

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Settlement Agreement,” “Settlement,” or “Agreement”) is made by and between Plaintiffs Santos Aparicio, Andres Avina, and Jean Hyung Choi (“Plaintiffs,” “Plaintiff Aparicio,” “Plaintiff Avina,” and “Plaintiff Choi”) and Defendant Cameron Welding Supply (“Defendant”). The Agreement refers to Plaintiffs and Defendant as “Parties,” or individually as “Party.”

A. DEFINITIONS.

1. “Action” means the lawsuit alleging wage and hour violations against Defendant captioned *Aparicio et al v. Cameron Welding Supply* initiated by Plaintiff Aparicio and Plaintiff Avina on February 10, 2022, as amended, and pending in Superior Court of the State of California, County of San Bernardino (Case Number CIVSB2202694).
2. “Administrator” means CPT Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
4. “Aggrieved Employee” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period.
5. “Class” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period.
6. “Class Counsel” means Justice Law Corporation.
7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s: (a) full name; (b) last-known mailing address; (c) Social Security Number; and (d) number of Workweeks and PAGA Pay Periods.
9. “Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address Database (“NCOA”), skip traces, and direct contact by the Administrator with Class Members.

11. “Class Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.
12. “Class Period” means the period from February 10, 2018, through April 12, 2023.
13. “Class Representatives” means the named plaintiffs in the operative complaint in the Action seeking Court approval to serve as the Class Representatives.
14. “Class Representative Service Payments” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
15. “Court” means the Superior Court of California, County of San Bernardino.
16. “Defendant” means the named Defendant Cameron Welding Supply.
17. “Defense Counsel” means Kaplan Law Firm.
18. “Effective Date” means fourteen (14) calendar days after 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: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) 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 (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
19. “Final Approval” means the Court’s order granting final approval of the Settlement.
20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
21. “Gross Settlement Amount” means \$431,000 which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment.
22. “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.
23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of twenty-five percent (25%) of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.

24. “Judgment” means the judgment entered by the Court based upon the Final Approval.
25. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
26. “LWDA PAGA Payment” means the seventy-five percent (75%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
27. “Net Settlement Amount” means the Gross Settlement Amount less the following payments in the amounts approved by the Court: (a) Individual PAGA Payments; (b) LWDA PAGA Payment; (c) Class Representative Service Payments; (d) Class Counsel Fees Payment; (e) Class Counsel Litigation Expenses Payment; and (f) Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
30. “PAGA Period” means the period from March 10, 2022 to April 12, 2023.
31. “PAGA” means the Private Attorneys General Act of 2004 (Labor Code section 2698. *et seq.*).
32. “PAGA Notice” means Plaintiff Choi’s March 10, 2023 letter to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd. (a).
33. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated seventy-five percent (75%) to the LWDA and the twenty-five percent (25%) to the Aggrieved Employees in settlement of PAGA claims.
34. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
35. “Plaintiffs” means Santos Aparicio, Andres Avina, and Jean Hyung Choi, the named plaintiffs in the Action.
36. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
37. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

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38. “Released Class Claims” means the claims being released as described in Section E.2. below.
39. “Released PAGA Claims” means the claims being released as described in Section E.3. below.
40. “Released Parties” means Defendant and its parents, predecessors, successors, all affiliates, subsidiaries, officers, directors, members, agents, employees, and stockholders.
41. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
42. “Response Deadline” means forty-five (45) calendar days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement; or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.
43. “Settlement” means the disposition of the Action effected by this Settlement Agreement and the Judgment.
44. “Workweek” means any week during which a Class Member worked for Defendant for at least one day during the Class Period.

B. RECITALS.

1. On February 10, 2022, Plaintiff Aparicio and Plaintiff Avina filed a wage-and-hour class action lawsuit in the Superior Court of California, County of San Bernardino. The lawsuit alleged violation of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (c) Labor Code sections 226.7 (unpaid rest period premiums); (d) Labor Code sections 1194 and 1197 (unpaid minimum wages); (e) Labor Code sections 201 and 202 (final wages not timely paid); (f) Labor Code section 226(a) (noncompliant wage statements); (g) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (h) Business & Professions Code section 17200, *et seq.*
2. On January 12, 2023, the Parties remotely attended mediation with the mediator Lisa Klerman that resulted in the settlement of this Action, subject to the Court’s approval.
3. In line with the settlement, Plaintiff Choi provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code she contends were violated and the theories supporting her contentions on March 10, 2023.
4. Plaintiff Aparicio and Plaintiff Avina then filed a First Amended Complaint that added Plaintiff Choi as a named plaintiff and added the following cause of action: violation of Labor Code section 2698, *et seq.* (PAGA) (“Operative Complaint”).

5. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.
6. The Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, meal and rest break policies, and payroll, timekeeping, and operational policies. As part of Defendant's production, Plaintiffs also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiffs to understand the number of Workweeks and PAGA Pay Periods. Plaintiffs also interviewed Class Members who worked for Defendant throughout the Class Period. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.
7. The Court has not granted class certification.
8. The Parties, Class Counsel, and Defense Counsel represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement Agreement.

C. MONETARY TERMS.

1. Gross Settlement Amount. Defendant promises to pay \$431,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any employer payroll taxes) prior to the deadline stated in Section D of this Settlement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
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:
 - a. To Plaintiffs: Class Representative Service Payments of no more than \$7,500 to Plaintiff Aparicio and Plaintiff Avina each and \$5,000 to Plaintiff Choi (totaling \$20,000) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members). Defendant will not oppose Plaintiffs' request for the Class Representative Service Payments that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing. If the

Court approves the Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

- b. To Class Counsel: A Class Counsel Fees Payment of not more than \$143,666.67 (1/3 of the Gross Settlement Amount) and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment, hold Defendant harmless, and indemnify Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.
- c. To the Administrator: An Administration Expenses Payment not to exceed \$20,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$20,000, the Administrator will retain the remainder in the Net Settlement Amount.
- d. 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.
 - i. Tax Allocation of Individual Class Payments. Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims ("Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties ("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.

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- ii. 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.
- e. To the LWDA and Aggrieved Employees: PAGA Penalties in the sum of \$20,000 to be paid from the Gross Settlement Amount, seventy-five percent (75%) of which (\$15,000) will be allocated to the LWDA as the LWDA PAGA Payment and twenty-five percent (25%) of which (\$5,000) will be allocated to the Aggrieved Employees as their Individual PAGA Payments.
- i. The Administrator will calculate each Individual PAGA Payment by: (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
 - ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In addition, the Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Workweeks and Pay Periods. Based on a review of its records to date, Defendant estimates there are 128 Class Members who worked a total of 10,991 Workweeks, and 64 Aggrieved Employees who worked a total 1,632 of PAGA Pay Periods.
2. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than the Effective Date. However, Defendant will not be required to fund the Gross Settlement Amount until July 11, 2023.
3. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Administration Expenses Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

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- a. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via first-class United States Postal Service (“USPS”) mail, postage prepaid. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notices were returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients’ mailing addresses using the NCOA.
- b. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator will re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator shall 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.
- c. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member, thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subd. (b).
- d. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Settlement.

E. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

1. Plaintiffs’ Release. Plaintiffs and their 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 that occurred during the Class Period, 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; and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the PAGA Notice (“Plaintiffs’ Release”). Plaintiffs’ 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, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge they may discover facts or law different from, or in addition to, the facts or law Plaintiffs now know or believe to be true but agree Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

- a. Plaintiffs' Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the 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.

2. Release by Participating Class Members Who Are Not Aggrieved Employees. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts contained in the Operative Complaint and that occurred during the Class Period. Except as set forth in Section E.3. of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.
3. Release by Participating and Non-Participating Class Members Who Are Aggrieved Employees. All Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint and PAGA Notice that occurred during the PAGA Period.

F. MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

1. Plaintiffs' Responsibilities. Plaintiffs will move for an order: (a) conditionally certifying the Class for settlement purposes only; (b) seeking Preliminary Approval of the Settlement; (c) setting a date for the Final Approval Hearing; and (d) approving the Class Notice.
 - a. Before or at the Preliminary Approval Hearing, Plaintiffs will submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Administrator; approving the Class Notice; and setting the Final Approval Hearing.

- b. Defendant agrees it will not oppose Plaintiffs' Motion for Preliminary Approval of the Settlement Agreement so long as the motion is consistent with the terms of the Parties' Settlement Agreement.
 - c. The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses Payment, and Class Representative Service Payments shall be determined by the Court, and the Court's determination on these amounts shall be final and binding. The Court's approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Agreement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses Payment, and Class Representative Service Payments shall not operate to terminate or cancel this Agreement.
 - d. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.
2. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for: (a) expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; (b) obtaining a prompt hearing date for the Motion for Preliminary Approval; and (c) appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
3. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Settlement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Settlement and otherwise satisfy the Court's concerns.

G. SETTLEMENT ADMINISTRATION.

1. Selection of Administrator. The Parties have jointly selected CPT Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, 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 they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

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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.
4. Notice to Class Members.
 - a. Class Data. No later than fourteen (14) calendar 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 for no other purpose, 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 the Class Data omitted Class Members' identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.
 - b. No later than three (3) 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, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.
 - c. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice substantially in the form attached to this Agreement as **Exhibit A** via first-class USPS mail. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts.
 - d. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail 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 remail the Class Notice to the most current address obtained.
 - e. The deadlines for Class Members' written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is

remailed. The Administrator will inform the Class Member of the extended deadline with the remailed Class Notice.

- f. 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 person or by telephone, and in good faith 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 no later than fourteen (14) calendar days after receipt of Class Notice or the deadline dates in the Class Notice, whichever is later.
5. Requests for Exclusion (Opt-Outs).
- a. 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 no later than forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed). 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: (i) full name; (ii) present address; (iii) email address or telephone number; and (iv) a simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
 - b. 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 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 susceptible to challenge.
 - c. 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 under Section E.2. and Section E.3. of this Agreement, regardless of whether the Participating Class Member receives the Class Notice or objects to the Settlement.

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- d. 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 or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Section E.3. of this Agreement and are eligible for an Individual PAGA Payment.
6. Challenges to Calculation of Workweeks and PAGA Periods. Each Class Member shall have forty-five (45) calendar days after the Administrator mails the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed) to challenge the number of Workweeks and PAGA Pay Periods (if any) 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 and/or PAGA Pay Periods shall be final and not appealable susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.
 7. Objections to Settlement.
 - a. Only Participating Class Members may object to the class action components of the Settlement and/or this Settlement Agreement, including contesting the fairness of the Settlement Agreement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payments.
 - b. Participating Class Members may send signed written objections to the Administrator by fax, email, or mail. The written objection must: (i) indicate what the Class Member is objecting to; (ii) why the Class Member is objecting; (iii) any fact that support the objection; and (iv) include the Class Member's full name, present address, and email address or telephone number.
 - c. 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 no later than forty-five (45) calendar days after the Administrator's mailing of the Class Notice (plus an additional 14 calendar days for Class Members whose Class Notices are remailed).

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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.
- a. Website, Email Address, and Toll-Free Number. The Administrator will establish and maintain and use a website to post information of interest to Class Members. This information includes the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, Class Notice, Motion for Final Approval, Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments, Final Approval, and Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.
 - b. Requests for Exclusion (Opt-outs). The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity.
 - c. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (i) Class Notices mailed or remailed; (ii) Class Notices returned undelivered; (iii) Requests for Exclusion (whether valid or invalid) received; (iv) objections received; (v) challenges to Workweeks and/or PAGA Pay Periods received and/or resolved; and (vi) checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include provide the Administrator’s assessment of the validity of Requests for Exclusion.
 - d. Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
 - e. Administrator’s Declaration. No later than fourteen (14) calendar 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: (i) mailing of Class Notice; (ii) Class Notices returned as undelivered; (iii) re-mailing of Class Notices; (iv) attempts to locate Class Members; (v) total number of Requests for Exclusion from Settlement it received (both valid or invalid); and (vi) number of written objections received. 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.

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

H. MOTION FOR FINAL APPROVAL. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiffs will file in Court a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order, and a proposed Judgment.

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 no later than five (5) calendar court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
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. The Court's decision to award less than the amounts requested for the Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Settlement within the meaning of this section. If the Court does not grant Final Approval of the Agreement, or if the Court's Final Approval is reversed or materially modified on appellate review, then the Parties will make a good faith effort to revise the terms of the Agreement. If that process fails, the settlement will be null and void. In such event, the Parties reserve their rights with respect to the prosecution and defense of the Action. Any disputes arising out of or relating to this Agreement will be submitted to mediator Lisa Klerman for resolution. The Parties will split the costs of the mediator for any such time incurred by the mediator in reaching such resolution and the Parties will bear their own attorneys' fees and other costs incurred.
3. Continuing Jurisdiction of the Court. The Parties agree after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.
4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Settlement, 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 Settlement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

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 expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing any additional settlement administration costs reasonably incurred after remittitur on a 50-50 basis. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payments or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this section if the Gross Settlement Amount remains unchanged.

I. 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 and a proposed amended judgment.

J. ADDITIONAL PROVISIONS.

1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted. Moreover, nothing in this Agreement should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree class certification and representative treatment is for purposes of this Agreement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. This Agreement and Parties' willingness to settle will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate this Agreement).
2. Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (a) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (b) to counsel in a related matter; (c) to the extent necessary to report income to appropriate taxing authorities; (d) in response to a court order or subpoena; or (e) in response to an

inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with a third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect. This section does not restrict Class Counsel’s communications with Class Members in accordance with Class Counsel’s ethical obligations owed to Class Members.

3. 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 section 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.
4. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent they are authorized by Plaintiffs and Defendant 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.
6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement Agreement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Settlement Agreement that may become necessary to implement the Settlement Agreement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
7. No Prior Assignments. The Parties separately represent and warrant 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.
8. No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant, 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.

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9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
12. 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 the Party was the drafter or participated in the drafting.
13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
14. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.
15. Headings. The descriptive heading of any section of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. If 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.
17. Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by U.S. mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs: Douglas Han
 Shunt Tatavos-Gharajeh
 Halina Szymanski

Justice Law Corporation
751 North Fair Oaks Ave., Suite 101
Pasadena, California 91103
(Tel) (818) 230-7502
(Fax) (818) 230-7259
dhan@JusticeLawCorp.com
statavos@JusticeLawCorp.com
hszymanski@JusticeLawCorp.com

To Defendant: Andrew B. Kaplan
Matthew D. Reinstein
Kaplan Law Firm
3563 Fourth Avenue
San Diego, California 92103
(Tel) (619) 232-1991
(Fax) (619) 232-1989
AKaplan@kaplan-lawfirm.com
MReinstein@kaplan-lawfirm.com

18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*i.e.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
19. Stay of Litigation. The Parties agree upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 04/24/2023

Santos Aparicio

By: *Santos Aparicio*

Dated: 04/24/2023

Andres Avina

By: *Andres Avina*

Dated: 04/24/2023

Jean Hyung Choi

By: *JH*

Dated: April 25, 2023

Justice Law Corporation [Approving as to Form Only]

By: *D. Han*
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Halina Szymanski, Esq.
Attorneys for Plaintiffs

Dated: 5.12.2023

Cameron Welding Supply

By: *[Signature]*
On behalf of Cameron Welding Supply
Joseph Churilla, President

Dated: 5/15/2023

Kaplan Law Firm [Approving as to Form Only]

By: *Andrew Kaplan*
Andrew B. Kaplan, Esq.
Matthew D. Reinstein, Esq.
Attorneys for Defendant