los Angeles Superior Court Case No. 21STCV40012.

C. <u>Plaintiffs' Released Claims</u>. In light of Plaintiffs' Class Representative Enhancement Payments, in addition to the Class Released Claims and PAGA Released Claims, each Plaintiff releases on behalf of themselves, their respective heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, all claims, whether known or unknown, under federal, state, or local law against Released Parties arising prior to each Plaintiff's execution of the Settlement Agreement ("<u>Plaintiffs' Released Claims</u>"). The Parties understand and agree that Plaintiffs' Released Claims do not include any claims for or related to workers compensation, unemployment insurance, or any other claims that cannot be released as a matter of law. Plaintiffs understand that Plaintiffs' Released Claims includes unknown claims and that Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

> **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.**

Nothing contained herein shall be construed to preclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding.

The Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Plaintiffs' Released Claims, but the Plaintiffs, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Plaintiffs' Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which then exist, or previously have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Plaintiffs acknowledge that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

D. Plaintiffs' Release of Federal Age-Related Claims

Plaintiffs' Released Claims includes the release of federal age-related claims. As such, each Plaintiff fully and forever releases and discharges the Released Parties, of and from any and all claims, demands, causes of action, charges and grievances, of whatever kind or nature, whether known or unknown, suspected or unsuspected, which Plaintiffs now own or hold or had at any time before their signature date below owned or held against any of the Released Parties, arising out of any claim(s) of age discrimination under federal law or state law, including the federal Age Discrimination in Employment Act (including the Older Workers Benefit Protection Act). This Release does not prohibit Plaintiffs from filing any ADEA-related charges with any governmental administrative agency as long as Plaintiffs do not personally seek reinstatement, damages, remedies, or other relief as to any claim that Plaintiffs have released, any right to which Plaintiffs hereby waive.

1. Period for Review and Consideration of Agreement

Each Plaintiff confirms that he/she has been given twenty-one (21) days to review and consider this Settlement Agreement before signing it. Plaintiffs understand that they may use as much or as little of this period as they wish prior to signing the Settlement Agreement.

2. Plaintiffs' Right to Revoke Waiver of Claims Under the ADEA, and ADEA Only

In order to comply with the Older Workers Benefits Protection Act (29 U.S.C. section 626(f)) and effectuate the release by Plaintiffs of any potential claims under the Federal Age Discrimination In Employment Act, as described herein, each Plaintiff agrees as follows. Plaintiffs specifically acknowledge that they are waiving and releasing any rights they may have under the Age Discrimination In Employment Act of 1967 ("ADEA") in exchange for the consideration paid. Plaintiffs acknowledge that the consideration given for this waiver and release is in addition to anything of value to which they were already entitled. Each Plaintiff has carefully reviewed this Settlement Agreement and understands the terms and conditions it contains. By entering into this Settlement Agreement, each Plaintiff is giving up potentially valuable legal rights and each intends to be bound by all the terms and conditions set forth in this Settlement Agreement. Each Plaintiff is entering into this Settlement Agreement freely, knowingly and voluntarily. Each has been advised to consult legal counsel, and has done so, before executing the Settlement Agreement. Each Plaintiff does not waive any rights or claims that may arise after the date this Settlement Agreement is executed. If this Settlement Agreement is signed by a Plaintiff and returned to defense counsel within the time specified in this paragraph, that Plaintiff may revoke the release of any ADEA claims only, within seven (7) calendar days of the date of Plaintiff's signature to this agreement. Revocation must be made by delivering a written notice of revocation to defense counsel, which must be received no later than the close of business on the seventh calendar day (or next business day thereafter, if the seventh calendar day is not a business day) after Plaintiff signs this Settlement Agreement. If any Plaintiff revokes any ADEA claims, this Settlement Agreement shall not be effective or enforceable as to any rights the revoking Plaintiff may have under the ADEA. Additionally, this release eliminates all penalties, such as attorneys' fees, for any action brought by any Plaintiff challenging the validity of the ADEA waiver. If any one of the Plaintiffs revokes the release of ADEA claims, Defendant shall have the right in its sole and absolute discretion to terminate this Settlement Agreement, in which event the Parties shall be returned to their positions as if this Settlement Agreement had not been made.

Notice to Defendant for purposes of revoking the release of ADEA claims shall be effective if and only if it is delivered within the revocation period set forth above by one or more of the following means: (a) personally; (b) by overnight courier; or (c) by registered mail to: (1) Soojin Kang and Daniel Spencer, O'Hagan Meyer LLP, 550 S. Hope Street, Suite 2400, Los Angeles, CA 90071; (2) Kevin Gaut, Mitchell Silberberg & Knupp LLP, 2049 Century Park East, 18th Floor, Los Angeles, CA 90067.

5. **Effective Date**. The term "<u>Effective Date</u>" means the latest of: (i) the date immediately following the passage of the applicable date to seek appellate review of the Court's order of Final Approval, without an appeal having been filed, i.e. 65 days after final approval of this Settlement Agreement; (ii) in the event that a timely appeal of the Court's order of Final Approval has been filed, then the Effective Date shall occur when the applicable appellate court has rendered a final decision or opinion affirming the Court's Final Approval order without material modification, and the applicable date for seeking further appellate review has passed, or the date that any such appeal has been either dismissed or withdrawn by the appellant.

6. **Gross Settlement Amount.** As consideration, and subject to Court approval, Defendant agrees to pay a non-reversionary "<u>Gross Settlement Amount</u>" of Five Million Five Hundred Sixty-Five Thousand Dollars and Zero Cents ($5,565,000.00) and to separately pay any and all employer payroll taxes owed on the wage portions of the Individual Class Payments in full and complete settlement and resolution of the Actions and of the Class Released Claims, the PAGA Released Claims, and Plaintiffs' Released Claims. Neither the Court nor the Settlement Administrator shall

have any power to increase the Gross Settlement Amount or depart from the express terms of this Settlement Agreement.

A. The Parties have agreed to engage Simpluris, Inc. as the "Settlement Administrator" to administer this Settlement. The actions of the Settlement Administrator shall be governed by the terms of this Settlement Agreement.

B. Defendant will pay the Gross Settlement Amount to the Settlement Administrator within thirty (30) days of the Effective Date.

C. This is a non-reversionary settlement. The Gross Settlement Amount includes:

(1) All Individual Class Payments (including interest) to Participating Class Members. Gross Settlement Amount less the Court-approved amounts of Fixed Payments, defined below, will be paid to Participating Class Members ("Net Settlement Amount").

(2) Fixed Payments.

(a) The Settlement Administrator costs are anticipated to be no greater than Thirty Two Thousand Dollars and Zero Cents ($32,000.00).

(b) Plaintiffs' Class Representative Enhancement Payments, up to Ten Thousand Dollars and Zero Cents ($10,000.00) each, for a total of Forty Thousand Dollars and Zero Cents ($40,000.00), in recognition of Plaintiffs' contributions to the Actions and Plaintiffs' service to the Settlement Class. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payments, Plaintiffs shall not have the right to revoke the Settlement Agreement for that reason, and the Settlement Agreement will remain binding. Since it is the intent of the Parties that the Class Representative Enhancement Payments to Plaintiffs are for their service to the Settlement Class, and not wages, the Settlement Administrator will not withhold any taxes from the Class Representative Enhancement Payments. The Settlement Administrator will report the Class Representative Enhancement Payments on Form 1099s.

(c) Up to Thirty-Five Percent (35%) of the Gross Settlement Amount (currently estimated to be One Million Nine Hundred Forty Seven Thousand Seven Hundred Fifty Dollars and Zero Cents ($1,947,750.00)) to pay Class Counsel's attorneys' fees, plus verified actual costs and expenses incurred by Class Counsel related to the Actions as supported by declarations, in an amount not to exceed Fifty Two Thousand Two Hundred Fifty Dollars and Zero Cents ($52,250.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke the Settlement Agreement based on that reason, and the Settlement Agreement will remain binding.

(d) Two Hundred Thousand Dollars and Zero Cents ($200,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or One Hundred Fifty Thousand Dollars and Zero Cents ($150,000.00), will be payable to the LWDA, and the remaining 25%, or Fifty Thousand Dollars and Zero Cents ($50,000.00), will be payable to the PAGA Members as the "PAGA Amount," as described below.

D. Any reduction by the Court of the requests for Fixed Payments will revert to the Net Settlement Amount for distribution to the Participating Class Members.

E. **Escalator Clause.** Defendant represents that Class Members directly employed by it (not including any temporary workers placed through temporary or staffing agencies) worked 251,250 workweeks during the period January 13, 2019 to March 9, 2024. This Settlement Agreement is based on an estimate of approximately 490,000 total workweeks worked, from January 13, 2019 to March 9, 2024, by the direct employees of Defendant and by the temporary employees employed by temporary or staffing agencies identified above and placed to work for Defendant. In the event that the number of the total workweeks over the specified time period from January 13, 2019 to March 9, 2024 in fact exceeds 490,000 by more than 10%, the Gross Settlement Amount shall be increased by the percentage over 10%. For example, if the total workweeks over the specified time period from January 13, 2019 to March 9, 2024 in fact exceeds 490,000 by 11%, the Gross Settlement Amount shall be increased by 1%.

F. **Employer Payroll Taxes.** The Gross Settlement Amount does not include employer-side payroll taxes, which shall be paid by Defendant separately, and in addition to, the Gross Settlement Amount. The Settlement Administrator shall be responsible for calculating, reporting and paying the employer's payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) which Defendant shall fund separate and apart from the Gross Settlement Amount. The Settlement Administrator will report each payment made from the Gross Settlement Amount to government authorities including the Internal Revenue Service as required by law, and shall make all required deductions and/or withholdings. The Settlement Administrator will also retain the amount due for payroll taxes and will pay those amounts to the pertinent government authorities in the manner and the time prescribed by law. The Settlement Administrator shall report the wage payments to the Internal Revenue Service (and other relevant government agencies) as wage income in the year of payment on a Form W-2 or similar form issued to the Participating Class Members. The Settlement Administrator shall report payments for penalties and interest to the Internal Revenue Service (and other relevant governmental agencies) as non-wage income in the year of payment on a Form 1099, or similar form issued to the Participating Class Members in question.

The Parties agree that nothing contained herein is intended to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such. The tax issues for each Participating Class Member and PAGA Member are unique, and each Participating Class Member and PAGA Member is advised to obtain tax advice from his or her own tax advisor with respect to any payments resulting from this settlement. The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Participating Class Members and PAGA Members are not relying on any statement or representation by the Parties, Class Counsel, and Defense Counsel in this regard. Participating Class Members and PAGA Members understand and agree that they will be responsible for the payment of any employee or other taxes and penalties assessed on the Settlement Awards described herein and will hold the Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way from personal tax treatment of the payments made pursuant to this Agreement.

7. **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 shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or adviser to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

8. **Class Data.** **"**Class Data" means names, last known addresses, social security numbers, workweeks worked during the Class Period for Class Members and pay periods worked during the PAGA Period for PAGA Members.

Within fifteen (15) business days after the Court grants preliminary approval of the Settlement, Defendant will deliver the Class Data in its possession to the Settlement Administrator, in the form of a Microsoft Excel spreadsheet.

The Parties recognize that Class Data regarding Class Members that were temporary employees placed to work for Defendant by temporary or staffing agencies is not currently in Defendant's possession. The Parties will work cooperatively to obtain this data from the temporary or staffing agencies. Subpoenas to the temporary or staffing agencies may be necessary. To the extent Defendant is able to obtain the data from the temporary or staffing agencies, Defendant will deliver to the Settlement Administrator the data obtained within fifteen (15) business days of receiving the data from the temporary or staffing agencies. Otherwise, the Parties will work cooperatively to devise a reasonable alternative with respect to those Class Members.

Class Data shall be confidential and Defendant shall provide the information only to the Settlement Administrator as required to administer the settlement. To protect Class Members' privacy rights, the Settlement Administrator must maintain the Class Data confidentially and use it only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Settlement Administrator employees who need access to the Class Data to effect and perform under this Settlement Agreement.

If any Class Members make valid requests for exclusion from the Settlement, the Settlement Administrator will disclose the names of those Class Members to Class Counsel, and other identifying information of those Class Members will be disclosed to Class Counsel only if the Court requires public disclosure of such information.

9. **Payments to the Class Members.** Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Individual Settlement Awards will be determined and paid as follows:

A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, the Class Representative Enhancement Payments, the Settlement Administrator's fees and expenses for administration, and the total amount designated as PAGA civil penalties. The remaining amount shall be known as the "Net Settlement Amount."

B. Calculation of Settlement Awards. The Settlement Administrator will calculate Settlement Awards based on the following formulas:

i. Payments from Net Settlement Amount. The Net Settlement Amount shall be allocated among Participating Class Members, as follows: each Participating Class Member shall receive a proportionate share of the Net Settlement Amount based upon the number of workweeks he/she worked for Defendant or its predecessor as a non-exempt employee during the Class Period, the numerator of which is the Participating Class Member's total such workweeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total such workweeks worked as non-exempt employees by all Participating Class Members who worked during the Class Period. ("Individual Class Payments".)

ii. Payments from PAGA Amount. 25% of the amount set aside as PAGA civil penalties (i.e., $50,000.00) has been set aside as the "PAGA Amount," as mentioned above. The PAGA Amount shall be paid to all PAGA Members (regardless of whether they opt out), based on their proportional number of pay periods worked for Defendant or its predecessor in California during the PAGA Period. Specifically, each PAGA Member's payment from the PAGA Amount will be calculated by multiplying the PAGA

Amount by a fraction, the numerator of which is the PAGA Member's number of such pay periods worked during the PAGA Period, and the denominator of which is the total such pay periods worked by all PAGA Members during the PAGA Period. ("Individual PAGA Payments")

iii. Individual Class Payments and Individual PAGA Payments collectively will be referred to as "Settlement Awards."

C. Within five (5) business days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator and the Settlement Administrator's receipt of Class Data necessary to calculate Settlement Awards, the Settlement Administrator will calculate all Settlement Awards as well as the employer-side taxes on the wage portion of the Settlement Award, and obtain approval from the Parties' counsel of its calculations. Within seven (7) business days of the Settlement Administrator providing this information to the Parties' counsel, Defendant will deposit the employer-side taxes with the Settlement Administrator. Within five (5) business days of the receipt of the employer-side taxes, the Settlement Administrator will prepare and mail the Settlement Awards, less applicable taxes and withholdings. The Settlement Administrator shall send the Court-approved amounts for attorneys' fees and costs to Class Counsel, Class Representative Enhancement Payments to Plaintiffs, and the LWDA's portion of PAGA civil penalties to the LWDA, at the same time as it mails Settlement Awards to Participating Class Members and PAGA Members.

D. For purposes of calculating applicable taxes and withholdings, each Individual Class Payment shall be allocated as follows: For amounts paid from the Net Settlement Amount, 20% wages, and 80% penalties and interest. Each Individual PAGA Payment shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to Settlement Class members IRS Forms W-2 (for amounts paid as wages) and IRS Forms 1099 (for amounts paid as penalties and interest).

E. Each Participating Class Member and PAGA Member who is mailed check(s) for Individual Class Payment and/or Individual PAGA Payment must cash the check(s) within 180 days from the date the Settlement Administrator mails it. Any check that is not cashed within 180 days of mailing shall escheat to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq*., in the name of the Participating Class Member or PAGA Member to whom the check was issued. Failure to cash a Settlement Award check does not void or impair any of the releases contained in this Settlement Agreement.

F. Neither Plaintiffs nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

10. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to thirty-five percent (35%) of the Gross Settlement Amount, which is currently estimated to be One Million Nine Hundred Forty-Seven Thousand Seven Hundred Fifty Dollars and Zero Cents ($1,947,750.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Fifty Two Thousand Two Hundred Fifty Dollars and Zero Cents ($52,250.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with the Actions, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator for the fee award approved by the Court.

11. **Class Representative Enhancement Payments.** Defendant will not object to a request for Class Representative Enhancement Payments of $10,000.00 to each Plaintiff (for a total of $40,000.00) for Plaintiffs' time in prosecuting the Actions and Plaintiffs' service to the Settlement Class. These awards will be in addition to each Plaintiff's Individual Class Payments and Individual PAGA Payments, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator.

12. **Settlement Administrator.** Defendant will not object to the appointment of Simpluris, Inc. as Settlement Administrator. Defendant will not object to Plaintiffs seeking approval to pay up to Simpluris, Inc. for the administration services from the Gross Settlement Amount, including but not limited to all the duties set forth above, all tax document preparation, custodial fees and accounting fees, all costs and fees associated with computing, reviewing, and paying distributions from the Gross Settlement Amount, all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency, all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administrating disbursements from the Gross Settlement Amount, and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement. The Settlement Administrator shall be responsible for depositing into an account and holding the various payments from Defendant comprising the Gross Settlement Amount, sending notice to the Settlement Class members, calculating individual Settlement Awards and preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount only after Settlement Awards have been mailed to all participating Settlement Class members and to PAGA Members.

13. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiffs shall apply to the Court for the entry of a "Preliminary Approval Order":

A. Approving the filing of the Amended Complaint.

B. Conditionally certifying the Settlement Class for settlement purposes only;

C. Appointing Joseph Lavi, Vincent Granberry, William Tran, and Eric J. Naessig of Lavi & Ebrahimian, LLP; Marcus Bradley, Kiley Grombacher, and Lirit King of Bradley/Grombacher, LLP; Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.Law, Inc.; Michael Nourmand and James A. De Sario of The Nourmand Law Firm, APC, as Class Counsel;

D. Appointing Plaintiffs Griselda Dunia Bucio, Mercy Campos, Maria Escobedo Lugo, and Kirkland Omega Slaton, as Class Representatives for the Settlement Class;

E. Approving Simpluris, Inc. as Settlement Administrator;

F. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;

G. Approving the form and content of the Notice (attached hereto as Exhibit A), and directing the mailing of same; and

H. Scheduling a Final Approval hearing.

In the event that the settlement set forth in this Settlement Agreement shall not be approved in its entirety by the Court without material change, or in the event that the Effective Date does not occur, each of the Parties shall have the option to void the settlement, and in such case, no payments shall be made by Defendant to anyone in accordance with the terms of this Settlement Agreement, and this Settlement Agreement shall be deemed null and void and the Parties shall be returned to their positions as of the date of the Settlement Agreement. Notwithstanding this provision, the Parties agree to negotiate in good faith to cure any deficiencies cited by the Court as reason(s) for non-approval of any matter(s) filed with the Court for approval. In the event the Court reduces any of the amounts requested for the Plaintiffs' Class Representative Enhancement Payments, the Class Counsel's fees or costs, or the Settlement Administrator, the difference shall become part of the Net Settlement Amount. In the event that more than five percent (5%) of Class Members Opt-Out of the settlement in the manner provided by this Settlement Agreement and Class Notice, Defendant shall have the sole discretion and right to terminate and void this settlement and Settlement Agreement; however, Defendant must notify Class Counsel of their intention to nullify the settlement and Settlement Agreement within ten (10) calendar days after the expiration of the Opt-Out Deadline. In the event that Defendant elects this option, it shall be solely responsible for any fees/costs incurred by the Settlement Administrator up to the date of notice, and all Parties shall be returned to their positions as of the date of execution of this Settlement Agreement.

14. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

A. Within ten (10) business days from receipt of all Class Data, the Settlement Administrator shall (i) run the names of all Class Members through the National Change of Address ("NCOA") database to determine any updated addresses for Class Members; (ii) update the address of any Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated

Settlement Award for each Class Member; and (iv) mail a Notice Packet to each Class Members at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

B. Requests for Exclusion. Any Class Member who wishes to opt-out of the Settlement Class must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice (the "Response Deadline").

i. The Notice Packet shall state that Class Members who wish to exclude themselves from the Settlement Class must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion is a letter or postcard prepared by the Class Member that must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) contain a statement that the Class Member wishes to be excluded from the Settlement Class; (3) be signed by the Class Member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement Class, except a Request for Exclusion not containing a Class Member's telephone number and/or last four digits of the Social Security number will still be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Member who requests to be excluded from Settlement Class will not be entitled to any recovery from the class portion of this settlement, will not receive an Individual Class Payment, and will not be bound by the terms of the Released Class Claims, or have any right to object, appeal or comment on this settlement. No PAGA Member may opt out of the PAGA portion of the settlement. All PAGA Members, regardless of whether they opt out of the class portion of the Settlement, shall be mailed a portion of the PAGA Amount and shall release the claims encompassed by the PAGA Released Claims.

ii. Class Members who do not submit a timely and valid opt out request will be referred to as "Participating Class Members."

iii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Class Member to object to the settlement or opt-out of the Settlement Class, or encourage any Class Member to appeal from the final judgment.

C. Objections. Participating Class Members may object to the class portion of this Settlement Agreement as explained in the Class Notice by either submitting a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendants' counsel, who shall file all such objections with the Court) within the Response Deadline, and/or appear at the Final Approval Hearing to orally object. Defense counsel and Class Counsel shall file any responses to written objections no later than five (5) days prior to the Final

Approval Hearing. Any written objection should: (1) contain the full name, address, phone number, and e-mail address of the objecting Class Member, as well as the contact information for any attorney representing the objecting Class Member of purposes of the objection; (2) include all objections and the factual and legal bases for same, as well as any and all briefs, written evidence, declarations, and/or other evidence supporting the objection; and (3) be postmarked on or before the Response Deadline. Any Participating Class Member who wishes to may appear in person or through their own counsel and raise an objection at the Final Approval Hearing. A Participating Class Member need not submit a written objection in order to object orally at the Final Approval Hearing.

D. <u>Notice of Estimated Settlement Award / Disputes.</u> Each Notice mailed to a Class Member shall disclose the amount of the Class Member's estimated Settlement Award as well as the information that was used to calculate the amounts. Class Members will have the opportunity, should they disagree with the Class Data regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. However, if the Settlement Administrator and the Parties cannot agree on a resolution, the Parties will submit the dispute to the Court for a final determination.

E. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice to the Class Member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Class Member. Class Members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have until fourteen (14) calendar days after re-mailing, or until the Response Deadline, whichever is later, to opt-out, object, or dispute their estimated Settlement Award. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Class Member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed.

15. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiffs shall apply to the Court for entry of an Order:

A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payments, Settlement Administrator costs, and payment to the LWDA for its share of PAGA civil penalties; and

C. Entering judgment pursuant to California Rule of Court 3.769.

16. The Parties agree that upon final approval of the settlement, a judgment will be entered, confirming the releases herein. This judgment will constitute a binding and final resolution of any and all claims brought by Plaintiffs on behalf of themselves, the State of California, Participating Class Members, and PAGA Members. This settlement and the judgment entered thereon shall have res judicata effect precluding Plaintiffs, Participating Class Members, and PAGA Members from initiating any other proceedings regarding claims released pursuant to this Settlement Agreement.

17. Within five (5) days following distribution of the Settlement Awards by the Settlement Administrator, Plaintiffs shall dismiss with prejudice any individual arbitrations arising from the Actions, and dismiss with prejudice all Actions other than <u>Griselda Dunia Bucio v. FN Logistics, LLC</u> (Case No.: 22STCV26948) to the extent they were not previously dismissed with prejudice, and the appeal related to <u>Mercy Campos v. FN Logistics, LLC</u> (Case No.: 23STCV00879). Pending preliminary and final approval of the settlement, the Parties will work together to dismiss without prejudice all actions other than <u>Griselda Dunia Bucio v. FN Logistics, LLC</u> (Case No.: 22STCV26948), and stay all arbitrations arising from the Actions and stay the Campos appeal. No proceedings shall take place in any of the Actions or proceedings pending preliminary and final approve of this Settlement.

18. Class Counsel shall prepare all pleadings and forms necessary to obtain approval of the settlement based on the terms set forth herein, subject to review and approval by Defense Counsel. Class Counsel shall provide to the LWDA all required notices and documents to facilitate approval of the settlement in accordance with the PAGA, including submitting to the LWDA a copy of the proposed settlement at the same time that it is submitted to the court; a copy of the court's judgment; copies of any other orders that award or deny penalties; and a copy of anything else as contemplated herein.

19. The Parties agree that they will not distribute to any Class Member or PAGA Member any documents, notices, or information regarding the Actions or the settlement other than documents, notices, or information approved by the court.

20. The Parties are represented by competent counsel and they have had ample opportunity to consult with counsel prior to executing this Settlement Agreement.

21. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve,

interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

22. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by counsel for all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

23. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and/or by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiffs:

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, California 90211
Emails: jlavi@lelawfirm.com
vgranberry@lelawfirm.com

Michael Nourmand, Esq.
James A. De Sario, Esq.
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Emails: mnourmand@nourmandlawfirm.com
jdesario@nourmandlawfirm.com

Marcus Bradley, Esq.
Kiley Grombacher, Esq.
Lirit King, Esq.
BRADLEY/GROMBACHER, LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, CA 91361
Email: mbradley@bradleygrombacher.com
kgrombacher@bradleygrombacher.com
lking@bradleygrombacher.com

Emil Davtyan, Esq.
David Yeremian, Esq.
David Keledjian, Esq.
David Arakelyan. Esq.
D.LAW, INC.
450 N. Brand Blvd., Ste. 840
Glendale, CA 91203
Emails: emil@d.law
d.yeremian@d.law
d.keledjian@d.law
d.arakelyan@d.law

if to Defendant: Soojin Kang and Daniel Spencer of O'Hagan Meyer LLP
550 S. Hope Street, Suite 2400, Los Angeles, CA 90071
skang@ohaganmeyer.com
dspencer@ohaganmeyer.com
Kevin Gaut of Mitchell Silberberg & Knupp LLP
2049 Century Park East, 18th Floor, Los Angeles, CA 90067
keg@msk.com

24. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

25. **Construction.** The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement Agreement is not to be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in the Settlement Agreement fall on a weekend or Court holiday, the time to act shall be extended to the next day that is not a weekend or Court holiday.

26. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. An electronic signature shall be as effective as a hard copy signature.

27. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of this Settlement Agreement.

28. **Enforcement and Continuing Jurisdiction of the Court**. Except as otherwise specifically provided for herein, the Court shall retain jurisdiction to construe, interpret, and enforce this Settlement Agreement, to supervise all notices, the administration of the Settlement Agreement, and to hear and adjudicate any dispute arising from or related to the Settlement Agreement. The Parties agree that the Court has jurisdiction over the Settlement Agreement pursuant to California Code of Civil Procedure, Section 664.6. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement Agreement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions. This Settlement Agreement shall be construed in accordance with, and be deemed governed by, the laws of the State of California.

28. **Confidentiality.** The Parties agree, and the Parties shall instruct their counsel, to keep the settlement confidential and none of the Parties will issue any press release or other public or non-

public representation regarding the settlement, other than as necessary to obtain Court approval and effectuate the terms of the settlement. The Parties agree, and the Parties shall instruct their counsel, that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press or through social media about the Actions or the settlement. Plaintiffs shall instruct their counsel that they shall not utilize this settlement or the Settlement Agreement, in any way in their marketing or advertising materials or website. Nothing herein shall prohibit any Party from disclosing information relating to the settlement or the Settlement Agreement as required by law.

Dated: 05/12/2025

GRISELDA DUNIA BUCIO

Plaintiff Griselda Dunia Bucio, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: 04/19/2025

Plaintiff Mercy Campos, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: 4/17/2025

Firmado por:

05854C100187485...

Plaintiff Maria Escobedo Lugo, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

Plaintiff Kirkland Omega Slaton, on behalf of himself, Class Members, PAGA Members, and the LWDA

Defendant FN Logistics, LLC

Dated: ____________________

Name: ____________________

Title: ____________________

GB

public representation regarding the settlement, other than as necessary to obtain Court approval and effectuate the terms of the settlement. The Parties agree, and the Parties shall instruct their counsel, that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press or through social media about the Actions or the settlement. Plaintiffs shall instruct their counsel that they shall not utilize this settlement or the Settlement Agreement, in any way in their marketing or advertising materials or website. Nothing herein shall prohibit any Party from disclosing information relating to the settlement or the Settlement Agreement as required by law.

Dated: ____________________

____
Plaintiff Griselda Dunia Bucio, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

____
Plaintiff Mercy Campos, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

____
Plaintiff Maria Escobedo Lugo, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: 04/18/2025

Signed by:
B0A31C2E1B3741C...
____
Plaintiff Kirkland Omega Slaton, on behalf of himself, Class Members, PAGA Members, and the LWDA

Defendant FN Logistics, LLC

Dated: ____________________

____

Name: ______________________________

Title: ______________________________

public representation regarding the settlement, other than as necessary to obtain Court approval and effectuate the terms of the settlement. The Parties agree, and the Parties shall instruct their counsel, that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press or through social media about the Actions or the settlement. Plaintiffs shall instruct their counsel that they shall not utilize this settlement or the Settlement Agreement, in any way in their marketing or advertising materials or website. Nothing herein shall prohibit any Party from disclosing information relating to the settlement or the Settlement Agreement as required by law.

Dated: ____________________

____
Plaintiff Griselda Dunia Bucio, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

____
Plaintiff Mercy Campos, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

____
Plaintiff Maria Escobedo Lugo, on behalf of herself, Class Members, PAGA Members, and the LWDA

Dated: ____________________

____
Plaintiff Kirkland Omega Slaton, on behalf of himself, Class Members, PAGA Members, and the LWDA

Defendant FN Logistics, LLC

Dated: June 25, 2025

Joyce Crucillo

Name: JOYCE CRUCILLO

Title: GENERAL COUNSEL

APPROVED AS TO FORM ONLY:

LAVI & EBRAHIMIAN, LLP

Dated: 05/14/2025

JOSEPH LAVI

Joseph Lavi
Attorneys for Plaintiff Griselda Dunia Bucio

THE NOURMAND LAW FIRM, APC

Dated: ______________________

Michael Nourmand
Attorneys for Plaintiff Mercy Campos

BRADLEY/GROMBACHER, LLP

Dated: ______________________

Marcus Bradley
Attorneys for Plaintiff Maria Escobedo Lugo

D.LAW, INC.

Dated: 04/22/2025

David Yeremian, Esq.
Attorneys for Plaintiff Kirkland Omega Slaton

MITCHELL SILBERBERG & KNUPP LLP

Dated: ______________________

Kevin Gaut
Attorneys for Defendant FN Logistics, LLC

GB

APPROVED AS TO FORM ONLY:

LAVI & EBRAHIMIAN, LLP

Dated: ____________________

____
Joseph Lavi
Attorneys for Plaintiff Griselda Dunia Bucio

THE NOURMAND LAW FIRM, APC

Dated: 04/21/2025

Michael Nourmand
Michael Nourmand
Attorneys for Plaintiff Mercy Campos

BRADLEY/GROMBACHER, LLP

Dated: 4/17/2025

DocuSigned by:
Marc Bradley
4EC77CC0440240A
Marcus Bradley
Attorneys for Plaintiff Maria Escobedo Lugo

D.LAW, INC.

Dated: ____________________

____
David Yeremian, Esq.
Attorneys for Plaintiff Kirkland Omega Slaton

MITCHELL SILBERBERG & KNUPP LLP

Dated: ____________________

____
Kevin Gaut
Attorneys for Defendant FN Logistics, LLC

APPROVED AS TO FORM ONLY:

LAVI & EBRAHIMIAN, LLP

Dated: ____________________

____
Joseph Lavi
Attorneys for Plaintiff Griselda Dunia Bucio

THE NOURMAND LAW FIRM, APC

Dated: ____________________

____
Michael Nourmand
Attorneys for Plaintiff Mercy Campos

BRADLEY/GROMBACHER, LLP

Dated: ____________________

____
Marcus Bradley
Attorneys for Plaintiff Maria Escobedo Lugo

D.LAW, INC.

Dated: ____________________

____
David Yeremian, Esq.
Attorneys for Plaintiff Kirkland Omega Slaton

MITCHELL SILBERBERG & KNUPP LLP

Dated: June 26, 2025

Kevin Gaut
Attorneys for Defendant FN Logistics, LLC

O'HAGAN MEYER LLP

Dated: 6/27/25

Soojin Kang
Attorneys for Defendant FN Logistics, LLC

EXHIBIT A

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

Griselda Dunia Bucio et al. v. FN Logistics, LLC
Los Angeles Superior Court Case No. 22STCV26948

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

You may be eligible to receive money from an employee class action lawsuit (the "Action") against FN Logistics, LLC ("FNL") for alleged wage and hour violations. The Action is being pursued by several persons formerly employed by FNL or its predecessor or formerly placed to work at FNL or its predecessor by staffing agencies. These named persons suing in particular are Griselda Dunia Bucio, Mercy Campos, Maria Escobedo Lugo, and Kirkland Omega Slaton ("Plaintiffs"). Plaintiffs seek payment of back wages, penalties, and other relief for a "Settlement Class" consisting of all current and former hourly, non-exempt employees who worked for FNL or its predecessor FN Logistics, Inc. in California at any time from January 13, 2019, through December 31, 2024 (the "Class Period"), as well as any and all temporary employees who worked for Defendant or its predecessor at any of their California locations during the Class Period and who were hired or placed through any temporary or staffing agencies. The Settlement Class includes, but is not limited to, temporary workers from the following temporary or staffing agencies: Adecco, Bluecrew, Personal HR, Randstad, Next Level Staffing, IWC, Compliant Care Staffing, Driven Talent, and Eastridge. These persons are collective the "Class Members." Plaintiffs also seek penalties under the California Private Attorney General Act ("PAGA") for all the previously described persons who worked at FNL or its predecessor any time from October 2, 2021, through December 31, 2024 (the "PAGA Period"). The persons described in the preceding sentence are the "PAGA Members."

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

Based on the records of FNL or the staffing agencies, **your Individual Class Payment is estimated to be $___________ (less withholding) and your Individual PAGA Payment is estimated to be $___________**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to the records of FNL and the staffing agencies you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on the records of FNL or staffing agencies showing that **you worked ___ workweeks** during the Class Period and **you worked ___ pay periods** during the PAGA Period. If you believe that you worked more during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

(1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage and other claims (as described below) and PAGA Period penalty claims against FN Logistics, LLC and related parties.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against FNL and, if you are a PAGA Member, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against FNL that are covered by this Settlement (Released Claims, as defined below).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is ________________	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written Request for Exclusion to opt out of the Settlement. Once you opt out, you will no longer be eligible for an Individual Class Payment. Persons sending a valid Request for Exclusion cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. FNL must pay Individual PAGA Payments to all PAGA Members and all PAGA Members must give up their rights to pursue PAGA Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by ________________	All Class Members who do not opt-out by filing Requests for Exclusion ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the ________________ Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on __________. 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. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by ________________	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many pay periods you worked at least one day during the PAGA Period, respectively. Your applicable numbers of workweeks and pay periods according to the records of FNL or the staffing agencies is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by ________________. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are several persons formerly employed by FNL or its predecessor or formerly placed to work at FNL or its predecessor by staffing agencies. The Action accuses FNL and/or its staffing agencies of violating California laws by failing to pay all overtime wages; failing to pay all overtime wages at required rates; failing to pay minimum wages; failing to timely pay wages during work or upon termination; failing to reimburse expenses; failing to provide required meal periods or rest breaks; failing to provide accurate itemized wage statements; failing to provide sick days and sick pay; failing to provide suitable seating; and failing to maintain suitable temperatures. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Joseph Lavi, Vincent Granberry, William Tran, and Eric J. Naessig of Lavi & Ebrahimian, LLP; Marcus Bradley, Kiley Grombacher, and Lirit King of Bradley/Grombacher, LLP; Emil Davtyan, David Yeremian, David Keledjian, and David Arakelyan of D.Law, Inc.; Michael Nourmand and James A. De Sario of The Nourmand Law Firm, APC (collectively, "Class Counsel")

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

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

So far, the Court has made no determination whether FNL or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and FNL hired a retired judge in an effort to resolve their disputes by settling rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. Plaintiffs and FNL have negotiated and signed a written Settlement Agreement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, FNL does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) FNL has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and PAGA Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. <u>FNL Will Pay Five Million Five Hundred Sixty-Five Thousand Dollars and Zero Cents ($5,565,000.00)</u> <u>as the Gross Settlement Amount</u>. FNL has agreed to deposit the Gross Settlement Amount into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Gross Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Enhancement Payments, Class Counsel's attorney's fees and expenses, the Settlement Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, FNL will fund the Gross Settlement not more than thirty (30) days after the Judgment entered by the Court become final. The Judgment will be final after expiration of the time for appealing the Judgment, or a later date if the Judgment is appealed.

2. <u>Court Approved Deductions from Gross Settlement Amount</u>. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

    A. Up to One Million Nine Hundred Forty Seven Thousand Seven Hundred Fifty Dollars and No Cents ($1,947,750.00) (35% of the Gross Settlement Amount) to Class Counsel for attorneys' fees and up to Fifty-Two Thousand Two Hundred Fifty Dollars and No Cents ($52,250.00) for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

    B. Up to Ten Thousand Dollars and No Cents ($10,000.00) to each Plaintiff as a Class Representative Enhancement Payment for filing the Action, working with Class

Counsel and representing the Settlement Class. These are the only amounts Plaintiffs will receive other than each Plaintiff's Individual Class Payment and any Individual PAGA Payment.

C. Up to Thirty-Two Thousand Dollars and No Cents ($32,000.00) to the Settlement Administrator for services administering the Settlement.

D. Up to Two Hundred Thousand Dollars and No Cents ($200,000.00) for PAGA Penalties, allocated 75% to the LWDA and 25% in Individual PAGA Payments to the PAGA Members based on the pay periods they worked during the PAGA Period.

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

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

4. Taxes Owed on Payments to Class Members. Plaintiffs and FNL are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. FNL will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

   If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than ___________, that you wish to opt-out. The easiest way to notify the Settlement Administrator is to send a written and signed Request for Exclusion by the _______________ Response Deadline. The Request for

Exclusion must be a letter or post card that: (1) contains the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) contains a statement that the Class Member wishes to be excluded from the Settlement Class; (3) is signed by the Class Member; and (4) is postmarked by ________ and mailed to the Settlement Administrator at the address specified in this Notice. Excluded Settlement Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against FNL, subject to its defenses.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against the Released Parties, as described in paragraph 9 below.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal or that the Settlement does not become final for other reasons. Plaintiffs and FNL have agreed that in such cases, the Settlement will be void: FNL will not pay any money and Class Members will not release any claims

8. Settlement Administrator. The Court has appointed a neutral company, Simpluris, Inc. (the “Settlement Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide Class Member Challenges over workweeks or pay periods, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members’ Release. After the Judgment is final and FNL has fully funded the Gross Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against the Released Parties for the Released Claims

The Participating Class Members will be bound by the following release:

> The “Released Parties” are the following: (a) Defendant and any temporary or staffing agencies (including but not limited to Adecco, Bluecrew, Personal HR, Randstad, Next Level Staffing, IWC, Compliant Care Staffing, Driven Talent, and Eastridge) which provided any Class Members or PAGA Members for Defendant; (b) the respective former and present parents (including but not limited to Fashion Nova LLC), subsidiaries, affiliated corporations and entities, clients, vendors and independent contractors of the entities identified in subparagraph (a); (c) the successors and predecessors of the entities identified in subparagraphs (a) and (b); and (d) each of the respective current, former, and future officers, directors, members, managers, insurers, accountants, attorneys, investment bankers, trusts, trustees,

licensors, licensees, employees, consultants, vendors, payroll companies, independent contractors, clients, partners, shareholders, joint venturers, and third-party agents of any entities identified in subparagraphs (a) through (c).

Plaintiffs and all Participating Class Members, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, release and discharge the Released Parties from all state, federal, or local claims, rights, demands, liabilities, and causes of action, whether known or unknown, arising from and/or relating to any of the claims ever asserted in any of the Actions or LWDA notices related to any of the Actions, or that could have been asserted based on any facts ever alleged in any of the Actions or any LWDA notices related to any of the Actions, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 206, 210, 215, 216, 218, 218.5, 218.6, 221, 223, 225, 225.5, 226, 226.3, 226.6, 226.7, 233, 246, 246.5, 354, 408, 500, 510, 512, 515, 516, 553, 558, 558.1, 1174, 1174.5, 1175, 1182, 1182.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 6720; California Business and Professions Code sections 17200, et seq.; California Civil Code sections 3287, 3289; California Code of Civil Procedure section 1021.5; and applicable Industrial Welfare Commission Wage Orders, and claims for failure to pay minimum wages and overtime wages, including any overtime wages owed on bonuses, incentive pay, or other such compensation; failure to pay wages for all hours worked, including for off the clock work; failure to provide meal periods; failure to pay meal period premium wages; failure to provide rest periods; failure to pay rest period premium wages; failure to reimburse for necessary business expenditures; failure to pay all wages due; failure to furnish complete, accurate, itemized wage statements; failure to pay all earned wages timely during employment and at termination; failure to maintain accurate records; failure to provide sick leave; failure to pay sick leave, including sick leave owed on bonuses, incentive pay, or other such compensation; failure to maintain temperature providing reasonable comfort; failure to adopt standards that minimize excessive indoor heat; and failure to provide suitable seating (the "Class Released Claims"). Except as set forth in this paragraph and the paragraph below, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. <u>PAGA Members' Release</u>. After the Court's judgment is final and FNL has paid the Gross Settlement and separately paid the employer-side payroll taxes, all PAGA Members will be

barred from asserting PAGA claims against the Released Parties, whether or not they exclude themselves from the Settlement. This means that all Released Parties, including those who are Participating Class Members and those who opt-out of the class part of the Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against the Released Parties for the released claims described below.

> Plaintiffs and all PAGA Members, on behalf of themselves, their heirs, spouses, executors, administrators, attorneys, agents, assigns, and any entities or businesses in which any of them have a controlling ownership interest, and the State of California, release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 (Labor Code section 2698 et seq.), whether known or unknown, arising from and/or relating to any of the claims ever asserted in any of the Actions or LWDA notices related to any of the Actions, or that could have been asserted based on any facts ever alleged in any of the Actions or any LWDA notices related to any of the Actions, including but not limited to violations of California Labor Code sections 201, 202, 203, 204, 206, 210, 215, 216, 218, 218.5, 218.6, 221, 223, 225, 225.5, 226, 226.3, 226.6, 226.7, 233, 246, 246.5, 354, 408, 500, 510, 512, 515, 516, 553, 558, 558.1, 1174, 1174.5, 1175, 1182, 1182.11, 1182.12, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, 6720, and applicable Industrial Welfare Commission Wage Orders, and claims for failure to pay minimum wages and overtime wages, including any overtime wages owed on bonuses, incentive pay, or other such compensation; failure to pay wages for all hours worked, including for off the clock work; failure to provide meal periods; failure to pay meal period premium wages; failure to provide rest periods; failure to pay rest period premium wages; failure to reimburse for necessary business expenditures; failure to pay all wages due; failure to furnish complete, accurate, itemized wage statements; failure to pay all earned wages timely during employment and at termination; and failure to maintain accurate records; failure to provide sick leave; failure to pay sick leave, including sick leave owed on bonuses, incentive pay, or other such compensation; failure to maintain temperature providing reasonable comfort; failure to adopt standards that minimize excessive indoor heat; and failure to provide suitable seating (the "PAGA Released Claims"). The PAGA Released Claims do not include the claims related to suitable temperature that have been resolved through a settlement in the case of *Hill v. Fashion Nova et al.*, Los Angeles Superior Court Case No. 21STCV40012.

4. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

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

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing $50,000 by the total number of pay periods worked by all PAGA Members during the PAGA Period and (b) multiplying the result by the total number of such pay periods worked by each individual PAGA Member.

3. Workweek/Pay Period Challenges. The number of workweeks you worked during the Class Period and the number of pay periods you worked during the PAGA Period, as recorded in the records of FNL or the staffing agencies are stated in the first page of this Notice. You have until _____ to challenge the number of workweeks and/or pay periods credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email or fax. Section 9 of this Notice has the Settlement Administrator's contact information.

   You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept FNL's and the staffing agencies' calculation of workweeks and/or pay periods based on their records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve workweek and/or pay period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members and PAGA Members) and FNL's counsel. The Settlement Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Members. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every PAGA Member who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed postcard or letter that must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Class Member; (2) contain a statement that the Class Member wishes to be excluded from the Settlement Class; (3) be signed by the Class Member. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by ____________, or it will be invalid. Section 9 of the Notice has the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and FNL are asking the Court to approve. At least ___ days before the ________ Final Approval Hearing, Class Counsel and Plaintiffs will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Class Representative Enhancement Payments stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiffs are requesting as Class Representative Enhancement Payments. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website _____________(_u_r_l)_______________ or the Court's website http://www.lacourt.org/casesummary/ui/index.

A Participating Class Member who disagrees with any aspect of the Settlement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Enhancement Payments may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low. **The deadline for sending written objections to the Settlement Administrator is ________________**. Be sure to tell the Settlement Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action and include your name, current address, telephone number, and approximate dates of employment and sign the objection. Section 9 of this Notice has the Settlement Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on ___________ at ____ (time) in Department 6 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiffs, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.org/lacc/). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything FNL and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement, the Judgment or any other Settlement documents is to go to __________(specify entity)'s website at (u_r_l)______. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. **No. 22STCV26948**. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Joseph Lavi, Esq.
Vincent C. Granberry, Esq.
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Blvd., Suite 200
Beverly Hills, California 90211
Emails: jlavi@lelawfirm.com
vgranberry@lelawfirm.com

Michael Nourmand, Esq.
James A. De Sario, Esq.
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Emails: mnourmand@nourmandlawfirm.com
jdesario@nourmandlawfirm.com

Marcus Bradley, Esq.
Kiley Grombacher, Esq.
Lirit King, Esq.
BRADLEY/GROMBACHER, LLP
31365 Oak Crest Drive, Suite 240
Westlake Village, CA 91361
Email: mbradley@bradleygrombacher.com
kgrombacher@bradleygrombacher.com
lking@bradleygrombacher.com

Emil Davtyan, Esq.
David Yeremian, Esq.
David Keledjian, Esq.
David Arakelyan. Esq.
D.LAW, INC.
450 N. Brand Blvd., Ste. 840
Glendale, CA 91203
Emails: emil@d.law
d.yeremian@d.law
d.keledjian@d.law
d.arakelyan@d.law

Settlement Administrator:
Name of Company:
Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

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