

SAM YOO ("PLAINTIFF") V. NGL TRANSPORTATION LLC ("DEFENDANT")

MEMORANDUM OF UNDERSTANDING - SETTLEMENT TERMS

1. This Memorandum of Understanding ("MOU" or "Agreement") is intended to confirm the essential terms of the settlement reached between the Plaintiff and Defendant (the "Parties") and assist in the preparation of a full and comprehensive Settlement Agreement, whose terms shall not be inconsistent with the terms below. The Parties are NGL Transportation, LLC and Shang-Il Roh ("Defendants") and Sam Yoo ("Plaintiff"), individually, and on behalf of the "Class" or "Class Members" defined below. Notwithstanding the Parties' intention to create a longer and more comprehensive agreement, this Agreement shall be fully enforceable in the event that the Parties do not sign such a long-form settlement agreement.

2. The Parties agree that, subject to the court's approval, this Agreement is a good faith, fair, reasonable, and adequate settlement, the pending litigation shall be, and hereby are, ended, settled, resolved, and concluded by agreement of Defendants to pay the gross settlement amount of \$330,000 (the "Gross Settlement Amount") inclusive of payments to the Settlement Class, attorneys' fees to Class Counsel, litigation costs (including expert or consultant fees and costs) to Class Counsel, third party Settlement Administration costs, Service and Release Award to the class representative, penalties to the California Labor and Workforce Development Agency ("LWDA") in settlement of all claims under PAGA, penalties, interest, and the class members' share of payroll taxes. Defendants shall separately pay the employer's share of payroll taxes.

3. The Parties agree to certification, for settlement purposes only, of a Class consisting of all persons who worked as truck drivers for Defendants and drove company-owned trucks from November 7, 2013 through the date of this MOU (the "Class Period") (collectively the "Class Members"). This Settlement Agreement assumes that the Class consists of approximately 65 Class Members.

4. Settlement payments to participating Class Members will be made from the Net Settlement Amount based upon the number of weeks that each Class Member worked for Defendants in a Class position during the Class Period. The "Net Settlement Amount" is the Gross Settlement Amount, less (1) court-approved Class Counsel's Attorneys' Fees and Class Counsel's Costs; (2) Court-approved Service and Release Award to the Class Representative; (3) Settlement Administration Costs; and (4) payment to the LWDA for PAGA penalties.

5. The settlement funds paid to the Settlement Class will be treated as follows: one-third as wages reportable on IRS W-2 form; one-third as interest and one-third as penalties reportable on IRS form 1099.

6. The Parties agree that this MOU, the settlement, or any statements made, or documents prepared in furtherance of the settlement is not an admission of liability.

7. Defendants agree not to oppose Plaintiff's counsel's motion for attorneys' fees of one-third of the Settlement Amount (\$110,000) and costs not to exceed \$18,000.

8. Defendants agree not to oppose Plaintiff's request for a Service and Release award to the Class Representative Sam Yoo, in the amount of \$10,000. The foregoing payment is in addition to any payment to the Plaintiff as a participant in the class settlement. Such payment shall be reportable on IRS form 1099.

9. The Parties agree to allocate \$10,000 to Plaintiff's PAGA claim, \$7,500 of which will be paid to the LWDA from the Gross Settlement Amount.

10. The Parties will work together to select a mutually agreeable settlement administrator ("Settlement Administration Costs"). All Settlement Administration Costs will be paid from the Gross Settlement Amount.

11. The Parties will work together expeditiously to obtain preliminary and final approval of this settlement, including promptly preparing and signing a long form Settlement Agreement within 45 days of this MOU, along with a class notice and proposed preliminary approval order; Plaintiff will then promptly file a motion for preliminary approval of this settlement. In the event that the Parties have not completed a long form Settlement Agreement within 45 days of this MOU, Plaintiff may proceed with a motion for preliminary approval, based on the terms of this MOU and other terms commonly included in settlements of this type in the Los Angeles County Superior Court, as determined by the Court.

12. Additionally, the following terms will be incorporated in the notice process and settlement:

(a) Class Members at the time Preliminary Approval is granted shall be deemed to participate in the settlement, unless they opt-out, and shall not be required to submit a claim form.

(b) A Notice of Settlement will be mailed to each Class Member. The Notice of Settlement shall include an explanation of the settlement, inform Class Members of their estimated share of their individual settlement and the number of weeks he/she worked during the Class Period. The Notices of Settlement will be sent in English and Spanish.

(c) Class Members will have 60 days from the mailing of the Class Notice to dispute weeks worked, object or opt out, unless extended by the court (the "Response Deadline").

(d) Class Members may dispute their weeks worked if they feel they worked more weeks in the Class Period than Defendants' records show by timely submitting information to the Settlement Administrator. In the event of any dispute over a class member's weeks worked, the Settlement Administrator shall decide the dispute. The Settlement Administrator will evaluate Defendant's records and any evidence submitted by the Class Member and/or class counsel and make the final decision as to which dates should be applied.

(e) The Settlement Administrator will certify jointly to Plaintiff's counsel and Defendants' counsel any opt outs or objections received. Copies of any opt outs and objections received by the Settlement Administrator will be provided promptly to Class Counsel.

(f) Within ten (10) days of the date Preliminary Approval is granted, Defendants will provide the Settlement Administrator with the names, social security numbers and last known address, email address and telephone numbers of each Class Member, along with the number of weeks that each Class Member worked for Defendants in a Class position during the Class Period ("Class Data").

(g) The Notices of Settlement will be mailed to the Class Members no later than ten (10) days after the Settlement Administrator receives the Class Data. Before mailing the Notices of Settlement, the Settlement Administrator will check all addresses against the National Change of Address Database maintained by the United States Postal Service and skip-trace any undeliverable or returned notices.

(h) The settlement "Effective Date" will be the date of entry of the order of Final Approval of the settlement and judgment (the "Final Approval Order") if no objection is filed and Plaintiff and Class Counsel waive their right to appeal. If a timely objection to the settlement is filed or appeal rights are not waived, the "Effective Date" will be the later of (1) 65 days following entry of the Final Approval Order and (2) if an appeal, review or writ is sought from the Final Approval Order, the date on which (i) the highest reviewing court renders its decision denying the petition or writ challenging the Final Approval Order or renders its decision affirming the Final Approval Order and (ii) the Final Approval Order is no longer subject to further review.

(i) Defendants shall deposit the Gross Settlement Amount in 24 equal monthly payments of \$13,750. The first such payment will be made no later than August 22, 2019 and payments will continue monthly, until the Gross Settlement Amount has been fully funded. The employer's share of payroll taxes shall be separately deposited no less than fifteen days prior to each distribution made by the Settlement Administrator.

(j) The Settlement Administrator shall make all payments approved in the Final Approval Order in two distributions. The first distribution will distribute 50% of the Gross Settlement Amount and will occur on the later of: (1) ten days after half of the Gross Settlement Amount has been funded by Defendants and (2) the Effective Date. The second distribution will distribute the remaining 50% of the Gross Settlement Amount and will occur on the later of: (1) ten days after the Gross Settlement Amount has been fully funded by Defendants and (2) the Effective Date.

(k) If a Class Member's check is not cashed within 180 days, the check will be void and a stop payment order may be placed on the check, and within the time period required by law, the amount of any uncashed checks shall be distributed to the State Controller's Unclaimed Property Fund in the name of the Class Member. Sixty

days from the date that settlement checks are mailed, the TPA shall send reminder postcards to Class Members who have not yet cashed their settlement checks.

(l) The long form Settlement Agreement may be amended by a written agreement which is signed by the Class Counsel and Defendants' Counsel and approved by the Court.

13. As of the date of this MOU, Defendants confirm that the Class Members worked a total of approximately 5,050 weeks during the Class Period. If the number of Class Member work weeks, as reported by Defendants in the Class Data, exceeds 5,300, Defendants will increase the Gross Settlement Amount by the same percentage that Class Member work weeks exceed 5,300.

14. If more than 13 Class Members opt out of the settlement, Defendants may terminate this settlement. Defendants must exercise its termination right within 14 days following Defendants' counsel's receipt of information from the Settlement Administrator indicating that the number of opt-outs exceeds this limit.

15. Upon the final approval of the settlement by the Court, the Class Members (other than those who submit a valid opt-out/request for exclusion) will fully release and discharge the Released Parties of all causes of action and factual or legal theories that were alleged in the Complaint or arise from facts alleged in the Complaint, including all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief. The time period governing these Released Claims shall be at any time from November 7, 2013 through the date of this MOU. Claims and damages that were not alleged in the Complaint (or any subsequent operative Complaint) and do not arise from the facts alleged in the Complaint are specifically excluded from the release.

16. The Released Parties are Defendants, their past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers, but only as to the Released Claims.

17. Plaintiff releases any and all known claims against the Released Parties through preliminary approval, including a section 1542 waiver, 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 to him or her must have materially affected his or her settlement with the debtor.

18. All of the promises and covenants in this Agreement are solely for the purpose of effecting the settlement. If the settlement is not finally approved by the Court in all material aspects, the Parties shall be deemed to have reverted to their respective status as of the date and time immediately prior to the execution of this Agreement and this Agreement shall be deemed null and void.

Sam Yoo

_____, 2019

NGL TRANSPORTATION LLC

By: _____
Shang-Il Roh

Its: President

Shang-Il Roh

July 23, 2019

July 23, 2019

APPROVED AS TO FORM:

Dated: July 23, 2019

LAW OFFICES OF PARK & ZHANG

By: _____

Stella K. Park

Attorney for Defendants NGL Transportation LLC and
Shang-Il Roh.

Dated: _____, 2019

GARTENBERG GELFAND HAYTON LLP

By: _____

Aaron C. Gundzik

Attorneys for Plaintiff Sam Yoo

Dated: _____, 2019

CASKEY & HOLZMAN

By: _____

Daniel M. Holzman

Attorneys for Plaintiff Sam Yoo

Sam Yoo
Sam Yoo

7/30, 2019

NGL TRANSPORTATION LLC

By: _____
Shang-Il Roh
Its: President

_____, 2019

Shang-Il Roh

_____, 2019

APPROVED AS TO FORM:

Dated: _____, 2019

LAW OFFICES OF PARK & ZILANG

By: _____
Stella K. Park

Attorney for Defendants NGL Transportation LLC and
Shang-Il Roh.

Dated: 7/30, 2019

GARTENBERG GELFAND HAYTON LLP

By: AG
Aaron C. Gundzik

Attorneys for Plaintiff Sam Yoo

Dated: 7/31, 2019

CASKEY & HOLZMAN

By: [Signature]
Daniel M. Holzman

Attorneys for Plaintiff Sam Yoo