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17	LANGÁN ENGINEERING AND	
18	ENVIRONMENTAL SERVICES, INC.	
19	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
20	COUNTY OF ALAMEDA	
21	IASON DEAVICH individually and an habile	Case No. 23CV047567
22	JASON PEAVICH, individually, and on behalf of all others similarly situated,	CLASS ACTION AND PAGA
23	Plaintiff,	SETTLEMENT AGREEMENT
24	V.	
25	LANGAN ENGINEERING AND ENVIRONMENTAL SERVICES, INC., a	
26	corporation; and DOES 1 through 10, inclusive,	
27	Defendants.	
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This Class Action and PAGA Settlement Agreement is entered into between LANGAN 1 ENGINEERING AND ENVIRONMENTAL SERVICES, LLC f.k.a. LANGAN ENGINEERING 2 3 AND ENVIRONMENTAL SERVICES, INC., and Plaintiff JASON PEAVICH, individually, and on behalf of all other similarly situated and as representatives of the State of California. 4 5 **ARTICLE I DEFINITIONS** 6 7 Action. "Action" means the class action lawsuit entitled Jason Peavich, et al. v. a. Langan Engineering and Environmental Services, LLC, et al., filed in the Superior Court of California, Alameda County, Case No. 23CV047567. "Agreement" shall refer to the instant Class Action and PAGA 10 b. Agreement. 11 Settlement Agreement. Attorneys' Fees. "Attorneys' Fees" refers to the amount to be awarded to Class 12 c. 13 Counsel for the work it has performed in furtherance of the Action, which, pending Court approval, 14 shall not exceed One Hundred and Six Thousand and Seven Hundred and Fifty Dollars (\$106,750.00) and which represents 35% of the Gross Settlement Amount. 15 d. Attorneys' Costs. "Attorneys' Costs" refers to the amount to be reimbursed for Class 16 Counsel's litigation costs and expenses, which, pending Court approval, shall not exceed Twenty 17 Thousand Dollars (\$20,000.00). 18 19 <u>Class Counsel</u>. "Class Counsel" shall mean Justin F. Marquez, Arrash T. Fattahi, and e. Arman A. Salehi of Wilshire Law Firm. 20 f. 21 <u>Class Members and the Class.</u> "Class" or "Class Members" (individually, "Class 22 Member") are all current and former non-exempt employees of Defendant employed in California 23 during the Class Period. Class Notice. "Class Notice" means the Notice of Class Action and PAGA Settlement 24 25 mutually agreed upon by the Parties and approved by the Court to be sent to the Class Members and PAGA Members following preliminary approval that includes the scope of release language for 26 27 Settled Claims and Settled PAGA Claims, notifies Class Members and PAGA Members of the 28 Settlement, explains the Class Members' options, including how Class Members may opt out or

object to the Settlement, and explains the facts and methods based on which the Class Members' and PAGA Members' estimated settlement payments are calculated, substantially in the form attached hereto as **Exhibit A**.

- h. <u>Class List</u>. "Class List" means a data file based on Defendant's business records that identifies each Class Member's name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, dates of employment, and the number of Qualifying Workweeks and, if applicable, Qualifying PAGA Workweeks worked during the Class Period.
- i. <u>Class Period</u>. "Class Period" means October 13, 2019 through the earlier of the date of the Preliminary Approval Order or June 30, 2024.
- j. <u>Class Settlement</u>. "Class Settlement" refers to the settlement and resolution of the Settled Class Claims.
- k. <u>Complaint</u>. "Complaint" or "Amended Complaint" refers to the operative complaint in the Action, which in compliance with this Agreement, will be the First Amended Class Action Complaint.
- l. <u>Court</u>. "Court" refers to the Superior Court of California, Alameda County, or other court, that will approve the Agreement.
- m. <u>Day</u>. "Day" or "days" refers to a calendar day(s) unless otherwise stated. If any designated date or deadline falls on a weekend or holiday, the designated date or deadline will occur on the next business day.
- n. <u>Date of Finality</u>. "Date of Finality" means the first business day following the last of the following occurrences: (i) sixty (60) calendar days following the date the Court enters the Final Approval Order and Judgment; or (ii) if an appeal is taken from the Final Approval Order and Judgment, then the date of final resolution of that appeal (including any requests for rehearing and/or petitions for *certiorari*), resulting in final and complete judicial approval of the Settlement in its entirety, with no further challenge to the Settlement being possible.
- o. <u>Defendant</u>. "Defendant" means Langan Engineering and Environmental Services, LLC f.k.a. Langan Engineering and Environmental Services Inc.

- p. <u>Defense Counsel</u>. "Defense Counsel" shall mean Karin M. Cogbill and Evan McBride of Jackson Lewis, and/or any successor(s) thereof.
- q. <u>Final Approval Order and Judgment</u>. "Final Approval Order and Judgment" means the order and judgment entered and filed by the Court, that: (1) ultimately approves this Agreement; (2) awards and orders the payment of all required amounts pursuant to the terms of this Agreement, and (3) enters judgment in the Action pursuant to California Rules of Court, 3.769, et seq.. The Final Approval Order and Judgment will constitute a binding and final resolution, have full *res judicata* effect, and discharge Defendant and Released Parties from liability during the Class Period for any and all claims by Named Plaintiff, all Settlement Class Members as to all Settled Claims, and the State of California and PAGA Members as to all Settled PAGA Claims as set forth in this Agreement.
- r. <u>Final Approval Hearing</u>. "Final Approval Hearing" means the hearing at which the Court shall consider the Motion for Final Approval and determine whether to fully and finally approve the fairness and reasonableness of this Agreement, and enter the Final Approval Order and Judgment.
- s. <u>Last Known Address</u>. "Last Known Address" means the most recently recorded mailing address for a Class Member and/or PAGA Member contained in Defendant's payroll records.
- t. <u>Gross Settlement Amount</u>. "Gross Settlement Amount" means a total payment of Three Hundred and Five Thousand Dollars and Zero Cents (\$305,000.00), payable by Defendant under this Agreement. The Gross Settlement Amount includes all Attorneys' Fees, Attorney's Costs, Settlement Administration Costs, Incentive Awards to the Named Plaintiff, the PAGA Allocation, and the Net Settlement Amount. With the exception of the potential pro rata increase noted in Section 4.06(a), and the employer share of payroll taxes on the wage portion of any individual settlement payments, in no event shall Defendant be required to pay any amounts above the Gross Settlement Amount to effectuate this Agreement. The Settlement Administrator will withhold the employees' and employer's share of taxes on settlement payments, as provided below, and Class Members and PAGA Members shall remain responsible for paying any additional taxes due on any payments they

service in furtherance of the Action.

- v. <u>LWDA</u>. "LWDA" means The State of California Labor and Workforce Development Agency.
- w. <u>Motion for Final Approval.</u> "Motion for Final Approval" means the Named Plaintiff's submission of a written motion, including any evidence as may be required for the Court to conduct an inquiry into the fairness of the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and to enter a Final Order in this Action.
- x. <u>Motion for Preliminary Approval</u>. "Motion for Preliminary Approval" means the Named Plaintiff's submission of a written motion, including any evidence as may be required for the Court to grant preliminary approval of the Agreement as required by Rule 3.769 of the California Rules of Court.
 - y. <u>Named Plaintiff</u>. "Named Plaintiff" means Jason Peavich.
- z. <u>Net Settlement Amount</u>. "Net Settlement Amount" means the amount available for distribution to Settlement Class Members, which is the Gross Settlement Amount, less all Attorneys' Fees, Attorneys' Costs, Settlement Administration Costs, Incentive Award to the Named Plaintiff, and the PAGA Allocation. Each Settlement Class Member will be entitled to a *pro rata* share of the Net Settlement Amount (referred to as "<u>Individual Settlement Payment(s)</u>") based on the number of Workweeks credited to each Settlement Class Member during the Class Period. The wage portion of the Individual Settlement Payment shall be subject to standard deductions and withholdings.
- aa. <u>Objection</u>. "Objection" means an objection to the Class Settlement that a Settlement Class Member submits in writing to the Settlement Administrator. Each "Objection" must (1) contain the full name, address, and telephone number of the Settlement Class Member objecting and the case name and number of the Action; (2) be signed by the Settlement Class Member; (3) be postmarked or fax stamped on or before the Response Deadline (as defined below) and returned to

the Settlement Administrator at the specified address or fax number; and (4) give the legal and factual 1 basis for objection to the Class Settlement. 2 3 bb. Opt Out Request. "Opt Out Request" means a request by a Class Member to be excluded from the Class Settlement. Each "Opt Out Request" must (1) contain the full name, 4 address, and telephone number of the Class Member requesting exclusion from the Class Settlement and the case name and number of the Action; (2) be signed by the Class Member; (3) be postmarked or fax stamped on or before the Response Deadline and returned to the Settlement Administrator at the specified address or fax number; and (4) contain a statement similar to: 8 9 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE PEAVICH V. LANGAN ENGINEERING AND 10 11 ENVIRONMENTAL SERVICES LAWSUIT, AND UNDERSTAND THAT IF I ASK TO BE EXCLUDED, I WILL NOT RECEIVE AN 12 13 INDIVIDUAL SETTLEMENT PAYMENT. I UNDERSTAND THAT, NEVERTHELESS, SETTLED PAGA CLAIMS WILL BE RELEASED 14 AND SETTLED." 15 16 <u>PAGA.</u> "PAGA" means the California Private Attorneys General Act of 2004, which cc. is codified in California Labor Code §§ 2698 et seq. 17 18 dd. PAGA Allocation. "PAGA Allocation" refers to the amount of Ten Thousand Dollars 19 (\$10,000.00) which is allocated to the settlement of the Settled PAGA Claims, which will be distributed 75% to the LWDA ("LWDA Payment") and 25% to PAGA Members ("Net PAGA 20 Distribution Amount"), on a pro rata basis ("Individual PAGA Payment(s)" refer to PAGA 21 22 Members' *pro rata* share of 25% of the PAGA Allocation). 23 ee. PAGA Members. "PAGA Members" means all current and former non-exempt employees of Defendant employed in the State of California during the PAGA Period. 24 ff. 25 <u>PAGA Period.</u> "PAGA Period" means the period from October 13, 2022 through the earlier of the date of the Preliminary Approval Order or June 30, 2024. 26 27 PAGA Settlement. "PAGA Settlement" refers to the settlement and resolution of the gg. 28 Settled PAGA Claims.

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Parties" shall mean Named Plaintiff and Defendant.

ordinance, regulation, common law, or other source of law. The Settled Class Claims specifically include, but are not limited to claims for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods or premium pay in lieu thereof, failure to provide rest periods or premium pay in lieu thereof, failure to timely pay final wages at termination, failure to provide complete and accurate itemized wage statements, failure to reimburse business expenses, civil, unfair business practices, and violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including and not limited to, for violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 1174, 1194, 1194.2, 1198, 2802, and Industrial Welfare Commission Wage Orders.

- pp. <u>Settled PAGA Claims</u>. "Settled PAGA Claims" means all claims for civil penalties that were asserted, or could have been asserted, or that arise, whether known or unknown, during the PAGA Period, based for any of the alleged violations of the California Labor Code and/or Industrial Welfare Commission Wage Orders that were asserted, or could have been asserted, within the Complaint and PAGA Notice based on any facts or allegations therein, including, but not limited to, violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 1174, 1194, 1194.2, 1198, 2802, and Industrial Welfare Commission Wage Orders.
- qq. <u>Settlement Class/Settlement Class Member(s)</u>. "Settlement Class" or "Settlement Class Member(s)" means all Class Members who have not submitted a timely and valid Opt Out Request.
- rr. <u>Settlement Proceeds Distribution Deadline</u>. "Settlement Proceeds Distribution Deadline" means a date that is fourteen calendar (14) days after the Gross Settlement Amount has been deposited by Defendant.
- ss. <u>Updated Address</u>. "Updated Address" means a mailing address that was updated by a reasonable address verification measure of the Settlement Administrator or by an updated mailing address provided by the United States Postal Service for a Class Member or PAGA Member.
- tt. <u>Workweek</u>. "Workweek" shall mean any calendar week (i.e. a week beginning on Sunday and ending on Saturday) in which a Class Member or PAGA Member performed work for Defendant at least one day. The Parties agree that, for purposes of determining a Class Member's

and/or PAGA Member's Workweeks under this Agreement, Workweeks may be calculated as the number of days between a Class Member's hire date(s) (the start of the applicable Class Period or PAGA Period, which ever is later) and termination date(s) (or the date of approval of the Settlement Agreement in the absence of a subsequent termination date) based on a 360-day year (using Microsoft Excel's DAYS360 or similar function which returns the number of days between two dates) and dividing the result by 7 and then rounding that number up to the nearest whole number.

ARTICLE II

RECITALS

- a. Plaintiff Jason Peavich's Class Action Complaint for Damages was filed on October 13, 2023 in the Superior Court of California, County of Alameda County, commencing the Action. The Complaint alleged the following causes of action: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices.
- b. On October 24, 2023, Plaintiff provided the Labor and Workforce Development Agency notice of intent to pursue civil penalties against Defendant under the Private Attorneys General Act for alleged violations of the California Labor Code and applicable Industrial Welfare Commission Wage Orders (the "PAGA Notice").
- c. Named Plaintiff will file an Amended Complaint that adds a claim for civil penalties under PAGA.
- d. Named Plaintiff and Defendant attended mediation with Monique Ngo-Bonnici on March 22, 2024, after which the Parties reached the Agreement through acceptance of a Mediator's Proposal. The Parties agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms-length negotiations between the Parties supervised by an experienced employment law mediator. The Parties agree that the Agreement is entered into in good faith as to each Class Member and PAGA Member, and that the Settlement is fair, reasonable and adequate as to each Class Member and PAGA Member.

ARTICLE III

CONTINGENT NATURE OF THE AGREEMENT

Section 3.01: Stipulation of Class Certification for Settlement Purposes; Contingent on

Court Approval

The Parties stipulate to the certification of the Class for purposes of this Settlement only. If, however, the Settlement does not become final for any reason, the Parties' Agreement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, whether class certification would be appropriate in any other context in the Action, or any other action, or whether any PAGA claim is manageable in this Action, or any other action.

The Parties intend this Settlement to be contingent upon the Court's granting preliminary and final approval of this Agreement; and in the event final approval of this Agreement is not obtained, the Parties do not waive, and instead expressly reserve, their respective rights to prosecute and defend the Action as if this Agreement never existed. In the event that final approval of this Agreement is denied by the Court, fails to become effective, or is reversed, withdrawn, or modified by the Court or any other court with jurisdiction over the Action, the Agreement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, further proceedings in the Action.

Section 3.02: Filing of An Amended Complaint

Within ten (10) calendar days of a fully executed Agreement, Class Counsel will prepare a stipulation for leave to file the above-referenced Amended Complaint.

ARTICLE IV

PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT

The procedure for obtaining Court approval of and implementing this Agreement shall be as follows:

Section 4.01: Motion for Preliminary Approval

Within thirty (30) calendar days of all Parties signing this Agreement, Plaintiff shall file a motion in the Action and take all other necessary steps to request that the Court enter the Preliminary Approval Order based on an agreed-upon Settlement schedule, subject to Court approval, including:

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- a. Class certification on the terms set forth in this Agreement solely for purposes of Settlement;
- b. Preliminarily approving the proposed Settlement and this Agreement, including the payments to the Settlement Class Members, Class Counsel, Named Plaintiff, PAGA Members, the Settlement Administrator, and the LWDA;
- c. Preliminarily approving the appointment of Named Plaintiff as representative of the Class for settlement purposes;
- d. Preliminarily approving the appointment of counsel for Named Plaintiff as Class Counsel;
- e. Appointing and approving the Settlement Administrator, to comply with the duties and obligations as required by this Agreement;
 - f. Approving the form of the Class Notice mutually agreed upon by the Parties;
- g. Scheduling the Final Approval Hearing for consideration of whether to grant final approval of this Agreement;
- h. Approving the procedure to submit an Opt-Out Request, Objection, or Workweeks Dispute;

Defendant shall not oppose Class Counsel's Motion for Preliminary Approval and/or Motion for Final Approval of the Settlement so long as the motions and supporting papers are consistent with the terms of this Agreement. Class Counsel shall provide Defendant with at least two (2) business days (in each case) to review and provide comments on the Motion for Preliminary Approval and Motion for Final approval of the Settlement before the motions and supporting papers are filed with the Court. Failure of the Court to grant preliminary approval will be grounds for the Parties to terminate the Settlement and the terms of the Agreement. A request by the Court for supplemental briefing, or a preliminary denial pending additional briefing, shall not be deemed a denial of preliminary approval or final approval. To the extent the Court requests further or supplemental briefing, the Parties will work in good faith to address the Court's concerns and questions.

Section 4.03: Notice to Class Members

a. Class and PAGA Member Data

Within twenty-one (21) calendar days after notice of entry of the Preliminary Approval Order, Defendant shall provide the Class List to the Settlement Administrator. The Settlement Administrator will keep the Class List confidential and shall not provide it to anyone, including Class Counsel, absent express written approval from Defendant, and shall use it only for the purposes described herein, take adequate safeguards to protect confidential or private information, and return or certify the destruction of the information upon completion of the Settlement Administration process.

b. Settlement Administrator's Initial Duties

- i. Address Information. Prior to mailing the Class Notice, the Settlement Administrator will update the addresses for the Class Members and PAGA Members using skip trace and/or through a search of the National Change of Address database. To the extent this process yields a different address from the one supplied by Defendant, that Updated Address shall replace the address supplied by Defendant (i.e., Last Known Address) and be treated as the new Last Known Address for purposes of this Agreement and for subsequent mailings in particular.
- ii. *Notice Process*. Within fourteen (14) calendar days following receipt of the Class List, the Settlement Administrator shall prepare and mail the approved Class Notice. The Settlement Administrator shall deliver the Class Notice by First-Class U.S. Mail to each Class Member and PAGA Member's Last Known Address or Updated Address (if applicable).

c. Settlement Administrator Follow-Up Duties

i. *Undeliverable Class Notice(s)*. If a Class Notice is returned by the Post Office as undeliverable, but with a forwarding address, on or before the Response Deadline, then the Settlement Administrator shall re-mail it by First-Class U.S. mail. If a Class Member personally provides an updated address to the Settlement Administrator on or before the Response Deadline, then, the Settlement Administrator shall re-mail said Class Member's Class Notice by First-Class U.S. to the updated address provided by the Class Member. If a Class Notice is returned by the Post Office as undeliverable, without a forwarding address, on or before the Response Deadline, then, the Settlement Administrator shall conduct a skip trace and/or search of the National Change of Address

or other appropriate database and, if an alternate address that is likely to be more current is located, proceed to re-mail the Class Notice by First-Class U.S. mail to the alternate address. It is the intent of the parties that reasonable means be used to locate Class Members and that the Settlement Administrator be given discretion to take steps in order to facilitate notice of the Settlement and delivery of the Individual Settlement Payments to all Settlement Members. In the event a Class Member's Class Notice remains undeliverable sixty (60) calendar days after the Class Notice was initially mailed, the Settlement Administrator will not mail the Class Member's Individual Settlement Payment. The Settlement Administrator will hold the Class Member's Individual Settlement Payment during the check validity period on behalf of the Class Member. If, at the conclusion of the check validity period, the Class Member's Class Notice and Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the procedures set forth in Section 4.06(j) below.

- ii. *Documenting Communications*. The Settlement Administrator shall date stamp documents it receives, including Opt Out Requests, Objections, Workweeks Disputes, and any correspondences and documents from Class Members and PAGA Members. The date of the initial mailing of the Class Notice and the date a signed Opt Out or Objection is postmarked shall be conclusively determined according to the records of the Settlement Administrator.
- iii. Settlement Administrator Declaration. At least ten (10) court days before the Final Approval Hearing, the Settlement Administrator shall prepare, subject to the Parties' input and approval, a declaration setting forth the due diligence and proof of mailing of the Class Notice, the results of the Settlement Administrator's mailings, including tracing and re-mailing efforts, and the Class Members' and PAGA Members' responses (i.e., Opts Out, Objections, Workweeks Disputes) to those mailing, and provide additional information deemed necessary to approve the settlement.
- iv. Settlement Administrator Written Reports. Each week after initially mailing the Class Notices and prior to the Response Deadline, the Settlement Administrator shall provide the Parties with a report listing the number of Class Members that submitted Opt Out Requests, Objections, and/or Workweeks Disputes as well as the dates that any Class Notices were re-mailed. Within seven

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(7) calendar days after the Response Deadline, the Settlement Administrator will provide a final report listing the number of Class Members who submitted Opt Out Requests, Objections, and/or Workweeks Disputes.

Settlement Administrator Calculations of Individual Settlement Payments. Within seven (7) calendar days after resolving all Workweeks Disputes made by Settlement Class Members. and following entry of the Final Approval Order and Judgment, the Settlement Administrator shall provide to the Parties a report showing its calculation of all amounts that must be funded by Defendant under the Settlement, including and not limited to, calculations of the Individual Settlement Payments to be made to Settlement Class Members and Individual PAGA Payments to be made to PAGA Members. After receiving the Settlement Administrator's report, Class Counsel and Defendant's counsel shall review the same to determine if the calculation of payments is consistent with this Agreement and the Court's orders, and shall notify the Settlement Administrator if either counsel does not believe the calculation is consistent with the Agreement and/or the Court's orders. After receipt of comments from counsel, the Settlement Administrator shall finalize its calculations of payments, at least five (5) calendar days prior to the distribution of such payments. and shall provide Class Counsel and Defendant's counsel with a final report listing the amount of all payments to be made to each Settlement Class Member from the Net Settlement Amount and listing the amount of all payments to be made to each PAGA Member from the Net PAGA Distribution Amount. The Settlement Administrator will also provide information that is requested and approved by both Parties regarding its duties and other aspects of the Settlement, and that is necessary to carry out the terms of the Settlement.

d. Requirements for Recovery of Individual Settlement Payments

i. *Class Members*. No claim form is necessary to participate in the Class Settlement. Unless a Class Member submits a valid and timely Opt Out Request, that Class Member will be a Settlement Class Member, bound by the Final Approval Order and Judgment and Class Settlement, and will receive a payment from the Net Settlement Amount (i.e., an Individual Settlement Payment).

- ii. *PAGA Members*. All PAGA Members shall be bound by the PAGA Settlement, and will be issued payment from the Net PAGA Distribution Amount (i.e., and Individual PAGA payment). No PAGA Member will have a right to opt-out of the PAGA Settlement.
- iii. *Late Submissions*. The Settlement Administrator shall not accept as timely any Opt Out Request, Objection, or Workweeks Dispute postmarked after the Response Deadline. It shall be presumed that, if an Opt Out Request, Objection, or Workweeks Dispute is not postmarked or fax stamped on or before the Response Deadline, the Class Member did not return the Opt Out Request, Objection, or Workweeks Dispute in a timely manner. However, the Court may consider an Opt Outs, and/or Objections submitted at or before the hearing on Final Approval.
- iv. *Opt-Out Procedure*. A Class Member will not be entitled to opt out of the Class Settlement established by this Agreement unless he or she submits to the Settlement Administrator a timely and valid Opt Out Request.
- v. The Settlement Administrator shall not have the authority to extend the deadline for Class Members to submit an Opt Out Request absent agreement by both Parties.
- vi. Class Members shall be permitted to rescind in writing their Opt Out Request by submitting a written rescission statement to the Settlement Administrator no later than the day before the Final Approval Hearing.
- vii. If more than ten percent (10%) of the Class Members timely opt out of the Class Settlement, Defendant shall have the sole and absolute discretion to withdraw from this Agreement within seven (7) calendar days after the Response Deadline and written notice from the Settlement Administrator of the final opt out rate. Defendant shall provide written notice of such withdrawal to Class Counsel. In the event that Defendant elects to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of Settlement, and the Agreement shall become null and void and have no further force or effect, and Defendant will be responsible for any and all Settlement Administration Costs incurred thus far.

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Section 4.04: Responses to Class Notice

a. Workweeks Disputes

Class Members will have the right to challenge the number of Qualifying Workweeks and/or Qualifying PAGA Workweeks allocated to them. Class Members shall have until the Response Deadline to submit to the Settlement Administrator their dispute in writing ("Workweek Dispute") at the address indicated on the Class Notice. Each Workweek Dispute must: (1) contain the full name, address, and telephone number of the Class Member and the case name and number of the Action; (2) be signed by the Class Member; (3) be postmarked or fax stamped on or before the Response Deadline and returned to the Settlement Administrator at the specified address or fax number; (4) clearly state the number of Workweeks and/or PAGA Workweeks he or she believes is correct; and (5) attach any documents the Class Member has to support his or her position that they be credited with the contended number of Workweeks and/or PAGA Workweeks. The Settlement Administrator will inform Class Counsel and Defendant's counsel in writing of any timely submitted Workweeks Disputes. Defendant shall have the right to respond to any Dispute submitted by any Class Members within seven (7) calendar days of being informed of a timely submitted Workweeks Dispute, and shall cooperate in providing the Settlement Administrator will information to determine all such Workweeks Disputes. The Settlement Administrator will determine all such Workweeks Disputes following Defendant's opportunity to respond. Subject to Court approval, Workweeks Disputes will be resolved without hearing by the Settlement Administrator, who will make a decision based on Defendant's records and any documents or other information presented by the Class Member and/or PAGA Member making the Workweeks Dispute, Class Counsel, or Defendant.

b. **Opt Out Request**

Any Class Member may exclude himself or herself from the Class Settlement. Any such Opt Out Request must be submitted to the Settlement Administrator in writing on or before the Response Deadline. Opt Out Requests do not apply to the PAGA Settlement; PAGA Members will be bound to the PAGA Settlement (i.e., the settlement and release of Settled PAGA Claims) irrespective of whether they exclude themselves from the Class Settlement. Any Class Member who timely and validly Opts Out from the Class and this Settlement will not be entitled to any Individual Settlement

Payment, will not be bound by the terms and conditions of this Agreement, and will not have any right to object, appeal, or comment thereon. Any Class Member who fails to timely submit an Opt Out shall automatically be deemed a Class Member whose rights and claims with respect to the issues raised in the Action will be determined by the Court's Final Approval Order and Judgment.

c. Objections to Settlement

Any Settlement Class Member may object to the Class Settlement by submitting an Objection to the Settlement Administrator in writing on or before the Response Deadline. The Parties shall be permitted to file responses to any Objections prior to the Final Approval Hearing and/or to respond to or address the Objection at the Final Approval Hearing. Within three (3) business days after receipt of an Objection, the Settlement Administrator shall serve the Objection on the Parties, and at least sixteen (16) court days before the Final Approval Hearing, the Settlement Administrator shall submit all Objections received by the Settlement Administrator to the Court. The Court retains final authority with respect to the consideration and admissibility of Class Member Opt Outs and Objections. The Court may consider Opt Outs and/or Objections submitted before or at the Final Approval Hearing. If a Class Member submits both an Objection and an Opt Out Request, he or she will be excluded from the Class Settlement and the Objection will not be considered.

d. Encouragement of Class Members

At no time shall any of the Parties or their counsel (either directly or indirectly) seek to solicit or otherwise encourage Settlement Class Members to submit any Opt Outs or Objections to the Settlement or any appeal from the Final Approval Order and Judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such Objections. However, Class Counsel may respond to inquiries from Class Members.

Section 4.05: Final Approval Hearing

a. Entry of Final Judgment

At the Final Approval Hearing, Named Plaintiff will request, and Defendant will concur in said request, that the Court enter a jointly-agreed upon Final Approval Order and Judgment.

b. Motion for Final Approval

Within forty-five (45) calendar days of the Response Deadline, Named Plaintiff will draft and file a motion for final approval in conformity with any requirements from the Court and will take any other actions necessary to request the entry of a Final Approval Order and Judgment in accordance with this Agreement. In conjunction with the motion for final approval and requesting an award of Attorneys' Fees, Attorneys' Costs, and Service Payments, Class Counsel shall file a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel, with the input and approval of Defendant, deems appropriate to provide to the Court.

c. Final Approval Order and Judgment

The Parties shall take all reasonable efforts to secure entry of the Final Approval Order and Judgment. If the Court denies final approval of the Settlement, this Agreement shall be void *ab initio*, and Defendant shall have no obligation to make any payments under the Agreement besides any Settlement Administration Costs incurred thus far. A request by the Court for supplemental briefing, or a preliminary denial pending additional briefing, shall not be deemed a denial of final approval of the Settlement. To the extent the Court requests further or supplemental briefing, the Parties will work in good faith to address the Court's concerns and questions. Said Final Approval Order and Judgment shall contain the following provisions:

- i. Wherein the Court enters judgment, finding that this Agreement and Settlement is fair, just, equitable, reasonable, adequate, and in the best interests of the Class and was reached as a result of intensive, serious, and non-collusive arms-length negotiations and was achieved with the aid of an experienced mediator and in good faith as to each Class Member;
- ii. Affirming that each side will bear its own costs and fees (including attorneys' fees), except as provided by the Agreement, and that Defendant shall not be required to pay any amounts other than as set forth in the Agreement;
 - iii. Confirming the certification of the Class for purposes of Settlement only;

- iv. Finding that the Settlement Administration process as carried out afforded adequate protections to Class Members, provided the best notice practicable, and satisfied the requirements of law and due process;
 - v. Ruling on any Objections to the Settlement;
 - vi. Approving the settlement of Settled PAGA Claims consistent with the Settlement;
- vii. Retaining Court jurisdiction after entry of judgment to oversee administration and enforcement of the terms of the Agreement; and
 - viii. Requiring the Parties to carry out the provisions of this Agreement.

Section 4.06: Settlement Payment Procedures

Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth herein, Defendant agrees to make a payment or payments as set forth herein totaling an amount of, but not to exceed the Gross Settlement Amount. The Gross Settlement Amount shall be apportioned as follows:

a. **Pro-Rata Adjustment to Gross Settlement Amount**. Defendant has estimated that there are approximately 8,606 workweeks from October 13, 2019 through March 21, 2024. Should the qualifying workweeks increase beyond 10% worked by the Class Members during the Class Period, Defendant shall increase the Gross Settlement Amount on a pro-rate basis equal to the percentage increase in the number of workweeks worked by Class Members above 10% (e.g., if the number of workweeks increases by 11% to 9,533 workweeks, the GSA will increase by 1%). However, Defendant may, at its sole discretion adjust the length of the Class Period by moving the end date so as to keep the number of workweeks no more than 9,533 and avoid triggering the escalation clause so long as it does so before Plaintiff's motion for preliminary approval is filed.

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- **b.** Attorneys' Fees. Class Counsel will apply to the Court for an award of attorneys' fees of 35% of the Gross Settlement Amount, which is no more than One Hundred and Six Thousand and Seven Hundred and Fifty Dollars (\$106,750.00) (i.e., Attorneys' Fees). The Attorneys' Fees shall be paid from and be deducted from the Gross Settlement Amount subject to Court approval, and Defendant will not oppose such application. In the event the Court approves an amount of attorneys' fees that is less than the amount provided herein, the unawarded amount shall become part of the Net Settlement Amount for distribution to Settlement Class Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement by the Named Plaintiff.
- c. **Attorneys' Costs.** Class Counsel shall request approval of an amount not to exceed Twenty Thousand Dollars (\$20,000.00) for reimbursement of litigation costs and expenses incurred in the Action (i.e., Attorneys' Costs), which will be paid and deducted from the Gross Settlement Amount subject to Court approval. Defendant will not oppose such application. Any unawarded Attorneys' Costs shall become part of the Net Settlement Amount for distribution to Settlement Class Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement by Plaintiff. Attorneys' Fees as specified in the preceding paragraph and Attorneys' Costs as specified in this paragraph shall cover all claimed and unclaimed Attorneys' Fees, Attorneys' Costs, and other amounts payable or awardable against Defendant for Class Counsel's work, effort, or involvement in the Action and in carrying out the Agreement and includes any and all work, effort, or involvement to carry out the terms of the Agreement and as may be potentially or actually necessary or advisable to defend the Agreement and/or Settlement through appeal, or collateral attack or in any other forum or proceeding. These specified Attorneys' Fees and Attorneys' Costs shall be the sole payment for attorneys' fees and costs and, otherwise, the Parties and Class Members and their counsel shall bear their own fees and costs in connection with the Action.

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- d. Settlement Administration Costs. Class Counsel will also apply to the Court for approval of costs of settlement administration in an amount estimated to be up to Six Thousand Nine Hundred Fifty Dollars (\$6,950.00), which the Parties agree will be paid and deducted from the Gross Settlement Amount (i.e., Settlement Administration Costs) subject to Court approval. Defendant will not oppose such application. Any unawarded amount shall become part of the Net Settlement Amount for distribution to Settlement Class Members. Class Counsel will specify the amount sought for such costs, up to the foregoing maximum, in Plaintiff's motion for final approval of the Settlement.
- e. Incentive Awards to Named Plaintiff. Class Counsel will apply to the Court for approval of an enhancement award in an amount not to exceed Ten Thousand Dollars (\$10,000.00) for Plaintiff—to be paid and deducted from the Gross Settlement Amount, subject to Court approval, for his services in this litigation by Named Plaintiff (i.e., the Service Payment). Defendant will not oppose such applications. Any unawarded amount shall become part of the Net Settlement Amount for distribution to Settlement Class Members. Any reduction by the Court shall not constitute grounds for revocation or cancellation of this Agreement by Named Plaintiff.
- f. PAGA Allocation and Individual PAGA Payments. Pursuant to California Labor Code Section 2698, *et seq.*, the Parties designate Ten Thousand Dollars (\$10,000.00) of the Gross Settlement Amount to resolve the Settled PAGA Claims (i.e., the PAGA Allocation). Pursuant to the California Labor Code, seventy-five percent (75%) of the PAGA Allocation, which is Seven Thousand and Five Hundred Dollars (\$7,500), will be paid to the LWDA (i.e., the LWDA Payment). The remaining twenty-five percent (25%) of the PAGA Allocation, which is Two Thousand and Five Hundred Dollars (\$2,500.00) ("Net PAGA Distribution Amount"), shall be paid to PAGA Members on a *pro rata* basis based on the number of Workweeks worked by the PAGA Member during the PAGA Period as follows:
- i. The Settlement Administrator will use the number of Workweeks worked by PAGA Members during the PAGA Period ("Qualifying PAGA Workweek(s)") as reflected in the Class List to be provided by Defendant to the Settlement Administrator;

- ii. Each of the PAGA Members is eligible to receive a *pro rata* share of the Net PAGA
 Distribution Amount based on his or her share of the total number of Qualifying PAGA Workweeks
 worked.
 iii. The value of a single Qualifying PAGA Workweek shall be determined by dividing
 - the Net PAGA Distribution Amount by the total number of Qualifying PAGA Workweeks by all PAGA Members. Each PAGA Member shall receive an Individual PAGA Payment equal to his or her individual Qualifying PAGA Workweeks multiplied by the value of a single Qualifying PAGA Workweek. PAGA Members shall receive their respective PAGA Payments regardless of whether they opt out with respect to their class claims.
 - g. Net Settlement Amount and Individual Settlement Payments to Settlement Class Members. Individual Settlement Payments to the Settlement Class Members will be calculated as follows:
 - i. The Settlement Administrator will use the number of Workweeks worked by Class Members during the Class Period ("Qualifying Workweek(s)") as reflected in the Class List to be provided by Defendant to the Settlement Administrator;
 - ii. Each of the Class Members is eligible to receive a *pro rata* share of the Net Settlement Amount based on his or her share of the total number of Qualifying Workweeks worked.
 - iii. The value of a single Qualifying Workweeks shall be determined by dividing the Net Settlement Amount by the total number Qualifying Workweeks by all Settlement Class Members. Each Settlement Class Member shall receive a gross Individual Settlement Payment equal to his or her Qualifying Workweeks multiplied by the value of a single Qualifying Workweek.
 - h. Satisfaction of Defendant's Payment Obligations. The Parties agree that, except as discussed in Section 4.06(a), and employer taxes on any wage portions of the Individual Settlement Amounts, under no circumstances shall Defendant be obligated to pay any amounts under this Agreement to any Class Member other than the Individual Settlement Payment to Settlement Class Members and Individual PAGA Payment to PAGA Members that is provided for under this Agreement. The Parties also acknowledge and agree that the formula used to calculate Individual

Settlement Payments and Individual PAGA Payments does not imply that all of the elements of damages covered by the release are not being taken into account.

i. Payment of Settlement

- i. Defendant will deposit the Gross Settlement Amount into an account established by the Settlement Administrator within ten (10) business days of the Date of Finality.
- ii. The Parties agree that the account in which Defendant will deposit the Gross Settlement Amount will qualify as a settlement fund pursuant to the requirements of Section 468(B)(g) of the Internal Revenue Code of 1986, as amended, and Section 1.468B-1 *et seq.* of the income tax regulations. Furthermore, the Settlement Administrator is hereby designated as the "administrator" of the qualified settlement funds for purposes of Section 1.468B-2(k) of the income tax regulations. As such, all employee taxes imposed on the gross income of that settlement fund and any tax-related expenses arising from any income tax returns or other reporting documents that may be required by the Internal Revenue Service or any state or local taxing body will be paid from the Net Settlement Amount by the Settlement Administrator.
- iii. The Settlement Administrator shall be deemed to have timely distributed Individual Settlement Payments and Individual PAGA Payments if it places said payments in the mail (First-Class U.S.). If, within forty-five (45) days of the initial mailing of the payment(s), the Settlement Administrator receives notice from Settlement Class Members or PAGA Members that they have not received their settlement check due to changes of address or other circumstances, the Settlement Administrator shall make reasonable efforts to ensure the initial payment is cancelled and re-issue the payment to the Settlement Class Member or PAGA Member. The Settlement administrator shall take steps to promptly obtain a valid mailing address, as necessary, by performing a skip trace and/or through a search of the National Change of Address database or other appropriate database. The Settlement Administrator shall only undertake one re-issuance of a payment upon request of a Settlement Class Member.
- iv. The distribution of Attorneys' Fees, Attorneys' Costs, LWDA Payment, and the Service Payments shall occur no later than the Settlement Proceeds Distribution Deadline. Under no

circumstances shall the foregoing payments be made prior to the distribution of payments to Settlement Class Members and PAGA Members.

- v. Individual Settlement Payment and Individual PAGA Payment checks will be valid for one hundred eighty (180) days after mailing by the Settlement Administrator.
- vi. After the one hundred eighty (180) day check validity period, unclaimed or uncashed settlement checks will become cancelled and funds associated with the cancelled checks will be transmitted to Katherine and George Alexander Community Law Center, a jointly-selected non-profit organization in compliance with California Code of Civil Procedure section 384. Settlement Class Members and PAGA Members who fail to deposit or negotiate their check(s) in a timely fashion shall, nevertheless, remain subject to the terms of the Agreement and the Final Approval Order and Judgment.
- vii. Upon completion of administration of the Settlement, the Settlement Administrator shall provide written certification of such completion to the Court, Class Counsel, and Defendant's counsel.
- viii. In the event of a timely appeal from the Final Approval Order and Judgment, the Final Approval Order and Judgment shall be stayed and the Gross Settlement Amount shall not be distributed pending the completion of the appeal.

j. Default on Payment

Defendant's failure to timely fund the Gross Settlement Amount shall be considered a default. In the event Defendant fails to timely fund the Gross Settlement Amount, the Settlement Administrator will provide notice to Class Counsel and Defendant's counsel within three (3) business days of the missed payment. Thereafter, Defendant will have seven (7) days to cure the default and tender payment to the Settlement Administrator.

k. No Credit Toward Benefit Plans

The Individual Settlement Payments made to Settlement Class Members and Individual PAGA Payments made to PAGA Members under this Agreement shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Members or PAGA Members may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k)

plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Members and/or PAGA Members may be entitled under any benefit plans.

l. Taxation of Settlement Proceeds

- i. The Parties agree that the Individual Settlement Payments shall be allocated as follows: 33% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portions"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining portion of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages as follows: 33% allocated to penalties and 34% allocated to interest and fees (the "Non-Wage Portions"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms (if required). Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- ii. The Individual PAGA Payments to PAGA Members will be designated one hundred percent (100%) as penalties and will be report on an IRS Form 1099 (if required).
- iii. The Settlement Administrator shall calculate, withhold from the Individual Settlement Payments, and remit to applicable governmental agencies sufficient amounts, if any, as may be owed by Settlement Class Members for applicable employee taxes. The Settlement Administrator will issue appropriate tax forms, as required, to each such Settlement Class Member and PAGA Member consistent with the above allocations.
- iv. All Parties represent that they have not received, and shall not rely on, advice or representations from other Parties or their agents regarding the tax treatment of payments under federal, state, or local law. In this regard, Defendant makes no representations regarding the taxability of the Individual Settlement Payments, Individual PAGA Payments, or any other payments made under this Agreement.
- v. Class Counsel will be issued an IRS Form 1099 for the Attorneys' Fees and Attorneys' Costs awarded by the Court.

vi. Named Plaintiff will be issued IRS Form 1099s for any Service Payment approved by the Court. The Service Payment payable to Named Plaintiff shall be in addition to the Individual Settlement Payment and, if applicable, Individual PAGA Payment that they will receive.

Section 4.07: Notice to the LWDA

Class Counsel is responsible for complying with all requirements of the PAGA governing notice to the LWDA of settlement and/or judgment. Specifically, Class Counsel will provide a copy of this Agreement to the LWDA at the same time that it is submitted to the Court and will further provide a copy of the Court's Preliminary Approval Order and Final Approval Order and Judgment to the LWDA within ten (10) calendar days after entry of said judgment or order as required by Labor Code sections 2699(1)(2)-(3).

ARTICLE V

RELEASES

Section 5.01: Release of Settled Class Claims

As of the Date of Finality and full funding of the Gross Settlement Amount, Named Plaintiff and all Settlement Class Members shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all Settled Class Claims against any and all Released Parties. The Settlement includes a release of all Settled Class Claims during the Class Period by Settlement Class Members. The Parties agree for settlement purposes only that, because the Class Members are so numerous, it is impossible or impracticable to have each Class Member execute this Agreement. Accordingly, the Class Notice will advise all Class Members of the binding nature of the Class Settlement as to Settlement Class Members and the binding nature of the PAGA Settlement as to the State of California and all PAGA Members, and such notice shall have the same force and effect as if the Agreement were executed by each Class Member. The Parties agree that this is a settlement of disputed claims not involving undisputed wages, and that Labor Code Section 206.5 is therefore inapplicable.

Section 5.02: Released of Settled PAGA Claims

As of the Date of Finality and full funding of the Gross Settlement Amount, the State of California, with respect to Named Plaintiff and all PAGA Members, shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged any and all of the Released Parties of and from any and all Settled PAGA Claims. The Parties agree that it is their intent that the terms set forth in this Agreement will release any further attempt, by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and every PAGA Member to obtain any recovery based on the Settled PAGA Claims.

ARTICLE VI

LIMITATIONS ON USE OF THIS SETTLEMENT

Section 6.01: No Admission

The Parties enter into this Agreement to resolve the Action and to avoid the burden, expense, and risk of continued litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, that Defendant has: violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; or engaged in any other culpable, wrongful or unlawful conduct with respect to its employees or any other person or entity. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it or proceedings, payouts, or other events associated with it, shall be construed as an admission or concession by Defendant of any such violation(s) or failure(s) to comply with any applicable law by Defendant or any Released Parties.

Section 6.02: Non-Evidentiary Use

Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further

proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims released through this Agreement.

Section 6.03: Nullification

If for any reason the Date of Finality does not occur and/or the Settlement does not become final for any reason, the Settlement shall be null and void and the orders and judgment to be entered pursuant to this Agreement shall be vacated; and the Parties will be returned to the status quo prior to entering this Agreement with respect to the Action, as if the Parties had never entered into this Agreement. In addition, in such event, the Agreement and all negotiations, court orders and proceedings relating thereto shall be without prejudice to the rights of any and all Parties hereto, and evidence relating to the Agreement and all negotiations shall not be admissible or discoverable in the Action or otherwise in any other proceeding.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.01: Amendments or Modification

Prior to the Court granting preliminary approval this Agreement, this Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by counsel for the Parties; after the Court has entered the Preliminary Approval Order, the Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by counsel for the Parties, subject to approval by the Court. Any waiver of any provision of this Agreement shall not constitute a waiver of any other provision of this Agreement unless expressly so indicated.

Section 7.02: Assignment

The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged or herein establish and/or created, except as set forth herein.

Section 7.03: Governing Law

This Agreement shall be enforced, construed, administered and interpreted, and the rights of the Parties shall be determined, in accordance with the laws of the State of California, without regard to conflicts of laws.

Section 7.04: Entire Agreement

The Parties warrant that no promise or inducement has been offered or made to any of the Parties except as set forth herein. This Agreement constitutes the full, complete and entire understanding, agreement and arrangement between Plaintiff on behalf of himself, Class Members, PAGA Members, and the State of California pursuant to the Private Attorneys General Act, on the one hand, and Defendant and Released Parties on the other hand, with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties. This Agreement supersedes any and all prior oral or written understandings, agreements and arrangements, express or implied, between the Parties with respect to the Settlement of the Action and the Settled Claims and Settled PAGA Claims against the Released Parties. The Parties explicitly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms, and may not be varied or contradicted by extrinsic evidence, and agree that no such extrinsic oral or written representations or terms shall modify, vary, or contradict the terms of this Agreement. This Agreement does not in any way impact any agreement to arbitration non-released claims that may exist between Defendant and an individual Class Member.

Section 7.05: Waiver of Compliance

Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived in writing, to the extent permitted under applicable law, by the Party or Parties and their respective counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or condition in this Agreement shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 7.06: Counterparts and Fax/PDF Signatures

This Agreement, and any amendments hereto, may be executed in any number of counterparts and any Party and/or their respective counsel may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original. All counterparts taken together shall constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original signature.

Section 7.07: Meet and Confer Regarding Disputes

The Parties agree to refer any disputes related to the drafting of the Agreement and attached documents to mediator, Monique Ngo-Bonnici prior to seeking any relief from a Court.

Section 7.08: Agreement Binding on Successors

This Agreement will be binding upon, and inure to the benefit of, the successors in interest of each of the Parties. Specifically, Subject to final Court approval, all Settlement Class Members, the State of California, and PAGA Members shall be bound by this Agreement and Final Approval Order and Judgment shall be entered in the Action.

Section 7.09: Cooperation in Drafting

The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement shall not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that all Parties have contributed to the preparation of this Agreement.

Section 7.10: Fair and Reasonable Settlement

The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arm's-length negotiation and in the context of adversarial litigation, taking into account all relevant factors, current and potential. The Parties further believe that the Settlement is and is consistent with public policy, and fully complies with applicable law.

Section 7.11: Headings 1 The descriptive heading of any section or paragraph of this Agreement is inserted for 2 convenience of reference only and does not constitute a part of this Agreement and shall not be considered in interpreting this Agreement. 4 5 Section 7.12: Notice Except as otherwise expressly provided in the Agreement, all notices, demands, and other 6 communications under this Agreement must be in writing and addressed as follows: 8 To Named Plaintiff and the Class: 9 Justin F. Marquez (SBN 262417) justin@wilshirelawfirm.com 10 Arrash T. Fattahi (SBN 333676) 11 afattahi@wilshirelawfirm.com Arman A. Salehi (SBN 351112) asalehi@wilshirelawfirm.com 12 WILSHIRE LAW FIRM 3055 Wilshire Blvd., 12th Floor 13 Los Angeles, California 900100 Telephone: (213) 784-3830 14 Facsimile: (213) 381-9989 15 16 And To Defendant: 17 18 Karin M. Cogbill (SBN 244606) JACKSON LEWIS P.C. 19 160 W. Santa Clara Street, Suite 400 San Jose, CA 95113 20 Telephone: (408) 579-0404 Facsimile: (408) 454-0290 21 Email: Karin.Cogbill@jacksonlewis.com 22 Evan M. McBride (SBN: 317393) JACKSON LEWIS P.C. 23 400 Capitol Mall, Suite 1600 Sacramento, California 95814 24 Telephone: (916) 341-0404 Facsimile: (916) 341-0141 25 Email: Evan.McBride@jacksonlewis.com 26 Section 7.13: Enforcement of Settlement and Continuing Court Jurisdiction 27 To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 31 of 34

3.769(h). The Final Approval Order and Judgment entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement, 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.

Section 7.14: Mutual Full Cooperation

Named Plaintiff and Defendant, and each of their respective counsel, shall cooperate in good faith to execute all documents and perform all acts necessary and proper to implement the terms of this Agreement, including but not limited to drafting and submitting the Motion for Preliminary Approval and Motion for Final Approval, and defending the Agreement and Final Approval Order and Judgment against objections and appeals. The Parties to this Agreement shall use their best efforts, including all efforts contemplated by this Agreement and any other efforts that may become necessary by order of the Court or otherwise, to effectuate this Agreement and the terms set forth herein.

Section 7.15: <u>Publicity, Confidentiality, Non-Disparagement</u>

No public comment, communications to media, or any form of advertising or public announcement (including social media) regarding the Action shall be made by the Named Plaintiff or Class Counsel at any time.

Class Counsel agrees not to solicit any Class Members to exclude themselves from the terms of this Agreement, and further agrees not to initiate, contact, or have any communications with Class Members during the settlement approval process. Nothing will prevent Class Counsel from responding to inquiries from Class Members. Defendant agrees that it shall not discourage any Class Members from participating in the settlement and shall refer any questions to the Settlement Administrator.

Prior to the Motion for Preliminary Approval and submission of this Agreement to the Court, Class Counsel shall not discuss the terms of the Agreement with any person other than Named Plaintiff, Defendant's counsel, and the Settlement Administrator, and that they will not discuss the negotiations leading to Agreement with any person other than Named Plaintiff and Defendant's counsel. Class Counsel will, however, undertake any and all submissions of information and/or materials relating to the Action and this Settlement to the LWDA to the extent required under the PAGA statute (e.g., submitting this Agreement to the LWDA at the same time as submitting it to the Court for preliminary approval).

Named Plaintiff acknowledges that he has not, and will not, discuss the terms of the Settlement with any persons other than Class Counsel, their spouse(s), if any, their tax preparer/accountant, and any other legal representative of Named Plaintiff, prior to filing the Motion for Preliminary Approval and submission of this Agreement to the Court. Named Plaintiff further acknowledges that at no time will he disclose details of the negotiations leading to this Settlement, including information learned during or after mediation.

To the extent permitted by applicable law and in order to implement the Settlement, Named Plaintiff agrees that he will not make any defamatory or disparaging statements about Defendant or any Released Party. However, Named Plaintiff is not precluded from submitting, and are contemplated to submit, declarations in support of certification of the Class for purposes of this Settlement and to support their receipt of a Service Payment.

To the extent documents produced, formally or informally, by Defendant during the course of the Action are confidential or otherwise subject to confidentiality, Named Plaintiff and Class Counsel agree to maintain the confidentiality of such materials.

Notwithstanding the above, Plaintiff's counsel may reference publicly-available information about the settlement in their declarations establishing their qualifications as counsel in other cases.

Section 7.16: Authorization to Act

The signatories hereby represent that they are fully authorized to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

Section 7.17: No Reliance on Representations 1 2 The Parties have made such investigation of the facts and the law pertaining to the matters 3 described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any 4 5 of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement. 8 9 **EXECUTION BY PARTIES AND COUNSEL** 10 The Parties and their counsel hereby execute this Agreement. 11 12 13 6/18/2024 Jason Peavich 14 Dated: 15 Bv: 16 Named Plaintiff 17 18 LANGAN ENGINEERING AND Dated: 19 ENVIRONMENTAL SERVICES, LLC F.K.A. LANGAN ENGINEERING AND 20 ENVIRONMENTAL SERVICES, INC. 6/25/2024 21 Mare Gallaguer By: 22 (Signature) 23 Marc Gallagher 24 (Printed Name) Managing Principal 25 (Title) 26 27 28

Exhibit A

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF ALAMEDA

JASON PEAVICH, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

LANGAN ENGINEERING AND ENVIRONMENTAL SERVICES, INC., a corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. 23CV047567

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

ATTENTION: ALL PERSONS EMPLOYED BY LANGAN ENGINEERING AND ENVIRONMENTAL SERVICES, LLC f.k.a. LANGAN ENGINEERING AND ENVIRONMENTAL SERVICES, INC. AS NONEXEMPT EMPLOYEES IN CALIFORNIA FROM OCTOBER 13, 2019 THROUGH JUNE 30, 2024:

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECIEVE PAYMENT OR TO EXCLUDE YOURSELF FROM THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

IF YOU DO NOT WISH TO RECEIVE PAYMENT UNDER THE SETTLEMENT OR PARTICIPATE IN THE SETTLEMENT, YOU MUST REQUEST TO BE EXCLUDED FROM THE SETTLEMENT CLASS ON OR BEFORE

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California in and for Alameda County entered DATE.

YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for the County of Alameda on behalf of all individuals employed by Langan Engineering And Environmental Services, LLC f.ka. Langan Engineering And Environmental Services, Inc. ("Langan" or "Defendant") as non-exempt employees in California between October 13, 2019 through June 30, 2024 (the "Settlement Class" or "Class Members"); the Settlement Class does not include persons who submit valid Requests for Exclusion (as explained below).

The "Released Parties" in the Action include Langan Engineering and Environmental Services, LLC f.k.a. Langan Engineering and Environmental Services Inc., and each of its current and former shareholders, board members, directors, officers, employees, managers, independent contractors, members, investors, insurers, parent companies, subsidiaries, affiliates, and counsel.

You have received this notice because records indicate you worked as a non-exempt employee in California for Langan during the Class Period (defined below). This notice is to advise you of how you can either participate in the Settlement or be excluded from the Settlement.

I. BACKGROUND OF THE CASE

On October 13, 2023, Plaintiff Jason Peavich filed a complaint against Defendant in the Alameda County Superior Court on behalf of himself and other non-exempt employees who worked for Defendant in California ("Complaint"). Peavich is hereinafter referred to as "Plaintiff" or "Class Representatives." The term "Action" means this putative class and Private Attorneys General Act ("PAGA") action pending in Alameda County Superior Court, Case No. 23CV047567. The Class Period is October 13, 2019 through June 30, 2024 (the "Class Period").

Plaintiff's Complaint alleges a failure to pay minimum and straight time wages; failure to pay overtime wages; failure to provide meal periods; failure to authorize and permit rest periods; failure to timely pay wages at termination; failure to provide accurate itemized wage statements; failure to indemnify employees for expenditures; unfair business practices; and a PAGA cause

of action, on behalf of all non-exempt employees who worked for Defendant in California from October 13, 2019 to the present. The Complaint seeks recovery of compensatory damages, penalties, interest, and attorneys' fees and costs. Defendant denies all claims and denies that Plaintiff and the Class Members are entitled to any recovery.

The Action has been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have participated in extensive private settlement negotiations. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions including the complete defenses to liability potentially available to Defendant, the inherent risk of trial on the merits, the risk of denial of class certification, and the delays associated with litigation, the Parties reached a class wide and PAGA Settlement. By settling, the Parties will avoid the risks associated with a lengthy litigation process. Despite agreeing to and supporting the Settlement, Defendant continues to deny all allegations and claims.

The Parties have since entered into a Class Action and PAGA Settlement Agreement between Plaintiff and Defendant, which has been preliminarily approved by the Court.

If you are part of the Settlement Class, you have the opportunity to participate in the Settlement, or to exclude yourself ("opt out") from the Settlement of Class Claims.

II. SUMMARY OF THE PROPOSED SETTLEMENT

A. The Amount of the Settlement

Under the terms of the Settlement, Defendant agrees to pay a Maximum Settlement Amount of Three Hundred and Five Thousand Dollars and Zero Cents (\$305,000.00) for all claims, attorneys' fees and costs, incentive awards, penalties, and claims administration expenses ("Maximum Settlement Amount"). Deducted from this Maximum Settlement Amount will be sums approved by the Court for attorneys' fees not to exceed thirty-five percent (35%) of the Maximum Settlement Amount which equals One Hundred and Six Thousand and Seven Hundred and Fifty Dollars (\$106,750.00), attorneys' costs not to exceed \$20,000, an Incentive Award to Plaintiff not to exceed Ten Thousand Dollars (\$10,000.00) the fees and expenses of the Claims Administrator estimated not to exceed Six Thousand Nine Hundred Fifty Dollars (\$6,950.00), and Ten Thousand Dollars (\$10,000.00) payable to the California Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties, which will result in a "Net Settlement Amount" for distribution to all Class Members. As explained further below, the amount of each Class Member's Settlement Award will depend on the number of weeks worked by participating Class Members during the Class Period.

B. Settlement Formula, and Settlement Awards

Defendant will pay Settlement Awards through a Claims Administrator, as described below, to each Class Member who has not submitted a Request for Exclusion from the Settlement. All Settlement Awards will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the Action that all Settlement Awards payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as 33% unpaid wages for which IRS Forms W-2 will issue, 33% allocated to penalties for which IRS Forms 1099-MISC will issue, and 34% allocated to interest and fees.

Settlement Awards to Class Members will be based on the number of weeks worked by individual Class Members during the Class Period. The number of workweeks will be determined by reference to Defendant's records. The Claims Administrator or Defendant, based on Defendant's records, will calculate the number of workweeks for each Class Member during the Class Period. The number of weeks worked will be calculated by identifying the number of days between a Class Member's hire date(s) (the start of the applicable Class Period or PAGA Period, whichever is later) and termination date(s) (or the date of approval of the Settlement Agreement in the absence of a subsequent termination date) based on a 360-day year (using Microsoft Excel's DAYS360 or similar function which returns the number of days between two dates) and dividing the result by 7 and then rounding that number up to the nearest whole number.

Receipt of the Settlement Awards will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

C. <u>Calculations to Be Based on Defendant's Records</u>

For each Class Member, the amount payable to the Class Member will be calculated by the Claims Administrator from Defendant's records. Defendant's records will be presumed correct, unless evidence to the contrary is provided to the Claims Administrator. Defendant's records and any additional evidence will be reviewed by the Claims Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendant's records, all supporting documents evidencing additional workweeks must be submitted by the Class Member. The dispute will be resolved by the Claims Administrator as described in Section F below.

According to Defendant's records, you have been allocated ____ Qualifying Workweeks in connection with the Release of Class Claims, and _____ Qualifying PAGA Workweeks in connection with the Release of PAGA Claims. The PAGA Period runs from October 13, 2022 to June 30, 2024. The current estimated pro-rata portion of your total individual settlement is

D. Release of Class Claims

The Class Action and PAGA Settlement Agreement between Plaintiff and Defendant contains a release which releases Defendant and the Released Parties from all claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, whether known or unknown, that arise during the Class Period that each Settlement Class Member had, now has, or may hereafter claim to have against the Released Parties and that were asserted in the Complaint, or that could have been asserted in the Complaint based on any of the facts or allegations in the Complaint or PAGA Notice, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. The Settled Class Claims specifically include, but are not limited to claims for failure to pay minimum and straight time wages, failure to pay overtime wages, failure to provide meal periods or premium pay in lieu thereof, failure to provide rest periods or premium pay in lieu thereof, failure to timely pay final wages at termination, failure to provide complete and accurate itemized wage statements, failure to reimburse business expenses, civil, unfair business practices, and violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including and not limited to, for violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 1174, 1194, 1194.2, 1198, 2802, and Industrial Welfare Commission Wage Orders ("Settled Class Claims").

E. Release of PAGA Claims

In addition to the Settled Class Claims, the Class Action and PAGA Settlement Agreement contains a release which releases Defendant and the Released Parties from all claims for civil penalties that were asserted, or could have been asserted, or that arise, whether known or unknown, during the PAGA Period, based for any of the alleged violations of the California Labor Code and/or Industrial Welfare Commission Wage Orders that were asserted, or could have been asserted, within the Complaint and PAGA Notice based on any facts or allegations therein, including, but not limited to, violations of California Labor Code §§ 201, 202, 203, 204, 226, 226.3, 226.7, 510, 512, 1174, 1194, 1194.2, 1198, 2802, and Industrial Welfare Commission Wage Orders.

Although you may exclude yourself from the Release of Class Claims, you will still be bound by the Release of PAGA Claims and will receive a pro-rata payment from the PAGA Settlement.

F. Resolution of Workweek Disputes

If a Class Member disputes the accuracy of Defendant's records as to the number of workweeks worked, any documentation supporting such dispute must be submitted to the Claims Administrator. All workweek disputes will be resolved and decided by the Claims Administrator following Defendant's opportunity to respond. Subject to Court approval, Workweeks Disputes will be resolved without hearing by the Settlement Administrator, who will make a decision based on Defendant's records and any documents or other information presented by the Class Member and/or PAGA Member making the Workweeks Dispute, Class Counsel, or Defendant.

G. Incentive Award for the Class Representative

Subject to approval by the Court, the Class Representative will receive an Incentive Award up to \$10,000. This payment will be made for his service as a Class Representative, including active participation in prosecution of the Action, as well as willingness to accept the risk of incurring Class Counsel's costs or paying Defendant's attorneys' fees and costs for an unsuccessful outcome in the Action.

H. Attorneys' Fees and Costs

As consideration for the Settlement and in exchange for the release by the Settlement Class, Defendant agrees to pay Class Counsel's attorneys' fees and costs to be set by the Court, up to a maximum of thirty-five percent (35%) of the Maximum Settlement Amount which equals One Hundred and Six Thousand and Seven Hundred and Fifty Dollars (\$106,750.00), and attorneys' costs not to exceed \$20,000. Class Counsel's attorneys' fees and costs will be paid and deducted from the Maximum Settlement Amount.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Excluding Yourself from the Class Settlement

If you do not wish to participate in the Class Settlement, you may be excluded (i.e., "opt out") by submitting a timely written request to the Claims Administrator stating the following "I WISH TO BE EXCLUDED FROM THE SETTLEMENT OF CLASS CLAIMS IN THE PEAVICH V. LANGAN ENGINEERING AND ENVIRONMENTAL SERVICES LAWSUIT, AND UNDERSTAND THAT IF I ASK TO BE EXCLUDED, I WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT. I UNDERSTAND THAT, NEVERTHELESS, SETTLED PAGA CLAIMS WILL BE RELEASED AND SETTLED."

Your Opt Out Request must also state your full name, address, and telephone number. The Opt Out Request must be signed, dated and mailed by First-Class U.S. Mail or facsimile, or the equivalent, to:

> Apex Class Action Administration P.O. Box #### **ADDRESS**

> > Website

The Opt Out Request must be postmarked no later than XXX. If you submit a Opt Out Request which is not postmarked by XXX, your Opt Out Request will be rejected, and you will be bound by the Release and all other Settlement terms.

Any person who submits a complete and timely Opt Out Request shall, upon receipt by the Claims Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Class Settlement, shall not be entitled to object to the Settlement, shall receive no benefits from the Settlement (except those pursuant to the PAGA Settlement, if applicable), shall not be deemed to have relinquished the Settled Class Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

Objection to Settlement

If you do not exclude yourself from the Settlement, you can object to the terms of the Settlement before Final Approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you may file a written objection and a notice of intention to appear at the Final Approval hearing currently set for DATE/TIME in Department X.

CLASS COUNSEL

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Any written objection should state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, and telephone. The objection must be signed, dated and mailed by First-Class U.S. Mail or facsimile, or the equivalent, to:

Apex Class Action Administration

P.O. Box #### **ADDRESS**

Website

The objection must be postmarked no later than XXX. DO NOT TELEPHONE THE COURT.

A Class Member may appear at the Final Approval Hearing, either in person or through their own counsel, and object to the Settlement Agreement and any of its terms without submitting a prior objection in the manner and by the deadline specified above.

To appear remotely through a Zoom link, please contact Department X in this matter at deptX@alameda.courts.ca.gov.

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as 'eCourt Public Portal,' at https://eportal.alameda.courts.ca.gov. After arriving at the website, click the 'Search' tab at the top of the page, then select the Document Downloads link, enter the case number and click 'Submit.' Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

If you require additional information regarding the final approval date or making a remote appearance, please visit the County of Alameda Superior Court Website located at https://eportal.alameda.courts.ca.gov and at https://eportal.alameda.courts.ca.gov/general-information/remote-appearances.

IV. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendant and the Released Parties from the Settled Class Claims as described above. In other words, if you were employed as a Class Member by Defendant in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Settled Class Claims. In addition, you will be barred from ever suing Defendant and the Released Parties with respect to the Settled Class Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

As noted above, all PAGA Members will have released the Settled PAGA Claims, including any such person who optedout of the Settled Class Claims, will be barred from ever suing Defendant and the Released Parties with respect to the Settled PAGA Claims covered by this Settlement.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department X of the Superior Court of the State of California in and for the County of Alameda, on DATE/TIME (Pacific Time), to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs, the costs of administration, and the Incentive Awards to be paid to the Class Representatives. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than DATE, and will be available for review after that date. Class Counsel are seeking approval of a total of not more than thirty-five (35%) of the Settlement for attorneys' fees which equals \$106,750.00, and not more than \$20,000 for attorneys' costs.

The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS