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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
13 **FOR THE COUNTY OF LOS ANGELES**

14 SANTOS LUZOD, an individual and on
15 behalf of all others similarly situated,

16 Plaintiff,

17
18 v.

19 SPEC SERVICES, INC., a California
20 corporation; and DOES 1 through 100,
21 inclusive,

22 Defendants.
23

Case No. 25STCV01318

[Assigned for all purposes to the
Hon. Theresa M. Traber, Dept. 1]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: January 17, 2025
Trial Date: None Set

24
25 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
26 between plaintiff Santos Luzod (“Plaintiff”) and defendant SPEC Services, Inc. (“Defendant” or
27 “SPEC Services, Inc.”). The Agreement refers to Plaintiff and Defendant collectively as
28 “Parties,” or individually as “Party.”

1 **1. DEFINITIONS**

2 1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against
3 Defendant, captioned *Santos Luzod v. SPEC Services, Inc.*, Case No. 25STCV01318, initiated
4 on January 17, 2025, and pending in Superior Court of the State of California, County of Los
5 Angeles.

6 1.2. “Administrator” means APEX Class Action Administration, the neutral entity the Parties
7 have agreed to appoint to administer the Settlement.

8 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
9 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance
10 with the Administrator’s “not to exceed” bid submitted to the Court in connection with
11 Preliminary Approval of the Settlement.

12 1.4. “Settlement Class” means all individuals employed by Defendant as non-exempt, hourly-
13 paid employees in the State of California at any time between January 17, 2021 through January
14 30, 2026.

15 1.5. “Aggrieved Employees” means all persons employed by Defendant in California and
16 classified as a non-exempt, hourly-paid employee who worked for Defendant during the PAGA
17 Period (i.e. January 16, 2024 through January 30, 2026).

18 1.6. “Class Counsel” means Akhavan & Associates.

19 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean
20 the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and
21 expenses, respectively, incurred to prosecute the Action.

22 1.8. “Class Data” means Class Member identifying information in Defendant’s custody,
23 possession, or control, including the Class Member’s (1) name; (2) last known address(es); (3)
24 last known telephone number(s); (4) last known Social Security Number(s); and (5) the dates of
25 employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).

26 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either
27 a Participating Class Member or Non-Participating Class Member (including a Non- Participating
28 Class Member who qualifies as an Aggrieved Employee).

1 1.10. "Class Member Address Search" means the Administrator's investigation and search for
2 current Class Member mailing addresses using all reasonably available sources, methods and
3 means including, but not limited to, the National Change of Address database, skip traces, and
4 direct contact by the Administrator with Class Members.

5 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION
6 SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to
7 Class Members in English and Spanish in the form, without material variation, attached as Exhibit
8 A and incorporated by reference into this Agreement.

9 1.12. "Class Period" means the period from January 17, 2021 through January 30, 2026.

10 1.13. "Class Representative" means the named Plaintiff, Santos Luzod, in the operative
11 complaint in the Action seeking Court approval to serve as a Class Representative.

12 1.14. "Class Representative Service Payment" means the payment to the Class Representative
13 for initiating the Action and providing services in support of the Action.

14 1.15. "Court" means the Superior Court of California, County of Los Angeles.

15 1.16. "Defendant" means named defendant SPEC Services, Inc.

16 1.17. "Defense Counsel" means Marie DiSante and John Keeney of CDF Labor Law.

17 1.18. "Effective Date" means the later of: (a) the Court enters a Judgment on its Order Granting
18 Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the
19 latest of the following occurrences: (a) if no Participating Class Member objects to the
20 Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members
21 objects to the Settlement, the day after the deadline for filing a notice of appeal from the
22 Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court
23 affirms the Judgment and issues a remittitur.

24 1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

25 1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval
26 of the Settlement.

27 1.21. "Final Judgment" means the Judgment entered by the Court based upon the Final
28 Approval.

1 1.22. “Gross Settlement Amount” means \$1,155,200.00 (One Million, One Hundred Fifty-Five
2 Thousand, Two Hundred Dollars and Zero Cents) which is the total amount Defendant agrees to
3 pay under the Settlement, except as provided in Paragraph 8.1 below and any and all employer
4 payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement
5 Amount will be used to pay payment of Claims Administration Expenses, Class Counsel Fees
6 and Cost Award, Class and PAGA Representatives Service Awards, and the PAGA Payment to
7 the State of California and the Aggrieved Employees.

8 1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the
9 Net Settlement Amount calculated according to the number of Workweeks worked during the
10 Class Period.

11 1.24. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of
12 the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during
13 the PAGA Period.

14 1.25. “Judgment” means the judgment entered by the Court based upon Final Approval.

15 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency
16 entitled, under Labor Code section 2699, subd. (i).

17 1.27. “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA
18 under Labor Code section 2699, subd. (i).

19 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following
20 payments in the amounts approved by the Court: Payment of Claims Administration Expenses,
21 Class Counsel Fees and Cost Award, Class and PAGA Representatives Service Awards, and the
22 PAGA Payment to the State of California and the Aggrieved Employees. The remainder is to be
23 paid to Participating Class Members as Individual Class Payments.

24 1.29. “Non-Participating Class Member” means any Class Member who opts out of the
25 Settlement by sending the Administrator a valid and timely Request for Exclusion.

26 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked
27 for Defendant for at least one day during the PAGA Period, based on hire dates, re-hire dates (as
28 applicable), and termination dates (as applicable).

- 1 1.31. "PAGA Period" means the period from January 16, 2024 through January 30, 2026.
- 2 1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).
- 3 1.33. "PAGA Notice" means Plaintiff's January 16, 2025 letter to Defendant and the LWDA,
4 providing notice pursuant to Labor Code section 2699.3 subd. (a).
- 5 1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the
6 Gross Settlement Amount, allocated 35% to the Aggrieved Employees (\$10,500.00) and the 65%
7 to the LWDA (\$19,500.00) in settlement of PAGA claims.
- 8 1.35. "Participating Class Member" means a Class Member who does not submit a valid and
9 timely Request for Exclusion from the Settlement.
- 10 1.36. "Plaintiff" means Santos Luzod the named plaintiff in the Action.
- 11 1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the
12 Settlement.
- 13 1.38. "Preliminary Approval Order" means the proposed Order granting Preliminary Approval
14 and Approval of PAGA Settlement.
- 15 1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2
16 below.
- 17 1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.4
18 below.
- 19 1.41. "Released Parties" means: Defendant, and each of their former, present and future owners,
20 parents, and subsidiaries, and all of their current, former, and future officers, directors, members,
21 managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors,
22 successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.
- 23 1.42. "Request for Exclusion" means a Class Member's submission of a timely written request
24 to be excluded from the Class Settlement signed by the Class Member.
- 25 1.43. "Response Deadline" means forty-five (45) days after the Administrator mails Notice to
26 Class Members and Aggrieved Employees, and shall be the last date on which Class Members
27 may: (a) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the
28 Settlement. Class Members to whom Notice Packets are resent after having been returned

1 undeliverable to the Administrator shall have an additional 15 days beyond the Response
2 Deadline has expired.

3 1.44. “Settlement” means the disposition of the Action effected by this Agreement and the
4 Judgment.

5 1.45. “Workweek” means any week during which a Class Member worked for Defendant, for
6 at least one day during the Class Period, based on hire dates, re-hire dates (as applicable), and
7 termination dates (as applicable).

8 2. RECITALS

9 2.1. On January 16, 2025, Plaintiff filed with the LWDA and served on Defendant a notice
10 under Labor Code section 2699.3, stating Plaintiff intended to serve as a proxy of the LWDA to
11 recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations.

12 2.2. On January 17, 2025, Plaintiff commenced this Class Action by filing a complaint against
13 Defendant for: failure to pay overtime and minimum wages; failure to provide meal breaks, rest
14 breaks, or compensation in lieu thereof; waiting time penalties; wage statement violations; failure
15 to indemnify; violation of Labor Code §227.3; and unfair competition (“Class Action”).

16 2.3. On April 1, 2025, Plaintiff filed a First Amended Complaint adding a cause of action for
17 Violation of California Labor Code §§ 2698, 2699; Private Attorneys General Act (“PAGA”).

18 2.4. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

19 2.5. Prior to mediation, Plaintiff obtained, through informal discovery: (a) time and payroll
20 records for approximately 25% of Class Members through mediation; (b) a class list of hire dates,
21 termination dates, and rates of pay for all Class Members; (c) wage and hour policy documents;
22 and (d) all documents pertaining to Plaintiff available to Defendant.

23 2.6. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in
24 *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker*
25 *Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

26 2.7. On November 13, 2025, the Parties participated in an all-day mediation presided over by
27 Todd Smith. The mediation was successful, and the Parties agreed to globally resolve all class
28 and PAGA claims in the Action.

1 2.8. The Court has not granted class certification.

2 2.9. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any
3 other pending matter or action asserting claims that will be extinguished or affected by the
4 Settlement.

5 **3. MONETARY TERMS**

6 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below,
7 Defendant promise to pay \$1,155,200.00 as the Gross Settlement Amount, unless increased
8 pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all employer payroll
9 taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation
10 to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in
11 Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement
12 Amount without asking or requiring Participating Class Members or Aggrieved Employees to
13 submit any claim as a condition of payment. None of the Gross Settlement Amount will revert
14 to Defendant.

15 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct
16 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
17 in the Final Approval:

18 3.2.1. To Plaintiff: Class Representative Service Payment to Plaintiff of not more than
19 \$8,000.00 in addition to any Individual Class Payment and any Individual PAGA
20 Payment Plaintiff is entitled to receive as a Participating Class Member. Defendant will
21 not oppose Plaintiff's request for a Class Representative Service Payment that does not
22 exceed this amount. As part of the motion for Class Counsel Fees Payment and Class
23 Litigation Expenses Payment, Plaintiff will seek Court approval for any Class
24 Representative Service Payments prior to the Final Approval Hearing. If the Court
25 approves a Class Representative Service Payment less than the amount requested, the
26 Administrator will retain the remainder in the Net Settlement Amount. The
27 Administrator will pay the Class Representative Service Payment using IRS Form 1099.
28 Plaintiff assumes full responsibility and liability for employee taxes owed on the Class

1 Representative Service Payment.

2 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33.33% of
3 the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of this
4 Agreement, is currently estimated to be \$385,066.66 and a Class Counsel Litigation
5 Expenses Payment of not more than \$25,000.00. Defendant will not oppose requests for
6 this payment provided it does not exceed these amounts. Plaintiff and/or Class Counsel
7 will endeavor to file a motion for Class Counsel Fees Payment and Class Litigation
8 Expenses Payment prior to the Final Approval Hearing. If the Court approves a Class
9 Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than
10 the amounts requested, the Administrator will allocate the remainder to the Net
11 Settlement Amount. Released Parties shall have no liability to Class Counsel or any
12 other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee
13 Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will
14 pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one
15 or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for
16 taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation
17 Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any
18 dispute or controversy regarding any division or sharing of any of these Payments. There
19 will be no additional charge of any kind to either the Settlement Class Members or
20 request for additional consideration from Defendant for such work unless Defendant
21 materially breach this Agreement, including failing to fund the settlement, and further
22 efforts are necessary from Class Counsel to remedy said breach, including moving the
23 Court to enforce the Agreement. Should the Court approve attorneys' fees and/or
24 litigation costs and expenses in amounts that are less than the amounts provided for
25 herein, then the unapproved portion(s) shall be a part of the Net Settlement Amount.

26 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed
27 \$7,000.00, currently quoted at \$5,850.00, except for a showing of good cause and as
28 approved by the Court. To the extent the Administration Expenses are less or the Court

1 approves payment less than \$7,000.00, the Administrator will retain the remainder in
2 the Net Settlement Amount.

3 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated
4 by (a) dividing the Net Settlement Amount by the total number of Workweeks worked
5 by all Participating Class Members during the Class Period and (b) multiplying the result
6 by each Participating Class Member's Workweeks.

7 3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating
8 Class Member's Individual Class Payment will be allocated to settlement of
9 wage claims (the "Wage Portion"). The Wage Portions are subject to tax
10 withholding and will be reported on an IRS W-2 Form. The 80% of each
11 Participating Class Member's Individual Class Payment will be allocated to
12 settlement of claims for interest and penalties (the "Non-Wage Portion"). The
13 Non-Wage Portions are not subject to wage withholdings and will be reported
14 on IRS 1099 Forms. Participating Class Members assume full responsibility
15 and liability for any employee taxes owed on their Individual Class Payment.

16 3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual
17 Class Payments. Non-Participating Class Members will not receive any
18 Individual Class Payments. The Administrator will retain amounts equal to
19 their Individual Class Payments in the Net Settlement Amount for distribution
20 to Participating Class Members on a pro rata basis.

21 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
22 \$30,000.00 to be paid from the Gross Settlement Amount, with 65% (\$19,500.00)
23 allocated to the LWDA PAGA Payment and 35% (\$10,500.00) allocated to the
24 Individual PAGA Payments.

25 3.2.5.1. The Administrator will calculate each Individual PAGA
26 Payment by (a) dividing the amount of the Aggrieved Employees' 35% share
27 of PAGA Penalties (\$10,500.00) by the total number of PAGA Period Pay
28 Periods worked by all Aggrieved Employees during the PAGA Period and (b)

1 multiplying the result by each Aggrieved Employee's PAGA Period Pay
2 Periods. Aggrieved Employees assume full responsibility and liability for any
3 taxes owed on their Individual PAGA Payment.

4 3.2.5.2. If the Court approves PAGA Penalties of less than the
5 amount requested, the Administrator will allocate the remainder to the Net
6 Settlement Amount. The Administrator will report the Individual PAGA
7 Payments on IRS 1099 Forms.

8 **4. SETTLEMENT FUNDING AND PAYMENTS**

9 4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records
10 through the date of mediation, Defendant estimates there are 160 Class Members who
11 collectively worked a total of 23,104 Workweeks, and 124 of Aggrieved Employees who worked
12 a total of 4,469 PAGA Pay Periods.

13 4.2. Class Data. Not later than 7 business days after the Court grants Preliminary Approval
14 of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in
15 the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the
16 Administrator must maintain the Class Data in confidence, use the Class Data only for purposes
17 of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator
18 employees who need access to the Class Data to effect and perform under this Agreement.
19 Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class
20 Data omitted class member identifying information and to provide corrected or updated Class
21 Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant
22 must send the Class Data to the Administrator, the Parties and their counsel will expeditiously
23 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
24 omitted Class Data.

25 4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
26 Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by
27 transmitting the funds to the Administrator no later than 7 business days after the Effective Date.

28 4.4. Payments from the Gross Settlement Amount. Within 7 business days after Defendant

1 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class
2 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration
3 Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
4 Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel
5 Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative
6 Service Payment shall not precede disbursement of Individual Class Payments, and the Individual
7 PAGA Payments.

8 4.4.1. The Administrator will issue checks for the Individual Class Payments and/or
9 Individual PAGA Payments and send them to the Class Members via First Class U.S.
10 Mail, postage prepaid. The face of each check shall prominently state the date (not less
11 than 180 days after the date of mailing) when the check will be voided. The
12 Administrator will cancel all checks not cashed by the void date. The Administrator will
13 send checks for Individual Settlement Payments to all Participating Class Members
14 (including those for whom Class Notice was returned undelivered). The Administrator
15 will send checks for Individual PAGA Payments to all Aggrieved Employees including
16 Non-Participating Class Members who qualify as Aggrieved Employees (including
17 those for whom Class Notice was returned undelivered). The Administrator may send
18 Participating Class Members a single check combining the Individual Class Payment
19 and the Individual PAGA Payment. Before mailing any checks, the Settlement
20 Administrator must update the recipients' mailing addresses using the National Change
21 of Address Database.

22 4.4.2. The Administrator must conduct a Class Member Address Search for all other
23 Class Members whose checks are returned undelivered without USPS forwarding
24 address. Within 7 days of receiving a returned check the Administrator must re-mail
25 checks to the USPS forwarding address provided or to an address ascertained through
26 the Class Member Address Search. The Administrator need not take further steps to
27 deliver checks to Class Members whose re-mailed checks are returned as undelivered.
28 The Administrator shall promptly send a replacement check to any Class Member whose

1 original check was lost or misplaced, requested by the Class Member prior to the void
2 date.

3 4.4.3. For any Class Member whose Individual Class Payment check or Individual
4 PAGA Payment check is uncashed and cancelled after the void date, the Administrator
5 shall transmit the funds represented by such checks to the California Controller's Office,
6 Unclaimed Property Fund.

7 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall
8 not obligate Defendant to confer any additional benefits or make any additional
9 payments to Class Members (such as 401(k) contributions or bonuses) beyond those
10 specified in this Agreement.

11 **5. RELEASE OF CLAIMS**

12 Effective upon entry of Judgment, the Order granting Final Approval of this Settlement,
13 and on the date when Defendant fully funds the entire Gross Settlement Amount and fund all
14 employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff,
15 Class Members, and Class Counsel will release claims against all Released Parties as follows:

16 5.1. Plaintiff's Release. Plaintiff and his respective former and present spouses,
17 representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release
18 and discharge Released Parties from all claims, transactions, or occurrences, including, but not
19 limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts
20 contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could
21 have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA
22 Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to
23 enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
24 benefits, social security benefits, workers' compensation benefits that arose at any time, or based
25 on occurrences after the end of the Class Period. Plaintiff acknowledges that Plaintiff may
26 discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows
27 or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective
28 in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

1 5.1.1. Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For
2 purposes of Plaintiff’s Release only, Plaintiff expressly waives and relinquish the
3 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
4 which reads:

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

9 5.2. Release by Participating Class Members: For the duration of the Class Period, all
10 Participating Class Members, on behalf of themselves and their respective former and present
11 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released
12 Parties from all claims that were alleged, or reasonably could have been alleged, based on the
13 facts and theories stated in the Operative Complaint or PAGA Notice, including, but not limited
14 to: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide
15 meal periods, or compensation in lieu thereof; (4) failure to provide compliant rest periods, or
16 compensation in lieu thereof (5) waiting time penalties; (6) non-compliant wage statements; (7)
17 failure to timely pay wages; (8) failure to indemnify; (9) violation of Labor Code §227.3; (10)
18 PAGA; and (11) all claims asserted through California Business & Professions Code section
19 17200, *et seq.* arising out of the Labor Code violations referenced in the Operative Complaint
20 and/or PAGA Notice, including, but not limited to all theories pleaded or based on the same
21 operative facts such as wages owed due to rounding, failure to pay sick leave, failure to pay
22 vacation, and any derivative claims based on such theories.

23 5.3. Except as set forth in Section 5.2 of this Agreement, Participating Class Members do not
24 release any other claims, including claims for vested benefits, wrongful termination, violation of
25 the Fair Employment and Housing Act, unemployment insurance, disability, social security,
26 workers’ compensation, or claims based on facts occurring outside the Class Period.

27 5.4. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved
28 Employees are deemed to release, on behalf of themselves and their respective former and present

1 representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released
2 Parties from all claims for PAGA penalties that were alleged, or reasonably could have been
3 alleged, based on the facts stated in the Operative Complaint and the PAGA Notice.

4 **6. MOTION FOR PRELIMINARY APPROVAL**

5 Class Counsel shall prepare and file a motion for preliminary approval (“Motion for
6 Preliminary Approval”) that complies with the Court’s current checklist for Preliminary
7 Approvals. Class Counsel will draft the Motion for Preliminary Approval and will provide a copy
8 of such to Defendant’s counsel no later than 15 calendar days before filing, which Defendant’s
9 counsel will return with any proposed edits within five (5) business days of receipt. Should Class
10 Counsel not receive any proposed edits from Defendant’s counsel, it will be assumed that
11 Defendant’s counsel had no proposed edits and Class Counsel may proceed with filing.

12 6.1. Defendant’s Declaration in Support of Preliminary Approval. Within 7 days of full
13 execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed
14 declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or
15 potential conflicts of interest with the Administrator and Cy Pres Recipient.

16 6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and to deliver to Defense Counsel all
17 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and
18 memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the
19 Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor
20 Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and
21 Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from
22 the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting
23 to its willingness to serve; competency; operative procedures for protecting the security of Class
24 Data; amounts of insurance coverage for any data breach, defalcation of funds or other
25 misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members;
26 and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense
27 Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve
28 and disclosing all facts relevant to any actual or potential conflicts of interest with Class

1 Members; (v) a signed declaration from each Class Counsel firm attesting to its competency to
2 represent the Class Members; its timely transmission to the LWDA of all necessary PAGA
3 documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative
4 Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699,
5 subd. (1)(2)); and (vi) all facts relevant to any actual or potential conflict of interest with Class
6 Members and the Administrator.

7 6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
8 for expeditiously finalizing and filing the Motion for Preliminary Approval after the full
9 execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary
10 Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary
11 Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the
12 Administrator.

13 6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
14 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
15 Defense Counsel will expeditiously work together on behalf of the Parties by meeting and
16 conferring, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary
17 Approval or conditions Preliminary Approval on any material change to this Agreement, Class
18 Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by
19 meeting and conferring, and in good faith, to modify the Agreement and otherwise satisfy the
20 Court's concerns.

21 7. SETTLEMENT ADMINISTRATION

22 7.1. Selection of Administrator. The Parties have jointly selected APEX Class Action
23 Administration to serve as the Administrator and verified that, as a condition of appointment,
24 APEX Class Action Administration agrees to be bound by this Agreement and to perform, as a
25 fiduciary, all duties specified in this Agreement in exchange for payment of Administration
26 Expenses. The Parties and their Counsel represent that they have no interest or relationship,
27 financial or otherwise, with the Administrator other than a professional relationship arising out
28 of prior experiences administering settlements.

1 7.2. Employer Identification Number. The Administrator shall have and use its own Employer
2 Identification Number for purposes of calculating payroll tax withholdings and providing reports
3 state and federal tax authorities.

4 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets
5 the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section
6 468B-1.

7 7.4. Notice to Class Members

8 7.4.1. No later than three (3) business days after receipt of the Class Data, the
9 Administrator shall notify Class Counsel that the list has been received and state the
10 number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the
11 Class Data.

12 7.4.2. Using best efforts to perform as soon as possible, and in no event later than 14
13 days after receiving the Class Data, the Administrator will send to all Class Members
14 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail,
15 the Class Notice with Spanish translation, substantially in the form attached to this
16 Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the
17 dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable
18 to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable)
19 used to calculate these amounts. Before mailing Class Notices, the Administrator shall
20 update Class Member addresses using the National Change of Address database.

21 7.4.3. Not later than 3 business days after the Administrator’s receipt of any Class Notice
22 returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
23 using any forwarding address provided by the USPS. If the USPS does not provide a
24 forwarding address, the Administrator shall conduct a Class Member Address Search,
25 and re-mail the Class Notice to the most current address obtained. The Administrator
26 has no obligation to make further attempts to locate or send Class Notice to Class
27 Members whose Class Notice is returned by the USPS a second time.

28 7.4.4. The deadlines for Class Members’ written objections, Challenges to Workweeks

1 and/or Pay Periods, and Requests for Exclusion will be extended an additional 15 days
2 beyond the 45 days otherwise provided in the Class Notice for all Class Members whose
3 notice is re-mailed. The Administrator will inform the Class Member of the extended
4 deadline with the re-mailed Class Notice.

5 7.4.5. If the Administrator, Defendant or Class Counsel is contacted by or otherwise
6 discovers any persons who believe they should have been included in the Class Data
7 and should have received Class Notice, the Parties will expeditiously meet and confer,
8 and in good faith. in an effort to agree on whether to include them as Class Members.
9 If the Parties agree, such persons will be Class Members entitled to the same rights as
10 other Class Members, and the Administrator will send, via email or overnight delivery,
11 a Class Notice requiring them to exercise options under this Agreement not later than
12 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, which
13 ever are later.

14 7.5. Requests for Exclusion (Opt-Outs).

15 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
16 must send the Administrator, by mail, a signed written Request for Exclusion not later
17 than 45 days after the Administrator mails the Class Notice (plus an additional 15 days
18 for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter
19 from a Class Member or his/her representative that reasonably communicates the Class
20 Member's election to be excluded from the Settlement and includes the Class Member's
21 name, address and email address or telephone number. To be valid, a Request for
22 Exclusion must be timely postmarked by the Response Deadline. Settlement Class
23 Members who submit a timely request to opt-out within 45 days of the mailing will not
24 participate in the class portion of this settlement, will not be bound by the Class Release,
25 will not be bound by the terms the final judgment of class claims, and will not receive
26 any portion of the Class Settlement Allocation. However, Settlement Class members
27 that opt-out of the Settlement will be bound by the PAGA Release and will be entitled
28 to receive their pro rata share of the PAGA Payment.

1 7.5.2. The Administrator may not reject a Request for Exclusion as invalid because it
2 fails to contain all the information specified in the Class Notice. The Administrator shall
3 accept any Request for Exclusion as valid if the Administrator can reasonably ascertain
4 the identity of the person as a Class Member and the Class Member's desire to be
5 excluded. The Administrator's determination shall be final and not appealable or
6 otherwise susceptible to challenge. If the Administrator has reason to question the
7 authenticity of a Request for Exclusion, the Administrator may demand additional proof
8 of the Class Member's identity. The Administrator's determination of authenticity shall
9 be final and not appealable or otherwise susceptible to challenge.

10 7.5.3. Every Class Member who does not submit a timely and valid Request for
11 Exclusion is deemed to be a Participating Class Member under this Agreement, entitled
12 to all benefits and bound by all terms and conditions of the Settlement, including the
13 Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement,
14 regardless whether the Participating Class Member actually receives the Class Notice
15 or objects to the Settlement.

16 7.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a
17 Non-Participating Class Member and shall not receive an Individual Class Payment or
18 have the right to object to the class action components of the Settlement. Because future
19 PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-
20 Participating Class Members who are Aggrieved Employees are deemed to release the
21 claims identified in Paragraph 5.4 of this Agreement and are eligible for an Individual
22 PAGA Payment.

23 7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after
24 the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
25 Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods
26 (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the
27 allocation by communicating with the Administrator via mail. The Administrator must encourage
28 the challenging Class Member to submit supporting documentation. In the absence of any

1 contrary documentation, the Administrator is entitled to presume that the Workweeks contained
2 in the Class Notice are correct so long as they are consistent with the Class Data. The
3 Administrator's determination of each Class Member's allocation of Workweeks and/or Pay
4 Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator
5 shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods
6 to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7 **7.7. Objections to Settlement**

8 7.7.1. Only Participating Class Members may object to the class action components of
9 the Settlement and/or this Agreement, including contesting the fairness of the
10 Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class
11 Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

12 7.7.2. Participating Class Members may send written objections to the Administrator, by
13 mail. In the alternative, Participating Class Members may appear in Court (or hire an
14 attorney to appear in Court) to present verbal objections at the Final Approval Hearing.
15 A Participating Class Member who elects to send a written objection to the
16 Administrator must do so not later than 45 days after the Administrator's mailing of the
17 Class Notice (plus an additional 15 days for Class Members whose Class Notice was re-
18 mailed).

19 7.7.3. Non-Participating Class Members have no right to object to any of the class action
20 components of the Settlement.

21 **7.8. Administrator Duties.** The Administrator has a duty to perform or observe all tasks to be
22 performed or observed by the Administrator contained in this Agreement or otherwise.

23 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will maintain
24 and use an internet website to post information of interest to Class Members including
25 the date, time and location for the Final Approval Hearing and copies of the Settlement
26 Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class
27 Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment,
28 Class Counsel Litigation Expenses Payment and Class Representative Service Payment,

1 the Final Approval and the Judgment. The Administrator will also maintain and monitor
2 an email address and a toll-free telephone number to receive Class Member calls and
3 emails.

4 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
5 promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
6 Not later than 5 days after the expiration of the deadline for submitting Requests for
7 Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
8 containing (a) the names and other identifying information of Class Members who have
9 timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and
10 other identifying information of Class Members who have submitted invalid Requests
11 for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted
12 (whether valid or invalid).

13 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written
14 reports to Class Counsel and Defense Counsel that, among other things, tally the number
15 of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for
16 Exclusion (whether valid or invalid) received, objections received, challenges to
17 Workweeks and/or Pay Periods received and/or resolved, and checks mailed for
18 Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The
19 Weekly Reports must include provide the Administrator’s assessment of the validity of
20 Requests for Exclusion and attach copies of all Requests for Exclusion and objections
21 received.

22 7.8.4. Workweek and/or Pay Period Challenges. The Administrator has the authority to
23 address and make final decisions consistent with the terms of this Agreement on all
24 Class Member challenges over the calculation of Workweeks and/or Pay Periods. The
25 Administrator’s decision shall be final and not appealable or otherwise susceptible to
26 challenge.

27 7.8.5. Administrator’s Declaration. Before the date by which Plaintiff is required to file
28 the Motion for Final Approval of the Settlement, the Administrator will provide to Class

1 Counsel and Defense Counsel, a declaration suitable for filing in Court attesting to its
2 due diligence and compliance with all of its obligations under this Agreement,
3 including, but not limited to, its mailing of Class Notice, the Class Notices returned as
4 undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
5 number of Requests for Exclusion from Settlement it received (both valid or invalid),
6 the number of written objections and attach the Exclusion List. The Administrator will
7 supplement its declaration as needed or requested by the Parties and/or the Court. Class
8 Counsel is responsible for filing the Administrator's declaration(s) in Court.

9 7.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator
10 disburses all funds in the Gross Settlement Amount, the Administrator will provide
11 Class Counsel and Defense Counsel with a final report detailing its disbursements by
12 employee identification number only of all payments made under this Agreement. At
13 least 7 days before any deadline set by the Court, the Administrator will prepare, and
14 submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
15 Court attesting to its disbursement of all payments required under this Agreement. Class
16 Counsel is responsible for filing the Administrator's declaration in Court.

17 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

18 Based on its records, Defendant estimates that, as of the date of mediation on November
19 13, 2025, (1) there were 160 Class Members and 23,104 Total Workweeks during the Class
20 Period and (2) there were 124 Aggrieved Employees who worked 4,469 Pay Periods during the
21 PAGA Period.

22 8.1. Increase in Workweeks. In the event the number of Workweeks during the Class Period
23 increases by more than 10%, or totals over 25,414 Workweeks, then the Gross Settlement
24 Amount shall be increased proportionally by the Workweeks in excess of 25,414 Workweeks
25 multiplied by the Workweek Value. The Workweek Value shall be calculated by dividing the
26 originally agreed-upon Gross Settlement Amount of \$1,155,200.00 by 23,104, which amounts to
27 a Workweek Value of \$50.00. Thus, for example, should there be 26,000 Workweeks in the Class
28 Period, then the Gross Settlement Amount shall be increased by \$29,300.00 (26,000 Workweeks

1 – 25,414 Workweeks) x \$50.00 per Workweek.

2 **9. MOTION FOR FINAL APPROVAL**

3 Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for
4 final approval of the Settlement that includes a request for approval of the PAGA settlement
5 under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed
6 Judgment (collectively “Motion for Final Approval”). Class Counsel and Defense Counsel will
7 expeditiously meet and confer, and in good faith, to resolve any disagreements concerning the
8 Motion for Final Approval.

9 9.1. Response to Objections. Each Party retains the right to respond to any objection raised
10 by a Participating Class Member, including the right to file responsive documents in Court no
11 later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted
12 by the Court.

13 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
14 Approval on any material change to the Settlement (including, but not limited to, the scope of
15 release to be granted by Class Members), the Parties will expeditiously work together in good
16 faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final
17 Approval. The Court’s decision to award less than the amounts requested for the Class
18 Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation
19 Expenses Payment, Administrator Expenses Payment and/or individual claims of plaintiff for
20 alleged wrongful termination, shall not constitute a material modification to the Agreement
21 within the meaning of this paragraph.

22 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
23 Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of
24 (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters,
25 and (iii) addressing such post-Judgment matters as are permitted by law.

26 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
27 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
28 Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their

1 respective counsel, and all Participating Class Members who did not object to the Settlement as
2 provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to
3 post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions
4 for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver
5 of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the
6 Parties' obligations to perform under this Agreement will be suspended until such time as the
7 appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect
8 the amount of the Net Settlement Amount.

9 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
10 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
11 modification of this Agreement (including, but not limited to, the scope of release to be granted
12 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
13 expeditiously work together in good faith to address the appellate court's concerns and to obtain
14 Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration
15 Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify
16 the Court's award of the Class Representative Service Payment or any payments to Class Counsel
17 shall not constitute a material modification of the Judgment within the meaning of this paragraph,
18 as long as the Gross Settlement Amount remains unchanged.

19 9.6. Defendant's Right to Void Settlement. Defendant shall have, in its sole discretion, the
20 right to void the Settlement in its entirety if ten percent or more of the putative class opts out.

21 **10. AMENDED JUDGMENT**

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

24 **11. ADDITIONAL PROVISIONS**

25 11.1. No Admission of Liability, Class Certification or Representative Manageability for Other
26 Purposes. This Agreement represents a compromise and settlement of highly disputed claims.
27 Nothing in this Agreement is intended or should be construed as an admission by Defendant that
28 any of the allegations in the Operative Complaint have merit or that Defendant has any liability

1 for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that
2 Defendant's defenses in the Action have merit. The Parties agree that class certification and
3 representative treatment is for purposes of this Settlement only. If, for any reason the Court does
4 grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to
5 contest certification of any class for any reasons, and Defendant reserves all available defenses
6 to the claims in the Action, and Plaintiff reserves the right to move for class certification on any
7 grounds available and to contest Defendant's defenses. The Settlement, this Agreement and
8 Parties' willingness to settle the Action will have no bearing on, and will not be admissible in
9 connection with, any litigation (except for proceedings to enforce or effectuate the Settlement
10 and this Agreement).

11 11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and
12 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
13 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
14 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
15 or indirectly, specifically or generally, to any person, corporation, association, government
16 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
17 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
18 extent necessary to report income to appropriate taxing authorities; (4) in response to a court
19 order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal
20 government agency. Each Party agrees to immediately notify the other Party of any judicial or
21 agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant
22 and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or
23 other communication, before the filing of the Motion for Preliminary Approval with any third
24 party regarding this Agreement or the matters giving rise to this Agreement except to respond
25 only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class
26 Counsel's communications with Class Members in accordance with Class Counsel's ethical
27 obligations owed to Class Members.

28 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and

1 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
2 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's
3 ability to communicate with Class Members in accordance with Class Counsel's ethical
4 obligations owed to Class Members.

5 11.4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
6 together with its attached exhibits shall constitute the entire agreement between the Parties
7 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
8 inducements made to or by any Party.

9 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
10 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
11 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
12 its terms, and to execute any other documents reasonably required to effectuate the terms of this
13 Agreement including any amendments to this Agreement.

14 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their
15 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
16 Settlement Agreement, submitting supplemental evidence and supplementing points and
17 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
18 or content of any document necessary to implement the Settlement, or on any modification of the
19 Agreement that may become necessary to implement the Settlement, the Parties will seek the
20 assistance of a mediator and/or the Court for resolution.

21 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not
22 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
23 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
24 action, or right released and discharged by the Party in this Settlement.

25 11.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
26 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
27 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
28 Part 10, as amended) or otherwise.

1 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
2 modified, changed, or waived only by an express written instrument signed or agreed to by all
3 Parties or their representatives, and approved by the Court. Plaintiff and Defendant expressly
4 agree that should the Parties agree to amend, modify, change, or waive this Agreement, or any
5 part of it, Class Counsel and Defense Counsel are authorized to submit to the Court any
6 amendments of this Agreement, amended Agreements, or amendments to the Agreement, on
7 behalf of the Parties once fully executed, which includes, but is not limited to, authorization of
8 the use of signatures previously provided by the Parties.

9 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
10 the benefit of, the successors of each of the Parties.

11 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
12 governed by and interpreted according to the internal laws of the state of California, without
13 regard to conflict of law principles.

14 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
15 this Agreement. This Agreement will not be construed against any Party on the basis that the
16 Party was the drafter or participated in the drafting.

17 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered
18 during Action and in this Agreement relating to the confidentiality of information shall survive
19 the execution of this Agreement.

20 11.14. Use of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code
21 §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant
22 in connection with the mediation, other settlement negotiations, or in connection with the
23 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not
24 be used in any way that violates any existing contractual agreement, statute, or rule of court.

25 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
26 inserted for convenience of reference only and does not constitute a part of this Agreement.

27 11.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall
28 be to calendar days. In the event any date or deadline set forth in this Agreement falls on a

1 weekend or federal legal holiday, such date or deadline shall be on the first business day
2 thereafter.

3 11.17. Execution in Counterparts. This Agreement may be executed in one or more counterparts
4 by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall
5 be accepted as an original. All executed counterparts and each of them will be deemed to be one
6 and the same instrument if counsel for the Parties will exchange between themselves signed
7 counterparts. Any executed counterpart will be admissible in evidence to prove the existence and
8 contents of this Agreement.

9 11.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
10 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
11 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend
12 the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
13 process.

14 11.19. Severability. In the event that one or more of the provisions contained in this Agreement
15 shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity,
16 illegality, or unenforceability shall in no way effect any other provision if Defendant's Counsel
17 and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing
18 to proceed as if such invalid, illegal, or unenforceable provision had never been included in this
19 Agreement.

20 **IT IS SO AGREED:**

21 Santos Luzod
22 Santos Luzod (Jan 13, 2026 12:01:56 PST)

23 Plaintiff, Santos Luzod

Kim R Henry

24 Kim R. HENRY, CEO
25 For Defendant, SPEC Services, Inc.

26 **AGREED AS TO FORM ONLY:**

27 B. Akhavan
28 Bardia A. Akhavan
Counsel for Plaintiff

Marie D. DiSante
Marie D. DiSante
Counsel for Defendant