

## JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiff Juan Carlos Rios (hereinafter referred to as "Plaintiff"), and Defendant Classic Distributing and Beverage Group, Inc. ("Defendant" or "Classic"). Plaintiff and Defendant collectively are referred to in this Agreement as the "Parties."

### I. DEFINITIONS

In addition to the other terms defined in this Agreement, the terms below have the following meaning:

- A. **Action:** The case of Rios v Classic Distributing and Beverage Group, Inc., LASC Case No. 20PSCV00012, filed on January 8, 2021, currently pending in Los Angeles County Superior Court, and all operative complaints on file therein, including the First Amended Class Action Complaint [to be] filed on or about April 19, 2021.
- B. **Administration Costs:** The costs incurred by the Settlement Administrator to administer this Settlement, which are not anticipated to exceed \$10,000. All Administration Costs shall be paid from the Gross Settlement Amount.
- C. **Agreement, Settlement Agreement, Joint Stipulation, or Settlement:** The settlement agreement reflected in this document, titled "Joint Stipulation and Settlement Agreement."
- D. **Attorneys' Fees Award:** The amount, not to exceed 33.33% of the combined total of the Gross Settlement Amount and the Supplemental Overtime Payment (\$123,847.00), finally approved by the Court and awarded to Class Counsel. The Attorneys' Fees Award shall be paid from the Gross Settlement Amount and will not be opposed by Defendant.
- E. **Class:** All persons who are or have been employed by Defendant in the State of California as Sales Representatives at any time between May 1, 2018 to the date the Court issues an order granting final approval of the settlement.
- F. **Class Counsel:** Gregory P. Wong and John F. Litwin of Barkhordarian Law Firm, PLC.
- G. **Class Member:** Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- H. **Class Notice or Notice:** The Notice of Class Action Settlement, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.

- I. **Class Period:** The time period from May 1, 2018, to the date the Court issues an order granting final approval of the settlement.
- J. **Class Representative or Plaintiff:** Juan Carlos Rios.
- K. **Class Representative General Release Payments:** The amount the Court awards to Plaintiff Rios for his execution of a broader general release of claims against Defendant than Participating Class Members, which will not exceed \$5,000.00. This payment shall be paid from the Gross Settlement Amount and will not be opposed by Defendant.
- L. **Cost Award:** The amount that the Court orders Defendant to pay Class Counsel for payment of actual litigation costs, which shall not exceed \$10,000.00. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. The Cost Award is subject to Court approval. If the Court awards less than the amount request, any amount not awarded will become part of the Net Settlement Amount for distribution to Participating Class Members.
- M. **Counsel for Defendant:** Attorneys Steven W. Brennan and Donald B. Wallace of St. John, Wallace, Brennan & Folan LLP.
- N. **Defendant:** Classic Distributing and Beverage Group, Inc.
- O. **Disbursement of the Settlement:** Within 7 days of the funding of the Gross Settlement Among by Defendant, the Settlement Administrator shall disburse the Individual Settlement Shares, Class Representative General Release Payment, Attorney Fees, Litigation Expenses, the amount allocated to PAGA and the Settlement Administrator court-approved fees and costs.
- P. **Effective Final Settlement Date:** The effective date of this Settlement will be when the final approval of the settlement can no longer be appealed, or, if there are no objectors and no plaintiffs in intervention at the time the court grants final approval of the settlement, five (5) calendar days following the date the court enters judgment granting final approval of the settlement. If objections are heard by the court and overruled, and no appeal is taken of the Judgment by an objector, then the Effective Date shall be sixty-five (65) calendar days after notice of entry of Judgment. If any appeal is taken from the Court's overruling of any objections to the Settlement, then the Effective Date shall be ten (10) calendar days after all appeals are withdrawn or after an appellate decision affirming the Final Approval and Judgment becomes final.
- Q. **Funding of Settlement:** Defendant shall wire to a Qualified Settlement Fund ("QSF") created by the Settlement Administrator for the sole purpose of effectuating this Settlement the Gross Settlement Amount within fifteen (15)

business days of the Effective Final Settlement Date (Defined herein as the "First Settlement Installment") or within fifteen (15) business days of the Settlement Administrator's notification to Defendant's counsel of the wiring instructions to make such deposit, whichever is later.

- R. **Final Judgment or Final Approval**: The final order entered by the Court finally approving this Agreement.
- S. **Gross Settlement Amount or GSA**: The total value of the Settlement is a non-reversionary Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00). This is the gross amount Defendant can be required to pay under this Settlement Agreement, which includes without limitation: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) Attorneys' Fees Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative General Release Payment paid to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; (5) the PAGA Payment to the LWDA and to Participating Class Members, as approved by the Court; and (6) Defendant's portion of payroll taxes as the Class Members' current or former employer. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
- T. **Individual Settlement Share(s)**: The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Agreement. Rather, Participating Class Members will receive an Individual Settlement Share automatically, without the return of a claim form.
- U. **LWDA**: California Labor and Workforce Development Agency.
- V. **Net Settlement Amount or NSA**: The total amount of money available for payout to Participating Class Members, which is the GSA less the Attorneys' Fees Award, Cost Award, Class Representative Enhancements, the portion of the PAGA Payment paid to the LWDA, and Administration Costs. In other words, the NSA is the portion of the GSA that will be distributed to Class Members who do not request exclusion from the Settlement.
- W. **PAGA**: The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- X. **PAGA Payment**: The PAGA Payment consists of \$30,000.00 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the in the Complaint. Seventy-five percent (75%) of the PAGA Payment (\$22,500) shall be paid to the LWDA, and twenty-five percent (25%) (\$7,500) of the PAGA Payment shall be part of the Net Settlement Amount distributed to Participating Class Members.

- Y. **Participating Class Members**: All Class Members who do not submit a valid and timely request to exclude themselves from this Settlement.
- Z. **Parties**: Plaintiff Juan Carlos Rios as an individual and as a Class Representative, and Defendant Classic Distributing and Beverage Group, Inc.
- AA. **Preliminary Approval or Preliminary Approval Order**: The Court's order preliminarily approving the proposed Settlement.
- BB. **Released Claims**: Putative class members who do not opt out of the settlement will release all known and unknown state law claims that were alleged or that could have been alleged based on the facts of the complaints filed in the Action and associated arguments asserted by Plaintiff's counsel, including without limitation, (i) all claims for unpaid minimum, straight time and overtime wages pursuant to California Labor Code sections 510, 511, 512, 515, 518, 1194, 1194.2, 1197, 1197.1, 1198, applicable IWC Wage Order(s), or California Code of Regulations, title 8, section 11040, 11090; (iii) all claims for failure to timely pay wages within the appropriate time period, including upon termination, pursuant to California Labor Code sections 201 through 204, 210 or 1194.5; (iv) all claims for inaccurate or improper itemized wages statements, including failure to maintain such records, pursuant to California Labor Code sections 226, 226.3, 1174, 1175, applicable IWC Wage Order(s), or California Code of Regulations, title 8, sections 11040, 11090; (vi) all incorporated or related claims arising out of the preceding alleged violations pursuant to California Business and Professions Code sections 17200, et seq.; and (vii) all claims for PAGA civil penalties arising out of or related to the allegations set forth in the Action, including without limitation all claims for penalties based on alleged claims and/or violations of Labor Code sections 201 through 204, 210, 222, 223, 224, 226, 226.3, 226.7, 510, 511, 512, 515, 518, 558, 1174, 1175, 1194, 1194.2, 1194.5, 1197, 1197.1, 1198, and 2699, California Code of Regulations, title 8, section 11040 or California Code of Regulations, title 8, section 11090, or applicable IWC Wage Order(s). The release will be as to the released parties, which shall include Defendant and its respective parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns. The release only applies to periods of time when Class Members were members of the Class (i.e., excluding periods of time in an exempt position).
- CC. **Released Parties**: Defendant and its past, present and/or future, direct and/or indirect, parent companies, subsidiaries, divisions, and affiliated corporations and entities, and their respective past, present and future officers, directors, employees, partners, owners, vendors, affiliates, insurers, representatives, administrators, attorneys, agents, consultants, shareholders, joint ventures,

predecessors, successors, and/or assigns, (including persons or entities who may acquire them in the future), and all other persons acting by, through, under or in concert with them that could be liable.

- DD. Response Deadline:** The deadline by which Class Members must deliver by first class U.S. Mail, postage prepaid to the Settlement Administrator any requests for exclusion or notices of objection. The date of postmark on the return-mailing envelope will be the exclusive means used to determine whether a request for exclusion or notice of objection has been timely submitted. The Response Deadline will be sixty (60) calendar days from the initial mailing of the Notice by the Settlement Administrator, unless the 30<sup>th</sup> day falls on a Sunday or U.S. postal holiday, in which cases the Response Deadline will be extended to the next day on which the U.S. Postal Service is open.
- EE. Settlement Administration:** The Settlement Administrator will conduct a skip trace for the address of all former employee Class Members. The Settlement Administrator will mail the Notice by first class U.S. mail to all Class Members at the address Defendant has on file for those Class Members and to all former employee Class Members at the address resulting from the skip trace. The Notice will inform Class Members that they have until the Response Deadline to either object to the Settlement or to exclude themselves (opt-out) from the Settlement. Any Class Member who does not receive Notice after the steps outlined above have been taken will still be bound by the Settlement and/or judgment.
- FF. Settlement Administrator:** The third-party administrator agreed upon by Parties to administer this Settlement is CPT Group, Inc.
- GG. Superior Court:** The State of California, Los Angeles County Superior Court, Case No. 20PSCV00012 (Rios v Classic).
- HH. Supplemental Overtime Payment or SOP:** Classic's pre-mediation payment of \$121,841.65 to various Class Members in response to the claims asserted in the Action.

## II. RECITALS

- A.** On November 8, 2019, counsel for Plaintiff Rios sent notice by letters to the LWDA and Defendant of his representative claims under PAGA.
- B.** The Action was initially filed by Plaintiff Juan Carlos Rios in the Superior Court of Los Angeles, Case No. 20PSCV00012, on January 8, 2020. The complaint alleged a cause of action on behalf of Plaintiff and all aggrieved employees for violation of the California Private Attorneys General Act, Labor Code Section 2698, et seq. based on violations of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 510, 511, 512 and 1194.

- C. Prior to the mediation, the Parties conducted significant investigation and discovery of the facts and law. Plaintiff served, and Defendant responded to, Special Interrogatories, Form Interrogatories, and Requests for Production of Documents. Prior to mediation, Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding its pay structures, and payroll and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in the Class Period. Plaintiff and Defendant attended a Mediation with Michael Young on March 16, 2021, which resulted in a settlement agreement, subject to Court approval.
- D. On April 20, 2021, as a result of the claims raised, considered and resolved in the mediation, Plaintiff Rios amended his complaint to add the class claims. The Rios class complaint was on behalf of all Classic Sales Representatives and sought unpaid wages and other statutory damages and penalties associated with the violations alleged in his original complaint.
- E. **Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.
- F. **Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant has been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Agreement to put to rest the Released Claims.
- G. **Defendant's Denial of Wrongdoing.** Defendant generally and specifically asserts that it has previously remedied any alleged wrongdoing and denies any and all further liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than settlement, the Action is not appropriate for class treatment. Defendant asserts a number of defenses to the claims and has denied any liability arising out of any of the alleged facts or conduct in the Action. Neither this Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Agreement, is or

may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. There has been no final determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.

- H. Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved, Plaintiff, Class Members, and Class Counsel will not oppose Defendant's efforts to use this Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims.

### **III. SETTLEMENT TERMS AND CONDITIONS**

- A. Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the maximum Gross Settlement Amount, including payroll taxes, that Defendant is obligated to pay under this Settlement Agreement is Two Hundred Fifty Thousand Dollars and Zero Cents (\$250,000.00).
- B. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Agreement.
- C. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted on behalf of Plaintiff and Class Members, for purposes of this Settlement only. On this same basis, Defendant has agreed not to seek to compel arbitration, on an individual basis, of the non-PAGA claims of Plaintiff and the Class members. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to such certification and waiver as part of the Settlement shall not be admissible or used in any way in connection with, the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit. If the Settlement does not become effective, Defendant reserves the right to seek individual arbitration of any non-PAGA claims and to contest any issues relating to class certification and liability.

- D. **Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff Juan Carlos Rios shall be appointed as representatives for the Class.
- E. **Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- F. **Individual Settlement Share.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each Participating Class Member.

**1. Calculation.**

- a. **Individual Settlement Share Calculation.** Each Participating Class Member will receive a proportionate share of the Net Settlement Amount that is equal to (i) the payroll periods he or she worked based on the Class data provided by Defendant, divided by (ii) the total number of payroll periods worked by all Participating Class Members based on the same Class data, and (iii) multiplied by the Net Settlement Amount. One day worked in a given payroll period will be credited as a payroll period for purposes of this calculation. Therefore, the value of each Participating Class Member's Individual Settlement Share ties directly to the amount of payroll periods that he or she worked.
  - b. **No Credit Toward Benefit Plans:** The Individual Settlement Share payments made to Participating Class Members, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Class members may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, commission plans, or any other benefit plan. This Settlement shall not affect any rights, contributions, or amounts to which any Participating Class Member may be entitled under any benefit plan.
- 2. Tax Withholdings.** Each Participating Class Member's Individual Settlement Share will be apportioned as follows: 50% wages, 25% interest, and 25% penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-9 form is received from the payee(s). The amounts paid as penalties and interest shall be subject to all



authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. The employee share of payroll tax withholdings shall be from each Participating Class Member's Individual Settlement Share. Defendant shall separately pay all employer-side payroll taxes.

**G. Constituents of GSA Disbursement.** Subject to the terms and conditions of this Agreement, the Settlement Administrator shall disburse the GSA as directed hereinafter to the following:

- 1. To the Named Plaintiff:** In addition to his Individual Settlement Share, and subject to the Court's approval, Plaintiff Juan Carlos Rios will receive up to Five Thousand Dollars and Zero Cents (\$5,000.00) in consideration for providing Defendant a General Release, a release that is broader than the claims released by Participating Class Members. The Settlement Administrator will pay the Class Representative Enhancement/General Release Payment out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative General Release Payment. An IRS Form 1099 will be issued to the Plaintiff with respect to his General Release Payment.
- 2. To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agrees not to oppose, a total Attorneys' Fees Award not to exceed thirty-three and a third percent (33.33%) or \$123,847.00 of the combined GSA and SOP, and a Cost Award not to exceed \$10,000.00. The Settlement Administrator will pay the court-approved amounts for the Attorneys' Fees Award and Cost Award out of the Gross Settlement Fund. Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorneys' Fees Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to the Attorneys' Fees Award. In the event the Court does not approve the entirety of the application for the Attorneys' Fees Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorneys' Fees Award and/or Cost Award, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
- 3. To the Responsible Tax Authorities.** The Settlement Administrator will pay the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Settlement Share. Out of each Individual Settlement Share, the Settlement Administrator shall also pay the Defendant's portion of payroll taxes as the current or former

employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Settlement Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

4. **To the Settlement Administrator.** The Settlement Administrator CPT Group, Inc. will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court which are not anticipated to exceed \$10,000.00. This will be paid out of the Gross Settlement Amount. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and be available for distribution to Participating Class Members.
5. **To the LWDA.** The Settlement Administrator will pay \$30,000.000 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the First Amended Complaint. Seventy-five percent (75%) of the PAGA Payment shall be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment shall be part of the Net Settlement Amount distributed to Participating Class Members.
6. **To Class Members.** The Settlement Administrator will pay Participating Class Members according to the Individual Settlement Share calculations set forth above. All payments to Participating Class Members shall be made from the Qualified Settlement Fund.

**H. Settlement Terms Bind All Class Members Who Do Not Request Exclusion.** As of the Effective Date, and for the duration of the Class Period, Plaintiff and all Participating Class Members (on behalf of each of them and each of their heirs, executors, administrators, and assigns), irrevocably and unconditionally fully release and forever discharge the Released Parties from any and all Released Claims as set forth herein. Solely with respect to the Released Claims, and to effect a full and complete release as described herein, Plaintiff and each Participating Class Member expressly waive and relinquish all rights and benefits of California Civil Code section 1542, and do so understanding and acknowledging the significance and consequence of specifically waiving all rights and entitlements under California Civil Code section 1542 which provides as follows:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.**

This release excludes any release of any claims not permitted to be released by law.

**I. Appointment of Settlement Administrator.** Solely for the purposes of this Settlement, the Parties stipulate and agree that CPT Group, Inc. shall be retained to serve as Settlement Administrator. The Settlement Administrator shall be responsible for preparing, printing, and mailing the Notice to the Putative Class Members; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and re-mailing Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Participating Class Member's Individual Settlement Share; providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval hearing; mailing Individual Settlement Shares to Participating Class Members; calculating and mailing the PAGA Payment to the LWDA; distributing the Attorneys' Fees Award and Cost Award to Class Counsel; printing and providing Class Members and Plaintiff with W-2s and 1099 forms as required under this Agreement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State Treasury for deposit in the Trial Court Improvement and Modernization Fund and the Equal Access Fund of the Judicial Branch, in the amounts directed per this Settlement, including the administration of related tax reimbursements; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in CPT Group, Inc. or otherwise have a relationship with CPT Group, Inc. that could create a conflict of interest.

**J. Procedure for Approving Settlement.**

**1. Motion for Preliminary Approval and Conditional Certification.**

- a. Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval hearing, and approving the Class Notice.
- b. At the Preliminary Approval hearing, the Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval hearing.
- c. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no

further obligations under it. Provided, however, that the amounts of the Attorneys' Fees Award, Cost Award, Administration Costs, and Class Representative General Release Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorneys' Fees Award, Cost Award, Administration Costs, and Class Representative General Release Payment shall not operate to terminate or cancel this Settlement Agreement. Nothing in this Agreement shall limit Plaintiff's or Class Counsel's ability to appeal any decision by the Court to award less than the requested Attorneys' Fees Award, Cost Award, Administration Costs, and Class Representative Enhancements.

- 2. Notice to Class Members.** After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:
  - a.** Within Fourteen (14) calendar days after entry of the Preliminary Approval Order, Defendant shall deliver to the Settlement Administrator an electronic database, which will list for each Class Member: (1) first and last name; (2) last known mailing address; (3) social security number; (4) hire and termination dates; and (5) the total number of payroll periods during which the Class Member performed any actual work during the Class Period as a member of the Class ("Database"). If any or all of this information is unavailable to Defendant, Defendant will so inform Class Counsel and the Parties will make their best efforts to reconstruct or otherwise agree upon how to deal with the unavailable information. The Settlement Administrator will conduct a skip trace for the address of all former Defendant employee Class Members. The Database shall be based on Defendant's payroll, personnel, and other business records. The Settlement Administrator shall maintain the Database and all data contained within the Database as private and confidential.
  - b.** Within twenty-eight (28) days after entry of the Preliminary Approval Order, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail, using the mailing address information provided by Defendant and the results of the skip trace performed on all former Defendant employee Class Members.

- c. If a Class Notice is returned because of an incorrect address, within seven (7) days from receipt of the returned Notice, the Settlement Administrator will conduct a search for a more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. The Settlement Administrator is unable to locate a better address, the Class Notice shall be re-mailed to the original address. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing.
- d. Class Members will have an opportunity to dispute the information provided in their Class Notice. To the extent Class Members dispute their employment dates or the number of payroll periods as set forth in the Notice, Class Members may produce evidence to the Settlement Administrator showing that such information is inaccurate. The Settlement Administrator will advise the Parties of such dispute, allow Defendant five (5) business days to respond with any additional information or records, and then decide the dispute. Defendant's records will be presumed correct, but the Settlement Administrator will evaluate the evidence submitted by the Class Member and Defendant and will make the final decision as to the merits of the dispute.
- e. The Settlement Administrator shall provide a weekly status report to the Parties. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notices mailed, the number of Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for exclusion received.
- f. No later than fourteen (14) days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) days before the Final Approval hearing.

Before the Final Approval hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

**3. Objections to Settlement.** The Class Notice will provide that the Class Members who wish to object to the Settlement must do so in writing, signed, dated, and mailed to the Settlement Administrator postmarked no later than the Response Deadline. The timeframe to submit an objection will not be increased for returned mailings.

**a. Format.** Any Objections shall state: (a) the objecting person's full name, address, and telephone number; (b) the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval hearing; and (e) provide true and correct copies of any exhibit(s) the objector intends to offer at the Final Approval hearing.

**b. Notice of Intent to Appear.** Class Members who timely file valid objections to the Settlement may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel, provided the objector has first notified the Settlement Administrator by sending his/her written objections to the Settlement Administrator, postmarked no later than the Response Deadline.

**4. Request for Exclusion from the Settlement ("Opt-Out").** Any Class Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely and valid request for exclusion will be bound by all of its terms, including those pertaining to the Released Claims, as well as any Judgment that may be entered by the Court if it grants final approval of the Settlement. The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must mail to the Settlement Administrator a written request for exclusion. The written request for exclusion must: (a) state the Class Member's name, address, telephone number, and social security number or employee identification number; (b) state the Class Member's intention to exclude themselves from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator; (d) be signed by the Class Member or his or her lawful representative; and (e) be postmarked no later than the Response Deadline.

**a. Confirmation of Authenticity.** If there is a question about the authenticity of a signed request for exclusion, the Settlement Administrator may demand additional proof of the Class Member's identity. Any Class Member who returns a timely,

valid, and executed request for exclusion will not participate in or be bound by the Settlement and subsequent judgment and will not receive an Individual Settlement Share. A Class Member who does not complete and mail a timely request for exclusion will automatically be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the subsequent judgment, regardless of whether he or she has objected to the Settlement.

**b. Report.** No later than seven (7) days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who returned valid requests for exclusion, and the number of Class Members who returned invalid requests for exclusion.

**c. Defendant's Right to Rescind.** Defendant shall have, in its sole discretion, the right to void and withdraw from this Settlement if, at any time prior to Final Approval, Five Percent (5%) or more of Class Members timely and validly request exclusion from this Settlement. In such instance, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Should Defendant exercise this option, it shall advise Class Counsel of its election within 7 days before the Final Approval Hearing.

**5. No Solicitation of Objection or Requests for Exclusion.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment.

**6. Motion for Final Approval.**

**a.** Class Counsel will file unopposed motions and memorandums in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorneys' Fees Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative General

Release Payment; and (5) PAGA Payment. Class Counsel will also move the Court for and order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Class Members who do not opt out of the Settlement.

- b. If the Court does not grant Final Approval of the Settlement, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative General Release Payment, Attorneys' Fees Award, Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph.
  - c. Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith. After entry of Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law.
7. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms and conditions of this Agreement, if Class Members do not timely object to the Settlement, then the Parties and their respective counsel waive any and all rights to appeal from the Judgment, including, but not limited to, all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate or set aside judgment, and any extraordinary writ, and the Judgment will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceeding, or post-judgment proceeding.
8. **Vacating, Reversing, or Modifying Judgment on Appeal.** If, after a notice of appeal, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then this Settlement will become null and void and the Parties will have no further obligations under it. A material modification would include, but not necessarily be limited to, any



alteration of the Gross Settlement Amount, an alteration in the calculation of the Net Settlement Amount, and any change to the calculation of the Individual Settlement Share.

9. **Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement, the Settlement Administrator shall distribute funds pursuant to the terms of this Agreement and the Superior Court's Final Approval Order and Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Agreement.
- a. **Funding the Settlement:** Defendant shall wire to a Qualified Settlement Fund created by the Settlement Administrator for the sole purpose of effectuating this Settlement the Gross Settlement Amount within fifteen (15) business days of the Effective Final Settlement Date or within fifteen (15) business days of the Settlement Administrator's notification to Defendant's counsel of the wiring instructions to make such deposit, whichever is later.
  - b. **Disbursement:** The Settlement Administrator shall disburse the Gross Settlement Amount as specified herein. Within 7 days of the funding of the Gross Settlement Amount, the Settlement Administrator shall disburse the Settlement Shares, Class Representative General Release Payment, Attorneys' Fees, Litigation Expenses, the full amount allocated to PAGA, and the Settlement Administrator court-approved fees and costs.
  - c. **QSF:** The Parties agree that the QSF is intended to be a "Qualified Settlement Fund" under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.
10. **Uncashed Checks.** Participating Class Members must cash or deposit their Individual Settlement Share checks within one hundred and eighty (180) calendar days after the checks are mailed to them. If any checks are not

redeemed or deposited within ninety (90) days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, pay the amount of the Individual Settlement Share to the Department of Industrial Relations Unclaimed Wages Fund in accordance with California Unclaimed Property Law so that the Participating Class Member will have his or her Individual Settlement Share available to him or her per the applicable claim procedure to request that money from the State of California. Any costs associated with administering the remaining funds under this section or payments to the Unclaimed Wages Fund deducted before the deposit to said Fund.

**11. Final Report by Settlement Administrator.** Within ten (10) days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds.

**12. Defendant's Legal Fees.** Defendant is responsible for paying for all of Defendant's own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Fund.

**K. Release of Claims.** As of the Effective Final Settlement Date, Class Members who do not submit a timely and valid request for exclusion release the Released Parties from the Released Claims. Participating Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any of the Released Claims.

**L. Plaintiff's Release of Claims and General Release.** As of the Effective Final Settlement Date, and in exchange for the Class Representative General Release Payment to Plaintiff Rios in an amount not to exceed \$5,000.00 (Five Thousand Dollars and No Cents), (on his behalf and on behalf of his heirs, executors, administrators, and assigns), but not other Class Members, knowingly and voluntarily release and forever discharge the Released Parties from any and all claims, known and unknown, asserted and unasserted, that he has or may have had against Defendant or any of the Released Parties. Such claims include, but are not limited to: breaches of contract, whether written, oral or implied; violations of any public policy; tort claims, including but not limited to intentional infliction of emotional distress and negligent infliction of emotional distress, defamation, misrepresentation, and fraud; retaliation claims; common law claims; any other claims for damages, costs, fees, or other expenses, including attorneys' fees; and any violations of the following statutes, laws, and regulations: Title VII of the Civil Rights Act of 1964, as amended; The Civil Rights Act of 1991; Sections 1981

through 1988 of Title 42 of the United States Code, as amended; The Americans with Disabilities Act of 1990, as amended; The Age Discrimination in Employment Act of 1967, as amended; the Older Workers Benefit Protection Act; the Employment Retirement Income Security Act of 1974, as amended; the Occupational Safety and Health Act, as amended; the Sarbanes-Oxley Act of 2002; the Family and Medical Leave Act of 1993, as amended; the Fair Labor Standards Act; the California Fair Employment and Housing Act – Cal. Gov't Code § 12900 et seq.; the California Family Rights Act – Cal. Gov't Code § 12945.2 et seq.; the California Unruh Civil Rights Act – Civ. Code § 51 et seq.; the California Whistleblower Protection Law – Cal. Lab. Code § 1102.5; the California Occupational Safety and Health Act, as amended – Cal. Lab. Code § 6300 et seq., and any applicable regulations thereunder; the California Business and Professions, Civil, Government and Labor Code; the Labor Code Private Attorneys General Act of 2004 – Cal. Lab. Code § 2698 et seq.; and any other federal, state, or local civil employment law, statute, regulation, or ordinance capable of being released by Plaintiff, excluding any claims that cannot be released as a matter of law. To the extent the foregoing release is a release to which Section 1542 of the California Civil Code or similar provisions of other applicable law may apply, Plaintiff Rios expressly waives any and all rights and benefits conferred upon him by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

- M.** Thus, notwithstanding the provisions of Civil Code section 1542, and to implement a full and complete release and discharge, Plaintiff Rios expressly acknowledges this Settlement is intended to include in its effect, without limitation, all known and unknown claims, including any claims he does not know or suspect to exist in his favor against the Released Parties at the time of signing this Settlement, and that this Settlement contemplates the extinguishment of any such claim or claims. Named Plaintiff Rios acknowledges that he may later discover facts different from or in addition to those he now knows or believes to be true regarding the matters released or described in this Settlement, and nonetheless agrees that the releases and agreements contained in this Settlement shall remain fully effective in all respects notwithstanding any later discovery of any different or additional facts. He likewise assumes any and all risks of any mistake in connection with the true facts involved in the matters, disputes, or controversies described in this Settlement or with regard to any facts now unknown to him relating to such matters.

This release excludes any release of any claims not permitted to be released by law.

## N. Miscellaneous Terms

- 1. No Admission of Liability.** Defendant makes no admission of liability or wrongdoing by virtue of entering into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to arbitrability, class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with this Settlement).
- 2. No Effect on Employee Benefits.** The Class Representative's General Release Payment and/or Individual Settlement Shares paid to Plaintiff and Participating Class Members shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff or the Participating Class Members. The Parties agree that any Class Representative General Release Payment and/or Individual Settlement Shares paid to Plaintiff or the Participating Class Members under the terms of this Agreement do not represent any modification of Plaintiff's or Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Class Representative General Release Payment shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- 3. Confidentiality and No Public Comment.** Plaintiff, Defendant, Defendant's counsel and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount or terms of the Settlement. Plaintiff, Defendant's counsel and Class Counsel also agree that they will not advertise or market any of the terms of the Settlement through written, recorded or electronic communications (including posting orders relating to the settlement on counsels' websites). Plaintiff and Class Counsel also agree that they will not disclose the terms of the Settlement to any other entity or individual, except as required by law or as required by the Court. Plaintiff and Class Counsel further agree that

if contacted regarding this Action by those not members of the Class, they will state only that the Action exists and has been resolved. This provision is not intended to and does not limit Plaintiff in responding to questions from Class Members regarding the Settlement. This provision is also not intended to and does not limit Class Counsel in responding to questions from and/or providing advice to Class Members regarding the Settlement. Defendant likewise agrees that upon inquiry from a prospective employer of Plaintiff Rios, Defendant will only provide dates of Plaintiff Rios' employment and his last job title only.

4. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
5. **Authorization to Enter Into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Agreement.
6. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in the attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.
7. **Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the Superior Court.

8. **Amendment or Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
9. **Agreement Binding on Successors and Assigns.** This Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
10. **No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein released and discharged.
11. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
12. **Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
13. **No Tax or Legal Advice.** The Parties understand and agree that neither the Parties nor their counsel are either providing tax or legal advice, or making representations regarding tax obligations or consequences, if any, related to this Agreement, and that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from the Parties or any of the Released Parties in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of such taxes.
14. **Jurisdiction of the Superior Court.** The Superior Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Agreement and all orders and judgments in connection therewith.

**15. Invalidity of Any Provision; Severability.** Before declaring any provision of this Agreement invalid, the Parties request that the Superior Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

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

**17. Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

#### **IV. EXECUTION BY PARTIES AND COUNSEL**

The Parties and their counsel execute this Agreement.

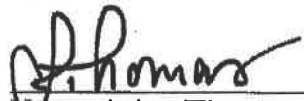
Dated: Apr 28, 2021, 2021

**JUAN CARLOS RIOS**

  
\_\_\_\_\_  
Juan Carlos Rios (Apr 28, 2021 13:58 PDT)

Dated: April 16, 2021

**CLASSIC DIST. AND BEV. GROUP, INC.**

  
\_\_\_\_\_  
Name: John Thomas  
Title: CFO

Dated: Apr 28, 2021, 2021

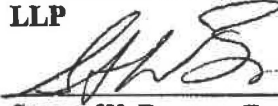
**BARKHORDARIAN LAW FIRM, PLC**

*John Litwin*

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John F. Litwin, Esq.  
Gregory P. Wong, Esq.  
Attorneys for Plaintiff Juan Carlos Rios, on behalf of  
himself and all others similarly situated

Dated: 4/19/, 2021

**ST. JOHN, WALLACE, BRENNAN & FOLAN  
LLP**

  
\_\_\_\_\_  
Steven W. Brennan Esq.  
Donald B. Wallace, Esq.  
Attorneys for Defendant