

CLASS ACTION SETTLEMENT AGREEMENT

Subject to court approval, this Class Action Settlement Agreement (“Agreement”) is made by and between Plaintiffs PAUL GARCIA and PIERRE ATME, individually and on behalf of all others similarly situated (collectively, “Plaintiffs”), and Defendant HARALAMBOS BEVERAGE CO. (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties” or individually as a “Party.”

1. DEFINITIONS.

1.1. “Action” means Plaintiffs’ lawsuit alleging wage and hour violations against Defendants captioned *Garcia and Atme v. Haralambos Beverage Co.*; Case No. BC660723, pending in Los Angeles County Superior Court.

1.2. “Administrator” means Apex Class Action, LLC.

1.3. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator’s bid to be submitted to the Court. The Administration Expenses shall not exceed \$10,000, except for a showing of good cause and as approved by the Court.

1.4. “Class” or “Class Member(s)” means all persons who were employed by Haralambos Beverage Company in the State of California as a truck driver at any time during the Class Period.

1.5. “Class Counsel” means Mara Law Firm, PC, Cohelan Khoury & Singer, and the Law Offices of Sahag Majarian II.

1.6. “Class Counsel Attorneys’ Fees” and “Class Counsel Litigation Costs” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action. Class Counsel Attorneys’ Fees shall be one-third of the Gross Settlement Amount (currently \$400,000) and Class Counsel Litigation Costs shall not exceed \$70,000.

1.7. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks.

1.8. “Class Member Address Search” means the Administrator’s search for Class Member mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.9. “Class Notice” means the Notice of Class Action Settlement, attached as **Attachment A** to be mailed to Class Members and incorporated by reference into this Agreement.

1.10. “Class Period” means the period from October 3, 2012 through July 8, 2024.

1.11. “Class Representatives” refer to Plaintiffs Paul Garcia and Pierre Atme.

1.12. “Class Representatives Service Payments” means the payments to the Class Representatives for initiating and providing services in support of the Action in an amount up to \$15,000 per person (for a total of \$30,000), subject to Court approval.

1.13. “Court” means the Los Angeles County Superior Court.

1.14. “Defense Counsel” means captioned counsel of record from the law firm of Gordon Rees Scully Mansukhani.

1.15. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its order granting final approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court

enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment.

1.16. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.17. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.18. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.19. “Gross Settlement Amount” means **\$1,200,000**, which is the total amount Defendant agrees to pay under the Settlement, subject to the terms and conditions of this Settlement.

1.20. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks worked during the Class Period.

1.21. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.22. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Class Representatives Service Payments, Class Counsel Attorneys’ Fees, Class Counsel Litigation Costs, and the Administration Expenses. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.23. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement.

1.24. “Operative Complaint” means the most recently filed class action complaint, including amended complaints, filed by Plaintiffs, or either of them.

1.25. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.26. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.27. “Released Claims” means the claims being released in connection with this Settlement, as set forth in full below.

1.28. “Released Parties” means: Defendant and each former and present director, officer, shareholder, owner, attorney, insurer, predecessor, successor, assignee, subsidiary, and affiliate.

1.29. “Request for Exclusion” means a Class Member’s submission of a signed written request to be excluded from the Class Settlement.

1.30. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail their Objection to the Settlement. Class Members to whom the Class Notice is resent after being returned undeliverable to the Administrator shall have an additional 15 calendar days beyond the Response Deadline expiry.

1.31. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.32. “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

1.33. “Workweek Estimate” means, based on a review of Defendant’s records to date, a total of 21,748 Workweeks worked by Class Members during the Class Period.

2. MONETARY TERMS.

2.1. Gross Settlement Amount. Subject to all terms of this Agreement, Defendant shall pay the Gross Settlement Amount in connection with this Settlement. The Gross Settlement Amount does not include any employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which shall be paid separately. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members to submit any claim as a condition of payment. The Gross Settlement Amount is non-reversionary.

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

2.2.1. To Class Representatives: The Class Representatives Service Payments, in addition to any Individual Class Payment that the Class Representatives may be entitled to receive as a Participating Class Member. If the Court approves a Class Representatives Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representatives Service Payments using IRS Form 1099. An award of less than the requested amount for the Class Representatives Service Payments will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Class Representatives Service Payments, at its discretion at the final approval stage.

2.2.2. To Class Counsel: Class Counsel Attorneys' Fees and Class Counsel Litigation Costs to Class Counsel. Defendant will not oppose requests for these payments, provided the requests do not exceed these amounts. If the Court approves a Class Counsel Attorneys' Fees and/or a Class Counsel Litigation Costs less than the amounts requested, the Administrator will distribute the lesser amount to Class Counsel. The Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Costs. The Administrator will pay the Class Counsel Attorneys' Fees and Class Counsel Expenses Payment using each law firm's IRS 1099 Form.

2.2.3. To the Administrator: Administration Expenses. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will retain the remainder in the Net Settlement Amount.

2.2.4. To Each Participating Class Member: An Individual Class Payment calculated 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 each Participating Class Member's Workweeks.

2.2.5. Tax Allocation of Individual Class Payments. Twenty-five (25%) percent of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining seventy-five (75%) percent of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

2.3. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3. SETTLEMENT FUNDING AND PAYMENTS.

3.1. Delivery of Class Data to Administrator. Not later than 7 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement, and restrict access to the Class Data to Administrator

employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

3.2. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and fund the amounts necessary to fully pay its share of payroll taxes by transmitting the funds to the Administrator no later than 7 days after the Effective Date.

3.3. Payments from the Gross Settlement Amount. Within 10 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, and Class Representatives Service Payment.

3.3.1. The Administrator will issue checks for the Individual Class Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

3.3.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding addresses. Within 7 days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced if requested by the Class Member prior to the void date.

3.3.3. For any Class Member whose Individual Class Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Participating Class Member, to the State of California's Unclaimed Property Division.

3.3.4. The payment of Individual Class Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

3.4. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendant's portion of payroll taxes, equal to the amount of payroll taxes that would be due by a current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

4. RELEASES OF CLAIMS.

Effective on the date when Defendant fully funds the Gross Settlement Amount and all associated employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases of claims will take effect:

4.1. Class Representative Paul Garcia's General Release. Class Representative Paul Garcia and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint or ascertained during the Action; (b) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in

connection with their employment with a Released Party or their separation of such employment; and (c) any other act, omission or event occurring between the Parties at any time prior to the date the Class Representatives execute this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, conversion, and any claim based upon third party beneficiary status; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Class Representative Paul Garcia's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Mr. Garcia acknowledges that he may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that this General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

4.1.1. Class Representative Paul Garcia's Section 1542 Waiver. For purposes of Class Representative Paul Garcia's General Release, Mr. Garcia expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

4.2 Class Representative Pierre Atme's General Release. Class Representative Pierre Atme and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint or ascertained during the Action; (b) any claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with a Released Party or their separation of such employment, and (c) any other act, omission or event occurring between the Parties at any time prior to the date the Class Representatives execute this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or

discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, conversion, and any claim based upon third party beneficiary status; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Class Representative Pierre Atme's General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Mr. Atme acknowledges that he may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that this General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

4.2.2 Class Representative Pierre Atme's Section 1542 Waiver. For purposes of Class Representative Pierre Atme's General Release, Mr. Atme expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

4.3 Release by Participating Class Members: All Participating Class Members release Released Parties from any and all claims, damages, and penalties alleged in the Operative Complaint or arising out of the facts in the Operative Complaint during the Class Period, including, without limitation, claims for: (1) Failure to Pay All Straight Time Wages, (2) Failure to Pay Overtime, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest Periods, (5) Failure to Comply with Itemized Employee Wage Statement Provisions, (6) Failure to Pay All Wages Due at the Time of Termination, (7) Violations of the Unfair Competition Law; and any other claims arising out of Participating Class Members' alleged employment by Released Parties, or any of them, based on or arising out of the allegations of the Operative Complaint. Participating Class Members **do not** release claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, or any claims based on facts outside of the Operative Complaint or outside the Class Period.

5. MOTION FOR PRELIMINARY APPROVAL.

5.1. Preliminary Approval. Plaintiffs shall move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice. Defendant shall accept service of the Motion for Preliminary Approval (and any other motions, declarations, proposed orders, exhibits, or other documents filed therewith) pursuant to the Parties' electronic service agreement.

5.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming Motion for Preliminary Approval, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it. Any order or proceeding relating to an application for the Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, Administration Expense Payment, and Class Representatives Service Payments shall not operate to terminate this Settlement Agreement.

6. SETTLEMENT ADMINISTRATION.

6.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to calculate payroll tax withholdings and report to state and federal tax authorities.

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

6.4. Notice to Class Members.

6.4.1. No later than 5 business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and Workweeks in the Class Data.

6.4.2. Using best efforts to perform as soon as possible, and no later than 10 business days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment payable to the Class Member, and the number of Workweeks used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

6.4.4. The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days beyond the time otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in a good-faith effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

6.5. Requests for Exclusion (Opt-Outs).

6.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

6.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

6.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases paragraph of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment, nor shall they have the right to object to the class action components of the Settlement.

6.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 15 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

6.7. Objections to Settlement.

6.7.1. Only Participating Class Members may object to the Settlement, including contesting the fairness of the Settlement.

6.7.2. Participating Class Members may send written objections to the Administrator, by email or mail. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 15 days for Class Members whose Class Notice was re-mailed).

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

6.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

6.8.1. Website, Email Address and Toll-Free Number. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails about the case.

6.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 business days after the Response Deadline, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

6.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks received and/or resolved, and checks mailed for Individual Class Payments. The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

6.8.4. Workweek Challenges. The Administrator has the authority to address and make final decisions, consistent with the terms of this Agreement, on all Class Member challenges over the calculation of Workweeks. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

6.8.5. Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

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

7. CLASS SIZE ESTIMATES AND ESCALATION CLAUSE. Based on its records, Defendant has provided a Workweek Estimate. In the event the total Workweeks set forth in the Workweek Estimate is incorrect by more than 10%, the Parties agree that the Gross Settlement Amount shall be increased proportionately by the same percentage above 10%. For example, if the total Workweeks is in fact 11% higher than the Workweek Estimate, the Gross Settlement Amount will be increased by 1%.

8. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 15% of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. If Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and neither Party shall have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. To elect to withdraw, Defendant must notify Class Counsel and the Court of its election to withdraw not later than 7 days after the Response Deadline.

9. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the Final Approval Hearing, Class Representatives will file in Court a motion for final approval of the Settlement that includes a proposed Final Approval Order and a proposed Judgment ("Motion for Final Approval"). Class Counsel will provide a draft of the Motion for Final Approval to Defense Counsel in advance of filing for Defense Counsel's review. Defendant shall accept service pursuant to the Parties' electronic service agreement.

9.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the

Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval.

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

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Attorneys' Fees and Class Counsel Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be stayed until such time as the appeal is finally resolved and the Judgment becomes final.

9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

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

11. ADDITIONAL PROVISIONS.

11.1. No Admission of Liability. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by the Parties that any of the allegations or the defenses in the Operative Complaint have merit or that there is any liability for any claims asserted.

11.2. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.4. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.5. Cooperation. The Parties and their counsel will cooperate and use their best efforts, in good faith, to implement the Settlement by modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court, among other things. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

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

11.7. No Tax Advice. Neither the Parties, Class Counsel, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

11.8. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Class Counsel and Defense Counsel, as their legal representatives.

11.9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

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

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

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

11.13. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.14. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given as of the 3rd business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

<p>To Plaintiffs:</p> <p><i>Mara Law Firm, PC</i> 2650 Camino Del Rio North Suite 205 San Diego, California 92108 dmara@maralawfirm.com mcrawford@maralawfirm.com</p> <p><i>Cohelan Khoury & Singer</i> 605 C Street, Suite 200 San Diego, CA 92101 jgeraci@ckslaw.com</p> <p><i>Law Offices of Sahag Majarian II</i> 18250 Ventura Blvd. Tarzana, CA 91356 sahag@majarianlawgroup.com</p>	<p>To Defendant:</p> <p><i>Gordon Rees Scully Mansukhani</i> <i>Attn: Brandon D. Saxon</i> 101 W. Broadway, Suite 2000 San Diego, CA 92101 bsaxon@grsm.com lcrowley@grsm.com</p>
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11.15. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

SIGNATURES

I have read this Agreement and agree to its terms.

Plaintiff Paul Garcia

Date: _____

Paul Garcia

Plaintiff Pierre Atme

Date: _____

Pierre Atme

Defendant Haralambos Beverage Company

Date: _____

Name: Anthony Haralambos

Title: President

Mara Law Firm, PC

Date: _____

David Mara, Esq.
Matthew Crawford, Esq.

Attorneys for the Class

Cohelan Khoury & Singer

Date: _____

Jeff Geraci, Esq.

Attorneys for the Class

Gordon Rees Scully Mansukhani

Date: _____

Lisa Crowley, Esq.

Attorneys for Haralambos Beverage Co.

Attachment A

Notice of Class Action Settlement

NOTICE OF CLASS ACTION SETTLEMENT

Paul Garcia and Pierre Atme v. Haralambos Beverage Co.

Case No. BC660723

Superior Court of the State of California for the County of Los Angeles

This notice is to the following individuals in connection with a pending class action settlement:

All persons who were employed by Haralambos Beverage Co. (“Haralambos”) in the State of California as a truck driver at any time from October 3, 2012 to July 8, 2024

Read this notice carefully. Your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of Los Angeles (the “Court”) has preliminarily approved the settlement of this class action lawsuit filed by Paul Garcia and Pierre Atme (“Class Representatives”) against Haralambos for alleged wage and hour violations (the “Lawsuit”).

The Lawsuit is based on various allegations, including but not limited to Class Representatives’ claims that Defendant committed the following violations: (1) Failure to Pay All Straight Time Wages, (2) Failure to Pay Overtime, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest Periods, (5) Failure to Comply with Itemized Employee Wage Statement Provisions, (6) Failure to Pay All Wages Due at the Time of Termination, and (7) Violations of the Unfair Competition Law. Haralambos denies all claims and maintains it has fully complied with the law.

Haralambos’s records reflect you worked **Individual Workweeks** workweeks during the Class Period of October 3, 2012 to July 8, 2024. Based on this information, your Individual Class Payment is estimated to be **\$Individual Class Payment** (less any applicable state and federal withholdings). The actual amount you may receive will likely be different and will depend on multiple factors, such as how many other individuals decide to opt out.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.
OPT OUT	You may opt out of the Settlement by submitting a Request for Exclusion. If you opt out, you may not object to the Settlement, you will not receive an Individual Class Payment, and you shall not be bound by the release provisions in the settlement.
OBJECT	You may object to the Settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will remain eligible to automatically receive an Individual Class Payment if the Court grants final approval of the settlement. In such case, you will be bound by the release provisions in the settlement.

The Court’s final approval hearing is scheduled to take place on **Final Approval Hearing Date** at **Final Approval Hearing Time** in Dept. 17 of the Los Angeles Superior Court, located at the Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012. You do not have to attend but you do have the right to appear. **For more information, please carefully read this notice.**

1. WHAT IS THE ACTION ABOUT?

The Class Representatives were employed as truck drivers by Haralambos. In this lawsuit, they alleged that Haralambos violated California labor and employment laws as follows: (1) Failure to Pay All Straight Time Wages, (2) Failure to Pay Overtime, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest Periods, (5) Failure to Comply with Itemized Employee Wage Statement Provisions, (6) Failure to Pay All Wages Due at the Time of Termination, and (7) Violations of the Unfair Competition Law. Plaintiffs are represented by Mara Law Firm, PC, Cohelan Khoury & Singer, and the Law Offices of Sahag Majarian II (“Class Counsel.”). Haralambos denies violating any laws and denies all wrongdoing.

2. WHAT ARE PROPOSED SETTLEMENT TERMS?

At the Final Approval Hearing, the Class Representative, through Class Counsel, will ask the Court to approve a Gross Settlement Amount of \$1,200,000 and authorize the following deductions: Class Representatives Service Payments totaling \$30,000 (\$15,000 per Class Representative), Class Counsel Attorneys' Fees in the amount of one-third of the Gross Settlement Amount (\$400,000), Class Counsel Litigation Costs (not to exceed \$70,000), and the Administration Expenses to be paid to the third-party settlement administrator (not to exceed \$10,000).

After making the above deductions in amounts approved by the Court, the Administrator will calculate and distribute Individual Class Payments to Participating Class Members based on their Class Period Workweeks. Twenty-five (25%) percent of each Individual Class Payment shall constitute taxable wages ("Wage Portion") and seventy-five (75%) percent shall constitute interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms.

Haralambos will separately pay employer payroll taxes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

You will be treated as a Participating Class Member, participating fully in the settlement, unless you submit a signed Request for Exclusion by **[[Response Deadline]]** (the "Response Deadline").

After the Judgment is final and Haralambos has fully funded the settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the settlement, as follows:

All Participating Class Members release Released Parties from any and all claims, damages, and penalties alleged in the Operative Complaint or arising out of the facts in the Operative Complaint during the Class Period, including, without limitation, claims for: (1) Failure to Pay All Straight Time Wages, (2) Failure to Pay Overtime, (3) Failure to Provide Meal Periods, (4) Failure to Authorize and Permit Rest Periods, (5) Failure to Comply with Itemized Employee Wage Statement Provisions, (6) Failure to Pay All Wages Due at the Time of Termination, (7) Violations of the Unfair Competition Law; and any other claims arising out of Participating Class Members' alleged employment by Released Parties, or any of them, based on or arising out of the allegations of the Operative Complaint. Participating Class Members **do not** release claims for vested benefits, unemployment insurance, disability, social security, workers' compensation, or any claims based on facts outside of the Operative Complaint or outside the Class Period.

3. HOW IS MY INDIVIDUAL CLASS SETTLEMENT CALCULATED?

The number of Class Workweeks you worked during the class period are stated on the first page of this notice. The Administrator will calculate Individual Class Payments by (1) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and then (2) multiplying the result by the number of Workweeks worked by each respective Participating Class Member. In other words, you will receive a proportional recovery based on your length of employment in relation to other Class Members.

4. HOW CAN I CORRECT THE NUMBER OF WORKWEEKS?

You have until the Response Deadline to correct or challenge the number of Workweeks. You can submit your challenge by signing and sending a letter to the Administrator via mail or email to the Administrator at the following address:

Administrator:
Apex Class Action LLC
18 Technology Drive, Suite 154
Irvine, CA 92618
(800) 335-0700
[Email]

The Administrator will accept Haralambos's calculation of Workweeks 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.

5. HOW WILL I GET PAID?

The Administrator will send, by U.S. mail, a single check to every Participating Class Member following the Effective Date of this Settlement. Your check will be sent to the same address as this notice. If you change your address, notify the Administrator as soon as possible.

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

Submit a written Request for Exclusion to the Administrator before the Response Deadline. A Request for Exclusion is a letter that reasonably communicates your election to be excluded from the Settlement and includes your name, address and email address or telephone number. Written Requests for Exclusion may be submitted to the Administrator via mail or email to the Administrator at the following address:

Administrator:
Apex Class Action LLC
18 Technology Drive, Suite 154
Irvine, CA 92618
(800) 335-0700
[Email]

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement by submitting a written objection to the Administrator before the Response Deadline. To object, please provide a written statement to the Administrator advising what you object to, why you object, and any facts that support your objection. Please sign the objection and identify the Action and include your name, current address, telephone number, and your approximate dates of employment.

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.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You may, but are not required to, attend the Final Approval Hearing on **[[Final Approval Hearing Date]]** at **[[Final Approval Hearing Time]]** in Dept. 17 of the Los Angeles Superior Court, located at the Spring Street Courthouse, 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 will be paid to Class Counsel, the Class Representatives, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision.

It is possible the Court will reschedule the Final Approval Hearing. Please review the Court's online docket or contact the Administrator or Class Counsel to verify the date and time of the Final Approval Hearing if you believe it may have been continued or otherwise changed.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to the Court's website, access the Register of Actions, and search for the case using the case number at the top of this notice. Documents related to this case and this settlement will also be available at **[administrator website]**, a website maintained by the Administrator. Please refer to the Haralambos Class Action Settlement.

You can also telephone or send an email to Class Counsel or Defense Counsel at the addresses below:

Class Counsel

Mara Law Firm, PC

2650 Camino Del Rio North Suite 205

San Diego, California 92108

David Mara

dmara@maralawfirm.com

Matthew Crawford

mcrawford@maralawfirm.com

Telephone: (619) 234-2833

Cohelan Khoury & Singer

605 C Street, Suite 200

San Diego, CA 92101

Jeff Geraci

jgeraci@ckslaw.com

Matthew Atlas

matlas@ckslaw.com

Telephone: (619) 595-3001

Law Offices of Sahag Majarian II

18250 Ventura Blvd.

Tarzana, CA 91356

Sahag Majarian II

sahag@majarianlawgroup.com

Telephone: (818) 609-0807

Defense Counsel

Gordon Rees Scully Mansukhani

101 W. Broadway, Suite 2000

San Diego, CA 92101

Brandon Saxon

bsaxon@grsm.com

Lisa Crowley

lcrowley@grsm.com

Telephone: (619) 544-7229

10. WHAT IF I LOSE MY SETTLEMENT CHECK OR FAIL TO CASH IT?

If you lose or misplace your settlement check, the Administrator will replace it if you request a replacement before the void date on the face of the original check. If your check is already void or you have otherwise failed to cash it, it will be provided to the State of California's Unclaimed Property Division in your name. For more information, please review how to process a claim for your funds with the State of California, https://www.sco.ca.gov/upd_form_claim.html.