

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (the “Settlement Agreement”) is made and entered into between Plaintiffs Mike Jurado and Eligio Castro Camacho, as individuals and on behalf of the Settlement Class (as defined below) (collectively referred to as “Plaintiffs” and/or “Class Representatives”) on the one hand, and Defendants Kann Enterprises, Inc. (“Kann”), Tireco, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC, and Triune Logistics, LLC (collectively referred to as “Defendants”) on the other hand subject to the approval of the Court, as provided below. This Settlement Agreement is intended by the parties to fully, finally and forever resolve, discharge, and settle the Action (as defined below) and Released Claims (as defined below), upon and subject to the terms and conditions hereof, as follows:

1. Definitions.

As used herein, for purposes of this Settlement Agreement only, the following terms will be defined as set forth below:

1.1 “Action” refers to the civil actions entitled *Mike Jurado v. Kann Enterprises, Inc., et al.* [Case No. BCV-19-100066] and *Eligio Castro Camacho v. Tireco, Inc., et al.* [Case No. CIV-DS1921994], which was consolidated into the *Mike Jurado* case via the Second Amended Complaint filed in that case.

1.2 “Aggrieved Employees” refers to all Kann current and former non-exempt workers paid on an hourly or piece-rate basis employed in California at any time during the PAGA Period.

1.3 “Class Counsel” refers to the attorneys of record for the Class Representatives, including Lidman Law APC, Haines Law Group, APC, Matern Law Group, P.C., The Sweeney Law Firm, and any other attorneys of record for Plaintiffs.

1.4 “Class Members” refers to all Kann current and former non-exempt workers paid on an hourly or piece-rate basis employed in California at any time during the Class Period and who do not timely and validly opt out of the settlement.

1.5 “Class Notice” refers to the form of direct-mail notices substantially in the form attached as “Exhibit A” as may be modified by the Court.

1.6 “Class Period” means the time period from and including January 9, 2015, up to and including Preliminary Approval of the Settlement by the Court.

1.7 “Complaint” refers to the operative Second Amended Complaint in the Action and any Complaints subsequently filed in the Action.

1.8 “Defendants” refer collectively to Kann Enterprises, Inc., Tireco, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC, and Triune Logistics, LLC.

1.9 “Enhancement Payment” refers to a monetary payment to the Plaintiffs in an amount not to exceed \$5,000 to each Plaintiff, or other lesser amount as approved by the Court, for their services as Class Representatives as described below, to be paid from the GSA, subject to the approve by the Court, as described below.

1.10 “Final Approval Hearing” refers to the hearing at which the Court will make a final determination whether the terms of the Settlement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval.

1.11 “Final Approval Order” refers to the final order by the Court approving the Settlement following the Final Approval Hearing and entering final judgment.

1.12 “Final Effective Date” will be the later of (i) the 61st day after service of notice of entry of the Final Order and Final Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Final Order or Final Judgment, the day after the Final

Order and Final Judgment are affirmed or the appeal, review, or writ is dismissed or denied, and the Final Order and Final Judgment are no longer subject to further judicial review. The Effective Date is conditioned upon the Court's having entered a Final Order and Judgment as set forth in this Agreement.

1.13 "Gross Settlement Amount" or "GSA" refers to the gross settlement payment of \$194,000 that Defendants Kann Enterprises, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC, and Triune Logistics, LLC will be obligated to make (unless such Gross Settlement Amount is increased by Defendants at their sole option pursuant to Paragraph 5 below). Tireco, Inc. is not obligated to make any contribution to the GSA. The GSA includes (i) all payments to the Aggrieved Employees and Class Members; (ii) Plaintiffs' counsel's attorneys' fees and costs; (iii) payment for the PAGA settlement; (iv) the costs of administration of the settlement; (v) enhancement payments to Plaintiffs subject to Court approval; and (vi) all payroll taxes and taxes payable to federal and state tax authorities as the result of this Settlement.

1.14 "Net Settlement Amount" or "NSA" is the GSA minus Court approved attorneys' fees and litigation costs, Settlement Administration Costs, Court-approved Enhancement Payment, and the PAGA Settlement. The NSA is the gross amount that will be available for distribution to Settlement Class Members (unless such Gross Settlement Amount is increased by Defendants at their sole option pursuant to Paragraph 5 below). The portion of the NSA allocated to each participating Settlement Class Member will be calculated on a pro rata basis, based on the number of non-exempt workweeks worked in the Class Period.

1.15 "PAGA Period" means the time period from and including January 9, 2018, up to and including Preliminary Approval of the Settlement by the Court.

1.16 “PAGA Settlement” refers to the \$10,000 amount allocated to the settlement of the PAGA claims, of which 75% (\$7,500) will be paid to the Labor and Workforce Development Agency (“LWDA”) and 25% (\$2,500) will be paid to the Aggrieved Employees. The portion of the PAGA Settlement allocated to each Aggrieved Employee shall be calculated on a pro rata basis based on each employee’s respective number of pay periods worked as a non-exempt employee during the PAGA Period. The portion of the PAGA Settlement allocated to each Aggrieved Employee will be considered penalties and will be reported on an IRS Form 1099.

1.17 “Parties” are the named Plaintiffs and Defendants in this Action.

1.18 “Released Claims” are those defined herein below.

1.19 “Released Parties” includes Defendant Kann Enterprises, Inc. and any parent, subsidiary, affiliate, predecessor or successor, and all agents, trustees, employees, officers, directors, attorneys or any other person or entity acting on Kann’s behalf. Released Parties will also include Tireco, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC and Triune Logistics, LLC, and any parent, subsidiary, affiliate, predecessor or successor, and all agents, trustees, employees, officers, directors, attorneys or any other person or entity acting on their behalf.

1.20 “Response Deadline” refers to a date that is forty-five (45) calendar days after the date that the Class Notice is mailed to Class Members and is the deadline by which Class Members’ Requests for Exclusion, disputes, and/or objections must be postmarked in order to be timely.

1.21 “Settlement Administration Costs” refers to the costs and expenses of the administrator, to perform its tasks and duties as provided by this Settlement Agreement. These costs will be paid out of the GSA, in an amount not to exceed Eight Thousand Two Hundred Fifty Dollars and Zero Cents (\$8,250.00).

1.22 “Settlement Class Member” refers to participating Class Members who do not opt out from the Settlement pursuant to Section 14, below.

1.23 “Settlement Payment” refers to the amount paid to the Settlement Class Member.

2. Procedural History and Recitals.

On or about January 9, 2019, Mike Jurado filed a Class Action Complaint against Kann Enterprises, Inc. and Triune Logistics, LLC alleging claims for (1) failure to pay all overtime wages owed (Labor Code §§ 204, 510, 558, 1194, 1198); (2) failure to pay all minimum wages owed (Labor Code §§ 1194, 1194.2, 1197); (3) failure to provide accurate itemized wage statements (Labor Code § 226); and failure to reimburse necessary business expenses (Labor Code § 2802); and (6) unfair competition (Bus & Prof Code § 17200 et seq.). On or about March 18, 2019, Mike Jurado filed a First Amended Complaint adding a representative claim for civil penalties under the Private Attorneys General Act under Labor Code sections 2698, et seq.

On or about July 26, 2019, Eligio Castro Camacho on behalf of himself and other similarly situated non-exempt former and current employees filed a class action lawsuit against Tireco, Inc. and Personnel Staffing Group, LLC for: (1) failure to provide required meal periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to timely pay wages during employment; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) unfair and unlawful business practices; and (9) penalties under Labor Code Private Attorneys General Act. On or about October 28, 2019, Eligio Castro Camacho filed a First Amended Complaint adding defendants Kann Enterprises, Inc. and Wilde Management Group, LLC. On or about January 15, 2021, Eligio Castro Camacho filed a Second Amended Complaint adding Defendant Metropolitan Associates, LLC.

The parties engaged in written discovery and produced documents, including financials of Defendant Kann Enterprise, LLC.

On or about December 13, 2021, the parties engaged in a private mediation before mediator Lisa Klerman in an effort to globally resolve the Action. After mediation the parties agreed in principal to a global settlement on a class-wide basis of all the claims in the Action, subject to Court approval. As part of this settlement, Eligio Castro Camacho agreed to dismiss his action and Mike Jurado agreed to file a Second Amended Complaint to add the claims of Camacho and add the dismissed defendants from the Camacho case. On or about May 3, 2022, counsel for Mike Jurado filed a Joint Stipulation for approval to file the Second Amended Complaint. On May 10, 2022, the Court signed an Order allowing for the filing of the Second Amended Complaint in the Action. On May 16, 2022, the Second Amended Complaint was filed in the Action. On or about May 23, 2022, counsel for Eligio Castro Camacho filed a Joint Stipulation to dismiss without prejudice the action entitled *Eligio Castro Camacho v. Tireco, Inc., et al.* [Case No. CIV-DS1921994].

The parties jointly represent that this is a fair, reasonable and adequate settlement and that they have arrived at this Settlement through arms-length negotiations and taking into account all relevant factors, including the financial viability of Defendant Kann Enterprises, Inc. and the potential liability of the respective Defendants.

This Agreement is entered into solely for the purposes of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendants, and each of them, of liability or wrongdoing. Defendants, and each of them, reserve their right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendants, and each of them, deny that they have engaged in any unlawful activity, have failed

to comply with the law in any respect, have 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. The Settlement, and Plaintiffs' and Defendants' willingness to settle the Action will have no bearing on, and will not be admissible in connection with any litigation between the parties (other than in connection with the Settlement).

Class Counsel represent and warrant that they have thoroughly investigated the claims alleged against Defendants in the Action. Class Counsel represent that they have conducted their own investigation into the underlying facts, events, issues and financial condition of the Defendants related to the Action and potential defenses asserted to the claims. Both Class Representatives and Defendants have had an opportunity to evaluate their respective positions on the merits of the claims asserted.

Terms and Conditions

NOW, THEREFORE, in consideration of the recitals listed above and the promises and warranties set forth below, and intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth below, Plaintiffs, individually and on behalf of the Class Members, Aggrieved Employees, and the State of California, and Defendants agree that the Action shall be and is finally and fully compromised and settled on the following terms and conditions:

3. **Non-Admission Of Liability**. The Parties enter into this Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Agreement, Defendants and the other Released Parties do not admit, and specifically deny, that they have violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws,

regulations or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to the Class or the Aggrieved Employees. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendants or any of the other Released Parties of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendants or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

4. Gross Settlement Amount: Subject to final Court approval and the conditions specified in this Agreement, and in consideration of the mutual covenants and promises set forth in this Agreement, the total settlement amount to be paid to Plaintiffs in this Action will be One Hundred Ninety-Four Thousand U.S. Dollars (\$194,000) (unless such Gross Settlement Amount is increased by Defendants at their sole option pursuant to Paragraph 5 below) (the “GSA”) to be paid as follows by the following Defendant:

- Kann Enterprises, Inc. (“Kann”): \$175,000.00
- Wilde Management Group, LLC/Personnel Staffing Group \$9,750.00
- Triune Logistics, LLC: \$9,250.00

The Defendants shall pay a total of no more than the GSA ((unless such Gross Settlement Amount is increased by Defendant at their sole option pursuant to Paragraph 5 below), which will cover payment by Defendants pursuant to this Settlement Agreement, to Settlement Class Members, Settlement Administration Costs, attorneys’ fees and litigation costs to Class Counsel,

Enhancement Payment to Plaintiffs, and all payroll taxes or any other taxes owed to California or federal taxing authorities as a result of this Settlement, including without limitation, FICA, FUTA, etc.. Within fourteen (14) days after the Final Effective Date of this Settlement Agreement, Defendants will deposit their pro rata share of the GSA into an account as set forth above, through the Settlement Administrator, for a total sum equal to the GSA. Tireco, Inc. is not obligated to make any contribution to the GSA.

5. Escalator Clause: Defendant Kann represents that there are an estimated 18,345 work weeks worked by the Class Members through December 7, 2021 mediation. If the number of work weeks worked by the Class Members during the Class Period is more than 10% greater than this figure, Defendants shall have the sole and exclusive option to either: (i) increase the Settlement Amount on a proportional basis (i.e., if there was a 15% increase in the number of work weeks worked by the Class Members during the Class Period, Defendants would agree to increase the Gross Settlement Amount by 15%); or (ii) close the Class Period and PAGA Period as of the date the total work weeks worked by the Class Members reaches 10% above the 18,345 work weeks estimated through mediation. If Defendants agree to invoke this clause, each paying Defendant will pay their proportionate share of the increased settlement amount based on the shares described above in Paragraph 4. Tireco, Inc. will not be obligated to make any contribution to the increased Gross Settlement Amount if this escalator clause is triggered and Defendants elect at their sole option to increase the Gross Settlement Amount.

6. Class Release: “Released Claims” means, subject to Court approval, the following release: each member of the Settlement Class, who has not opted out from the Settlement Class, hereby agrees, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, assigns, and any one claiming through him, her, or them, or

acting or purporting to act on his, her or their behalf, to forever release, discharge hold harmless and covenant not to sue each and all of the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether know or unknown, contingent or accrued under any legal theory for any and all claims that arose during the Class Period and were alleged or could have been alleged in the Action based on the facts or claims alleged in the Action or in Plaintiff's letters to the LWDA. Without limiting the foregoing, and in addition to the foregoing, the released claims include claims for any alleged failure to pay all business expense reimbursement, wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off the clock and regular rate violations), failure to provide meal and rest breaks, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to timely pay wages and final wages and waiting time penalties, failure to furnish accurate wage statements, including claims derivative and/or related to these claims, liquidated damages, and conversion of wages, up to and including the date of preliminary approval by the Court. This Release shall include all claims and theories arising under applicable regulations Labor Code sections, including without limitation, §§ 201, 202, 203, 204, 226, 226.7, 510, 512(a), 516, 558, 1194,1194.2, 1197, 1198, Wage Orders and state and federal wage and hour law, as well as claims under Business and Professions Code section 17200 and/or Labor Code section 2698 based on violations of the above Labor Code Provisions. This release shall apply to all claims arising at any point during the Class Period.

6.1 Upon the funding of the Gross Settlement Amount the Plaintiffs and all Settlement Class Members hereby shall be deemed to have fully, finally, and forever released,

settled, compromised, relinquished and discharged any and all of the Released Parties from the Released Claims that arose during the Class Period.

- 6.2** This release by the Plaintiffs and each Settlement Class Member is intended to settle any and all of the Released Claims that any of them may have against Defendants or any of the Released Parties during the Class Period. Thus, even if the Plaintiffs or any Settlement Class Member may subsequently discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Claims, they shall be deemed to have, and by operation of the Final Order and Judgment shall have fully, finally, and forever settled and released any and all Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or have existed upon any theory of law or equity now existing or coming into existence in the future.
- 6.3** Because it is impossible or impracticable to have each Class Member execute this Agreement, the Class Notice will advise all Class Members of the binding nature of the release and such notice will have the same force and effect as if the Agreement were executed by each Class Member.
- 6.4** Subject to Court approval, the named Plaintiffs and all Settlement Class Members who have not opted out from the Settlement Class as provided herein, shall be bound by this Settlement Agreement, and all of their Released claims shall be dismissed with prejudice and released, even if they never received actual notice of this Settlement.

7. **PAGA Release:** “PAGA Claims” means, subject to Court approval, the following release: each Aggrieved Employee, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, assigns, and any one claiming through him, her, or them, or acting or purporting to act on his, her or their behalf, and the State of California agrees to forever release, discharge hold harmless and covenant not to sue each and all of the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether know or unknown, contingent or accrued for PAGA civil penalties which arose during the PAGA Period that were alleged or could have been alleged in the Action based on the facts or claims alleged in the Action or in Plaintiffs’ letters to the LWDA. Without limiting the foregoing, and in addition to the foregoing, the PAGA released claims include claims for civil penalties based on any alleged failure to pay all business expense reimbursement, wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off the clock and regular rate violations), failure to provide meal and rest breaks, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to timely pay wages and final wages and waiting time penalties, failure to furnish accurate wage statements, including claims derivative and/or related to these claims, up to and including the date of preliminary approval by the Court. This Release shall include all claims and theories arising under applicable regulations Labor Code and Wage Orders.

7.1 In exchange for the PAGA Settlement recited in this Agreement, the Plaintiffs, as the representative for the State of California and all Aggrieved Employees, and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns will, upon payment of the Gross Settlement Amount,

forever completely release and discharge Defendants and each of the Released Parties from the PAGA Claims that arose during the PAGA Period. The Aggrieved Employees and the State of California will be deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against Defendants and any of the Released Parties for the PAGA Claims that arose during the PAGA Period.

8. Plaintiffs' General Release: In addition to the Released Claims in paragraphs 6 & 7 above, Plaintiffs shall be bound by a complete and general release of all claims under any and all applicable federal and state laws and/or regulations as to the Released Parties, and shall also be bound by California Civil Code section 1542 release and waiver of all claims known and unknown, without exception, except as may be prohibited by law, such as claims for workers' compensation benefits. California Civil Code section 1542 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.”

It is the intent of the Parties that Plaintiffs intend to provide a general release and that they understand that they will be releasing all claims and waive any rights under Cal. Civ. Code section 1542 even though they may discover facts that are different from those which they now know or believe to be true with respect to matters released herein. Each named Plaintiff shall be deemed to have expressly, knowingly, and voluntarily waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he or she or they may otherwise have had pursuant to section 1542 of the California Civil Code and/or similar federal or state laws, rights,

rules, or legal principles of any other jurisdiction that may be applicable here. Notwithstanding the above, nor anything else in this Settlement, the waiver and release in this Settlement does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers' compensation claims, pending or otherwise and/or benefits to be received by Plaintiffs in workers' compensation pursuant to the jurisdiction of workers' compensation; and (ii) rights or claims arising out of this Settlement.

9. No Prior Assignments. The Plaintiffs represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights released and discharged by this Agreement.

10. Attorneys' Fees and Costs: Class Counsel shall request attorneys' fees up to one-third (1/3) of the Settlement Amount (estimated to be \$64,666.67 unless the Escalator Clause is invoked, and Defendants elect to increase the GSA) for attorneys' fees and up to \$35,000 for reimbursement of action costs and expenses of litigation the Action. This amount of attorneys' fees and costs compensates all law firms and lawyers action as Class Counsel and counsel for Aggrieved employees, and Class Counsel represents that they are unaware of any other law firm that is entitled to any portion of attorneys' fees and costs and is unaware of any liens that have been placed on the Action. The attorneys' fees and costs shall be paid from the GSA subject to approval by the Court. Any portion of the fee allocation or costs not approved by the Court will be allocated to the GSA. The parties agree that the settlement shall not be voided or nullified if the Court decides to award a different amount of attorneys' fees and costs to Class Counsel. Except for fees and costs awarded by the Court from the GSA, the parties shall bear their own attorney's fees and costs.

11. Enhancement Payment: Class Counsel shall request an Enhancement Payment of up to \$10,000 for Plaintiffs total, \$5,000 for each Plaintiff. Defendants retain the right to object to the Enhancement Payment in excess of this amount. Any unapproved amounts will be added to the NSA and be distributed to the Settlement Class Members. The parties agree that the settlement shall not be voided or nullified if the Court decides to award an enhancement award in a different amount to Plaintiff.

12. PAGA Payment: Subject to Court approval, \$10,000 shall be attributed to Plaintiffs' claims under PAGA. The Settlement Administrator shall apportion and distribute \$10,000 payment as follows: (i) \$7,500 shall be paid to the LWDA as its 75% share of the settlement of civil penalties for PAGA claims; and (ii) \$2,500 shall be paid to the Aggrieved Employees as their 25% share of the settlement of civil penalties for PAGA claims. The portion of the PAGA Payment allocated to each of the Aggrieved Employees will be calculated using the same formula as set forth in Paragraph 14.1, below, but will be limited to pay periods worked during the PAGA Period. Any Class Members who worked during the PAGA Period and who opt out of the Settlement will still be considered Aggrieved Employees for purposes of this Paragraph 12 and, therefore, will (i) receive their portion of the PAGA Payment; and (ii) release all PAGA Claims against the Released Parties.

13. Costs of Settlement Administration: The Parties have mutually agreed to the selection of Phoenix Settlement Administrators as the Settlement Administrator, to undertake the administration of the Settlement in this Action. The Parties estimate that the costs and expenses of administration of the settlement will not exceed Eight Thousand Two Hundred Fifty Dollars and Zero Cents (\$8,250.00).

14. Calculation of the NSA and Distribution of Settlement Proceeds: Each Settlement Class Member will be entitled to a share of the NSA. Payments will be made from the NSA only to Settlement Class Members as set forth herein:

14.1 The NSA shall be allocated to Settlement Class Members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of work weeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class Member's total work weeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total work weeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.

14.2 Within fourteen (14) business days of receipt of the full Gross Settlement Amount, the Settlement Administrator will pay all Settlement Class Members' and Aggrieved Employees' settlement shares, Class Counsel's approved attorneys' fees and costs, enhancement payments, and administration costs, as approved by the Court.

14.3 Settlement checks distributed to Settlement Class Members and Aggrieved Employees that are not cashed within 180 days from the date of issuance by the Settlement Administrator will be transferred to the California's Secretary of State Controller's Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member or Aggrieved Employees. Settlement Class Members and Aggrieved Employees whose settlement checks are not timely cashed and which are transferred to the California Secretary of State Controller's Office, will still be deemed to be bound under the release of Released Claims and/or PAGA Claims.

14.4 Neither Plaintiffs nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

14.5 The Parties agree that, under no circumstances shall Defendants be obligated to pay any amount under this Agreement to any Class Member other than Settlement Class Members, with the exception of the portion of the PAGA Payment allocated to Aggrieved Employees which are not affected by a Class Member opting-out of the Settlement. In addition, the Parties agree that under no circumstances shall Defendants be obligated to pay more than the Gross Settlement Amount in full settlement of the Action, unless escalated pursuant to the provisions set forth above in Paragraph 5.

15. No Credit Toward Benefit Plans. The payments to Settlement Class Members, Aggrieved Employees, and Plaintiffs made under this Agreement will not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class Member or Aggrieved Employees 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, and any other benefit plan. Rather, it is the Parties' intention that this Agreement will not affect any rights, contributions, or amounts to which any Settlement Class Member or Aggrieved Employee may be entitled under any benefit plans.

16. Taxation Of Settlement Proceeds. All settlement payments paid to Settlement Class Members, Aggrieved Employees, and the Plaintiffs, will be paid in a net amount after applicable state and federal tax withholdings, including payroll taxes, have been deducted.

16.1 The payments to Settlement Class Member Payments shall be reported as follows:
(i) 30% of the amount distributed to each Settlement Class Member will be

considered wages, and will be reported as such to each Participating Class Member on a W-2 Form; (ii) 35% of the amount distributed to each Settlement Class Member will be considered interest on the unpaid wages, and will be reported as such to each Settlement Class Member on an IRS Form 1099; and (iii) 35% of the amount distributed to each Settlement Class Member will be considered statutory penalties, and will be reported as such to each Settlement Class Member on an IRS Form 1099. The portion of the PAGA Payments distributed to each Aggrieved Employee will be considered penalties and will be reported on an IRS Form 1099.

16.2 Prior to mailing the settlement payments, the Settlement Administrator will calculate, withhold from the settlement payments, and remit to applicable governmental agencies sufficient amounts as may be owed by Settlement Class Members and Aggrieved Employees for required withholdings and taxes, including all payroll taxes. The Settlement Administrator will issue appropriate tax forms to each Settlement Class Member and Aggrieved Employee consistent with the foregoing breakdown. The Parties understand that the Plaintiffs, Settlement Class Members, and Aggrieved Employees who receive a settlement payment pursuant to this Agreement shall be solely responsible for any and all tax obligations associated with such receipt.

16.3 All Parties represent and acknowledge that nothing in this Agreement constitutes tax advice regarding the tax treatment of payments under federal, state, or local law. Plaintiffs, Settlement Class Members, and Aggrieved Employees will assume any such tax obligations or consequences that may arise from this Agreement and Class Members and Aggrieved Employees shall not seek any indemnification from the

Parties or any of the Released Parties in this regard. In the event that any taxing body determines that additional taxes are due from any Class Member or Aggrieved Employee, including Plaintiffs, such Class Member or Aggrieved Employee assumes all responsibility for the payment of such taxes.

17. Payroll Taxes: The GSA shall include the employer's portion of payroll taxes with respect to the wage portion of payment to Settlement Class Members and no additional monies will be owed by any Defendants for any payment of payroll taxes incurred as a result of this Settlement. Neither Plaintiff nor Defendants, nor the parties' attorneys shall be construed as providing any tax advice in connection with the settlement or any payments to be made pursuant to this settlement. Each Settlement Class Member and Aggrieved Employee agrees to indemnify and hold harmless Defendants from any liability for taxes, fees, costs or assessments resulting from his or her failure to timely pay his or her share of taxes, interest or penalties owed to any taxing authority.

18. Notices:

18.1 Within 20 calendar days after entry of the Preliminary Approval Order, Defendants shall provide to the Settlement Administrator the names, employment identification number, last known addresses and social security number of each Class Member, and for each Class Member the total number of workweeks worked in a non-exempt position during the Class Period and the total number of pay periods worked in a non-exempt position during the PAGA Period ("Class Data List"). Defendants will provide the Class List in an Excel file or other format reasonably acceptable to the Settlement Administrator. The Settlement Administrator will keep the list confidential, except it shall be provided to Class Counsel upon request with Social

Security Numbers and address information redacted, and Class Counsel agrees to use such information only for the purposes described in this Agreement.

18.2 Within ten (10) business days from receipt of the Class Data List, the Settlement Administrator shall (i) run the names of all Settlement Class Members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class Members; (ii) update the address of any Settlement Class Member for whom an updated address was found through the NCOA search; (iii) calculate the estimated individual settlement payment and PAGA payment for each Settlement Class Member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.

18.3 Within 14 calendar days after receiving the Class Data List, the Settlement Administrator shall send the Class Notice by bulk first class mail, forwarding requested, to the Class Members at the addresses identified through the process described above. As to any Class Notices that are returned as undeliverable or otherwise invalid on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within three (3) business days of receiving the returned Notice. If an updated mailing address is identified before the Response Deadline, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the

Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class Member. Settlement Class Members to whom Notices are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notices that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class Member's Notice is returned to the Settlement Administrator more than once before the Response Deadline, the Settlement Administrator shall continue to make reasonable efforts to obtain an updated mailing address. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement. Other than the obligations set forth in this Settlement Agreement, the Parties will have no additional obligation to identify or locate Class Members. The Class Notice will be in substantially the form as Exhibit A (attached hereto) and approved by the Court. The parties acknowledge that the number and form(s) of notice(s) ultimately approved and/or ordered by the Court may differ materially from the proposed form(s) of notice attached hereto and the Court's approval of the attached form(s) of notice is not material condition of this Agreement or the Settlement. In the event that multiple Notices are ordered by the Court, all references to a singular Notice herein shall be interpreted to apply equally to each individual Notice that is approved by the Court and sent to Settlement Class Members.

18.4 Class Counsel will provide to the Court, in connection with seeking final approval of the Settlement, a declaration from the Settlement Administrator confirming that the Class Notice was mailed to all Class Members as required by this Agreement, as well as any additional information Class Counsel deems appropriate to provide to the Court.

19. **Dispute Procedure.** The Class Notice will include a procedure by which a Class Member may dispute the number of workweeks allocated to the Class Member by submitting a written dispute sent via U.S. Mail to the Settlement Administrator postmarked no later than the expiration of the Response Deadline (“Workweek Dispute”). To be valid, a Workweek Dispute should contain the following: (i) the Class Member’s full name, current address, and signature; (ii) the Action name and case number; (iii) the number of workweeks the Class Member maintains is correct; and (iv) evidence sufficient to support that Kann’s calculation of the workweeks for the Class Member is incorrect, if any. Upon receipt of notice of a Workweek Dispute, the Settlement Administrator shall promptly serve Class Counsel and Defendants’ counsel with a copy of the Workweek Dispute and any accompanying papers. No Workweek Dispute shall be effective or considered for any purpose unless it is timely mailed by U.S. mail to and received by the Settlement Administrator as provided above. Defendants shall have the right to respond to the Workweek Dispute by any Class Member. All information and documents relating to any such disputes will be provided to Class Counsel. The Settlement Administrator will resolve the Workweek Dispute and make a final and binding determination without hearing or right of appeal. The Settlement Administrator’s determination will be subject to review by the Court at the time of the Final Approval Hearing so long as the Participating Class Member submits an objection to the Settlement Administrator’s determination at or before the Final Approval Hearing.

20. Opt-Out Period: Unless a Class Member opts out of the settlement described in this Agreement, the Class Member will be bound by the terms and conditions of this Agreement, including the release of the Released Claims that arose during the Class Period. A Class Member will not be entitled to opt out of the settlement established by this Agreement unless the Class Member submits a valid opt-out request (“Opt-Out Request”). A valid Opt-Out Request must: (i) contain the Class Member’s full name, current address, and signature; (ii) contain the Action name and case number; (iii) contain a written request clearly expressing the Class Member’s desire to be excluded from (or opt out of) the Settlement; and (iv) be returned so that it is postmarked on or before the expiration of the Response Period. Any Class Members who worked during the PAGA Period and who opts out of the Settlement will still be considered Aggrieved Employees for purposes of this Agreement and will still receive their respective portion of the PAGA funds.

20.1 Upon receipt of any Opt-Out Request within the Response Period, the Settlement Administrator shall review the Opt-Out Request to confirm that it complies with the opt-out requirements of this Agreement.

20.2 Any Class Member who fails to submit a timely, complete, and valid Opt-Out Request will be barred from opting out of this Agreement or the settlement, unless otherwise ordered by the Court. If the Settlement Administrator receives a timely Opt-Out Request that is incomplete, it will make reasonable attempts to contact the class member to cure the defect. The Settlement Administrator will not consider any Opt-Out Request postmarked after the end of the Response Period, but will report its receipt of any such requests to Class Counsel and counsel for Defendants. It shall be presumed that, if an Opt-Out Request is not postmarked on or before the end of the Response Period, the Class Member did not make the

request in a timely manner. A declaration submitted by any Class Member attesting to the mailing of an Opt-Out Request on or before the expiration of the Notice Period shall be insufficient to overcome the conclusive presumption that the Opt-Out Request was untimely. Under no circumstances shall the Settlement Administrator have the authority to extend the deadline for Class Members to submit a request to opt out of the settlement without the Parties' joint written consent or by Order of the Court.

20.3 At the close of the Response Period, the Settlement Administrator shall report the names of all individuals who opted out of the Agreement to the parties and include this information in a Declaration regarding the distribution of the notice that will be provided in support of Plaintiffs' Motion for Final Approval.

21. **Objections To Settlement.** Any Class Member may object to the Settlement. Any written objection must be mailed to the Settlement Administrator (who shall promptly provide a copy to Class Counsel and counsel for Defendants) by the close of the Response Period. Class Counsel will ensure that any written objections get filed with the Court concurrently with the final approval documents by having it attached to the Settlement Administrator's Declaration. Class Members who have not objected in writing may still appear and be heard at the Final Approval Hearing.

21.1 Written objections to the Settlement must contain at least the following: (i) the objecting Class Member's full name, current address, and signature; (ii) a clear reference to the Action; (iii) a statement of the specific reasons why the objector believes the Settlement is unfair or objects to the Settlement; and (iv) a statement whether the objector intends to appear at the final approval hearing, either in

person or through counsel and, if through counsel, a statement identifying that counsel by name, bar number, address and telephone number. All objections shall be signed by the objecting Class Member or the Class Member's legally authorized representative.

21.2 Class Counsel or Defendants' counsel may, up to five (5) court days before the Final Hearing Date, file responses to any written objections submitted to the Court.

21.3 Unless they opt out of the Settlement as specified in Paragraph 20, Class Members who object to the proposed settlement or the Agreement will become Settlement Class Members, and shall be deemed to have voluntarily waived their right to pursue an independent remedy against Defendants and the other Released Parties. To the extent any Settlement Class Member objects to the proposed settlement or Agreement and such objection is overruled in whole or in part, such individuals will be bound by the Court's Final Approval Order and Judgment.

21.4 In the event that any person objects to or opposes this proposed settlement or the Agreement, or attempts to intervene in or otherwise enter the Action, the Parties and Class Counsel will use their best efforts to defend the Settlement.

21.5 A Class Member cannot both opt out and object to the Settlement. If a Class Member both objects and opts out of the Settlement, the opt-out will control and the objection will be deemed invalid.

22. Proceeds List: Within ten (10) calendar days of the close of the Response Period, the Settlement Administrator will provide a draft declaration to Class Counsel and Defendants' counsel setting forth: the number of Settlement Class Members and Aggrieved Employees; the

identity of the Class Member who opted out of the Settlement; the total amount payable to all Settlement Class Members and Aggrieved Employees; and the total PAGA Amount, Attorneys' Fees and Costs, Enhancement Award, Settlement Administration Costs, Net Class Settlement Amount, and the appropriate applicable employer's taxes for any portion of the settlement payment designated as wages. The report to Class Counsel will not include the names or contact information of Settlement Class Members and Aggrieved Employees.

23. Funding And Distribution Of Settlement.

23.1 Within fourteen (14) calendar days after the Final Effective Date, Defendants who are obligated to fund the GSA (specifically excluding Tireco, Inc.) shall remit to the Settlement Administrator the Gross Settlement Amount (the collectively, "Settlement Fund"). The delivery by Defendants of the Settlement Fund to the Settlement Administrator will constitute the full and complete discharge of the entire obligations of all Defendants under this Agreement, unless anything further is requested by the Settlement Administrator to ensure timely and proper disbursement. No Released Party will have any further obligation or liability to the Plaintiffs, Settlement Class Members, Aggrieved Employees, or Class Counsel under this Agreement, regardless of whether the Plaintiffs, Settlement Class Members, Aggrieved Employees, or Class Counsel receive the payments from the Settlement Administrator set forth in this Agreement.

23.2 The distribution of Individual Settlement Payments to Settlement Class Members and Aggrieved Employees will occur no later than 14 business days after receipt of the Settlement Fund from Defendants ("Settlement Proceeds Distribution Deadline"). The Settlement Administrator shall be deemed to have timely

distributed the settlement payments to Settlement Class Members and Aggrieved Employees if it places in the mail the settlement payments for all Settlement Class Members and Aggrieved Employees by the Settlement Proceeds Distribution Deadline. No person will have any claim against the Settlement Administrator, Defendants, Class Counsel, Defendants' counsel, or any other agent designated by the Named Plaintiff or Class Counsel based upon the distribution of Individual Settlement Payments made substantially in accordance with this Agreement or further orders of the Court.

- 23.3** The distribution of the payment to the LWDA, Attorneys' Fees and Costs, and the Enhancement Award as approved by the Court shall occur no later than 14 business days after the Settlement Administrator receives the Settlement Fund from Defendants.
- 23.4** If a Settlement Class Member's or Aggrieved Employee's check is returned to the Settlement Administrator, the Settlement Administrator will make reasonable efforts to re-mail it to the Settlement Class Member or Aggrieved Employee at the correct address.
- 23.5** Defendants will not be obligated to make any payments contemplated by this Agreement unless and until the Court enters the Final Order and Judgment, and after the Final Effective Date of the Agreement.
- 23.6** Within sixty (60) calendar days of the Settlement Proceeds Distribution Deadline, the Settlement Administrator will provide written certification of completion of settlement administration to Class Counsel and to Defendants' Counsel.
- 24. Settlement Approval Procedure:**

15.1. The Parties agree to promptly execute this Settlement Agreement and Plaintiffs shall submit to the Court for approval a Motion for Preliminary Approval of the Settlement for purposes of effectuating this Settlement Agreement.

15.2. The Motion for Preliminary Approval shall seek the following order(s) from the Court: (1) entry of an order by the Court granting preliminary approval of the Settlement Agreement; (2) approval of the Class Notice, and finding that the proposed method of disseminating the Class Notice meets the requirements of due process and is the best notice practicable under the circumstances; and (3) entry of an order by the Court scheduling a hearing date for final approval of the Settlement Agreement.

15.3 Counsel for Defendants will be given an opportunity to review and comment on the motion for preliminary approval of the Settlement and proposed preliminary approval order prior to it being filed with the court, and such comments will be implemented to the extent reasonable as determined by Class Counsel in their sole discretion.

25. Final Approval Order and Final Judgment: If the Settlement is preliminarily approved by the Court, the Parties shall thereafter request that the Court enter an order granting final approval of the Settlement judgment based thereon (“Final Approval Order and Judgment”), which includes the following provisions:

25.1 Confirming certification of the Class for settlement purposes only;

25.2 Finding that the dissemination of the Class Notice in the form and manner ordered by the Court was accomplished as directed, and met the requirements of due process;

25.3 Finally approving the Settlement Agreement and the Settlement as fair, reasonable, and adequate and directing consummation of the Settlement in accordance with its terms and provisions;

25.4 Directing the Parties to implement the terms of the Settlement;

25.5 Releasing and discharging the Released Parties from any and all liability with respect to the Released Claims and PAGA Claims and hereinabove as provided;

25.6 Resolving and settling all Release Claims by Class Representatives and all Settlement Class Members, and all PAGA Claims by Class Representatives, Aggrieved Employees, and the State of California, as hereinabove provided, with the releases precluding them from instituting, commencing, or continuing to prosecute, directly or indirectly, as an individual or collectively, representatively, derivatively, or on behalf of himself or herself, or in any other capacity of any kind whatsoever, any action in this Court, any other court, or any arbitration or mediation proceeding or any other similar proceeding, against any of the Released Parties, that asserts any Released Claims or PAGA Claims as set forth herein.

25.7 Awarding reasonable attorneys' fees and litigation costs to Class Counsel as determined by the Court;

25.8 Awarding an Enhancement Payment to Class Representative as determined by the Court;

25.9 Awarding Settlement Administration Costs to the Settlement Administrator as determined by the Court and other administration costs as provided herein;'

25.10 Approving the allocation of PAGA penalties to the LWDA;

25.11 Entering final judgment on the Complaint; and

25.12 Preserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Settlement and enforcement of the Judgment.

25.13 Defendants will be given an opportunity to comment on the motion for final approval of the Settlement and the proposed final approval order and judgment prior to its being filed with the Court, and such comments will be implemented to the extent reasonable as determined by Class Counsel in their sole discretion.

25.14 Upon the Final Effective Date, counsel for Eligio Castro Camacho shall file a Request for Dismissal with prejudice of the action entitled Eligio Castro Camacho v. Tireco, Inc., et al. [Case No. CIV-DS1921994].

26. Effect of Settlement Not Being Final: In the event that the Settlement does not become final, then the Settlement Agreement will become null and void, and all negotiations, proceedings, and statements relating thereto will be without prejudice as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors will be deemed to have reverted to their respective positions in the Action as of the date and time immediately prior to the execution of this Settlement Agreement. If the Court does not approve either preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects a material change to the Parties' settlement (including but not limited to the scope of release to be granted by Class Members or the binding effect of the Settlement on Class Members), the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Settlement for the Court's approval.

27. Conditional Nature Of Settlement. For settlement purposes *only*, the Parties agree that (a) a class may be certified in the Action pursuant to California Code of Civil Procedure Section 382, and (b) the Action may proceed as a PAGA representative action.

27.1 The Parties intend their settlement to be contingent upon the preliminary and final approval of each and every term of this Agreement, without material modification.

The Parties and their respective counsel shall use their respective best efforts to obtain Court approval and implement this Agreement in accordance with its terms. If the Court does not so approve this Agreement, the Parties agree to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a resolution, the Parties intend this Agreement to become null and void, and unenforceable, in which event the settlement terms set forth in this Agreement, including any modifications made with the consent of the Parties, and any action taken or to be taken in connection with this Agreement shall be terminated and shall become null and void and have no further force or effect, and the class certified for settlement purposes pursuant to this Agreement will be decertified for all purposes. In such an event, the Parties shall be jointly responsible for payment of the Settlement Administrator's fees, if any, in an equal amount.

27.2 In the event the Court does not grant preliminary or final approval of the Parties' settlement, or in the event that this Agreement shall terminate or the settlement embodied in this Agreement does not become effective for any reason, the Agreement and all negotiations, court orders and proceedings relating to the Agreement shall be without prejudice to the rights of the Plaintiffs, Class Members, and Defendants, each of whom shall be restored to their respective positions existing prior to the execution of this Agreement, and evidence relating to the Agreement and all negotiations shall not be discoverable or admissible in the Action or any other litigation. Defendants do not waive, and instead expressly reserve, their right to challenge the propriety of class certification and/or the Action

proceeding on a representative basis for any purpose should the Court not grant preliminary or final approval of the Parties' settlement.

28. **Invalidation Of Agreement For Failure To Satisfy Conditions.** If the Court makes material changes to the material terms or conditions of this Agreement that are not agreed to by the Parties, any Party shall have the right to terminate this Agreement, in which case Defendants would not be obligated to make any payments to any Class Member or Aggrieved Employee, to Class Counsel, or to the Plaintiffs. The Parties shall meet and confer in good faith as necessary before exercising such right.

29. **Withdrawal From Settlement Based on Requests to Opt-Out.** Defendants shall retain the right, in the exercise of their sole discretion, to nullify the Settlement in the event that more than ten percent (10%) of the Class Members opt out. Defendants must provide written notice to Class Counsel of their withdrawal within thirty (30) calendar days of the Response Deadline. All signatories and their counsel agree not to encourage or solicit opt-outs directly or indirectly, through any means. In the event that Defendants elect to so withdraw, the withdrawal shall have the same effect as a termination of this Agreement for failure to satisfy a condition of settlement, and the Agreement shall become null and void and have no further force or effect, and the class certified pursuant to this Agreement will be decertified for all purposes. If Defendants choose to terminate this Settlement Agreement under this provision, they shall be solely responsible to pay the Settlement Administrator's fees and costs. If the Settlement Agreement is terminated for any other reason, including the Court's failure to grant final approval of the Parties' settlement, then Class Counsel and Defendants will be jointly responsible for the Settlement Administrator's fees and costs.

30. **Representation and Warranties.** Class Counsel and Plaintiffs represent and warrant to Defendants that they are not aware of any attorneys beyond those named as Class Counsel who have claims for fees arising out of the Action or the Settlement contemplated by this Agreement, save for any attorneys who may be entitled to a referral fee, which referral fee Class Counsel and Plaintiff agree is their own obligation and not the obligation of Defendants.

31. **Authorization to Act.** Each Party to this Agreement covenants and warrants that (a) such Party has full power and authority to enter into and consummate all transactions contemplated by this Agreement and have duly authorized the execution, delivery and performance of this Agreement and (b) the person executing this Agreement for such Party has the full right, power and authority to enter into this Agreement on behalf of such Party, and the full right, power and authority to execute any and all necessary instruments in connection with the Settlement, and to fully bind such Party to the terms and obligations of this Agreement.

32. **Representation By Counsel.** The Parties acknowledge that each of them has been represented by their respective counsel throughout all negotiations that preceded the execution of this Agreement, and that this Agreement has been executed with the consent and advice of their respective counsel. Further, the Plaintiffs and Class Counsel warrant and represent that there are no liens on the Settlement Agreement, and that after entry by the Court of the Final Order and Judgment, the Settlement Administrator may distribute funds to Settlement Class Members, Aggrieved Employees, Class Counsel, the LWDA, the Settlement Administrator, and the Plaintiffs as provided by this Agreement.

33. **Representation By The Plaintiffs.** The Plaintiffs agrees not to request to be excluded from the Class and not to object to any terms of this Agreement. Any such request by the Plaintiffs for exclusion or objection shall be void and of no force or effect.

34. **Additional Attorneys' Fees and Costs.** No Settlement Class Member, Aggrieved Employee, or Class Counsel, or any other attorney acting for any Settlement Class Member or Aggrieved Employee, may recover or seek to recover any amounts for fees, costs, or disbursements arising from the Action or the Gross Settlement Amount from the Released Parties except as expressly provided in this Agreement.

35. **No Reliance on Representations.** The Parties have made such investigations of the facts and the law pertaining to the matters described in this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any other Party, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of making and executing this Agreement, or with respect to any such matters. No representations, warranties, or inducements have been made to any Party concerning this Agreement.

36. **Modification In Writing.** This Agreement may be altered, amended, modified or waived, in whole or in part, only in a writing signed by all signatories to this Agreement. This Agreement may not be amended, altered, modified or waived, in whole or in part, orally.

37. **Construction:** This Settlement Agreement was entered into after substantial good faith, arm's length negotiations between the Parties. This Settlement Agreement has been entered into without any coercion and under no duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement Agreement so that it will not be deemed to have been prepared or drafted by one party or another.

38. **Jurisdiction and Venue:** After entry of the Final Judgment, the Court shall have continuing and exclusive jurisdiction over the Parties to this Agreement and this Action solely for

the purposes of enforcing this Settlement Agreement and addressing settlement administration matters.

39. Mutual Full Cooperation: The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and preparation of alternative forms of Notice as may reasonably be necessary to implement the terms of this Settlement Agreement.

40. Entire Agreement: After this Agreement is fully executed by all Parties and their counsel of record, this Agreement, including its Exhibits shall constitute the entire agreement relating to settlement of this Action. This Agreement supersedes any and all prior understandings, agreements, negotiations, representations, statements, whether oral or in writing and whether by a Party or such Party's legal counsel, with respect to all matters. No rights hereunder may be amended or waived or modified except in writing signed by all Parties.

41. California Law: All terms of this Settlement Agreement and its Exhibits shall be governed and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles.

42. Counterparts: This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

43. Enforcement of Action: In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the terms of this Agreement or to declare rights and/or obligations under this Settlement Agreement, the successful


Party or Parties will be entitled to recover reasonable attorneys' fees from the unsuccessful Party or Parties, including expert witness fees incurred in connection with any enforcement action.

44. No Admission of Liability: The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims and no part of this Settlement Agreement, or any conduct or written or oral statements made in connection with this Settlement Agreement, including the Settlement Term Sheet, whether or not the Settlement is finally approved and/or consummated, should be construed as an admission or concession of any kind by Defendants or any of the Released Parties.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the undersigned Parties:

PLAINTIFFS:

Dated: Jul 22, 2022

By: 
Mike Jurado (Jul 22, 2022 10:37 PDT)
Mike Jurado, as an individual
and on behalf of all others similarly situated

Dated: _____

By: _____
Eligio Castro Camacho on behalf of himself and
other similarly situated non-exempt former and
current employees

DEFENDANTS:

Dated: _____

By: _____
Kann Enterprises, Inc.

Its: _____

Dated: _____

By: _____
Tireco, Inc.

Its: _____

Party or Parties will be entitled to recover reasonable attorneys' fees from the unsuccessful Party or Parties, including expert witness fees incurred in connection with any enforcement action.

44. No Admission of Liability: The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims and no part of this Settlement Agreement, or any conduct or written or oral statements made in connection with this Settlement Agreement, including the Settlement Term Sheet, whether or not the Settlement is finally approved and/or consummated, should be construed as an admission or concession of any kind by Defendants or any of the Released Parties.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the undersigned Parties:

PLAINTIFFS:

Dated: _____

By: _____
Mike Jurado, as an individual
and on behalf of all others similarly situated

Dated: 7/21/2022

By: Eligio Castro Camacho
Eligio Castro Camacho on behalf of himself and
other similarly situated non-exempt former and
current employees

DEFENDANTS:

Dated: _____

By: _____
Kann Enterprises, Inc.

Its: _____

Dated: _____

By: _____
Tireco, Inc.

Its: _____

Party or Parties will be entitled to recover reasonable attorneys' fees from the unsuccessful Party or Parties, including expert witness fees incurred in connection with any enforcement action.

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IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the undersigned Parties:

PLAINTIFFS:

Dated: _____

By: _____
Mike Jurado, as an individual
and on behalf of all others similarly situated

Dated: _____

By: _____
Eligio Castro Camacho on behalf of himself and
other similarly situated non-exempt former and
current employees

DEFENDANTS:

Dated: 7/28/22

By: 
Kahn Enterprises, Inc.

Its: President

Dated: _____

By: _____
Tireco, Inc.

Its: _____

Party or Parties will be entitled to recover reasonable attorneys' fees from the unsuccessful Party or Parties, including expert witness fees incurred in connection with any enforcement action.

44. No Admission of Liability: The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise settlement of disputed claims and no part of this Settlement Agreement, or any conduct or written or oral statements made in connection with this Settlement Agreement, including the Settlement Term Sheet, whether or not the Settlement is finally approved and/or consummated, should be construed as an admission or concession of any kind by Defendants or any of the Released Parties.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the undersigned Parties:

PLAINTIFFS:

Dated: _____

By: _____
Mike Jurado, as an individual
and on behalf of all others similarly situated

Dated: _____

By: _____
Eligio Castro Camacho on behalf of himself and
other similarly situated non-exempt former and
current employees

DEFENDANTS:

Dated: _____

By: _____
Kann Enterprises, Inc.

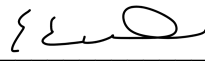
Its: _____

Dated: July 27, 2022

By: *Erika Lissner*
Tireco, Inc.

Its: Vice President of Human Resources

Dated: 7/22/2022

By: 

Wilde Management Group, LLC
Its: President

Dated: _____

By: _____

Personnel Staffing Group, LLC

Its: _____

Dated: _____

By: _____

Triune Logistics, LLC

Its: _____

Approved as to Form Only:

Counsel For Plaintiffs and Proposed Class Counsel:

Dated: _____

LIDMAN LAW APC

By: _____

Scott M. Lidman

Dated: _____

HAINES LAW GROUP, APC

By: _____

Print Name: _____

Dated: _____

MATERN LAW GROUP, P.C.

By: _____

Mikael H. Stahle

Dated: _____

By: _____
Wilde Management Group, LLC

Its: _____

Dated: 7/21/22

By: Corey A. Witzel
Personnel Staffing Group, LLC

Its: General Counsel

- Corey Witzel

Dated: _____

By: _____
Triune Logistics, LLC

Its: _____

Approved as to Form Only:

Counsel For Plaintiffs and Proposed Class Counsel:

Dated: _____

LIDMAN LAW APC

By: _____
Scott M. Lidman

Dated: _____

HAINES LAW GROUP, APC

By: _____
Print Name: _____

Dated: _____

MATERN LAW GROUP, P.C.

By: _____
Mikael H. Stahle

Dated: _____

By: _____

Wilde Management Group, LLC

Its: _____

Dated: _____

By: _____

Personnel Staffing Group, LLC

Its: _____

Dated: Aug 1, 2022

By: 

Triune Logistics, LLC

Its: **Owner**

Approved as to Form Only:

Counsel For Plaintiffs and Proposed Class Counsel:

Dated: _____

LIDMAN LAW APC

By: _____

Scott M. Lidman

Dated: _____

HAINES LAW GROUP, APC

By: _____

Print Name: _____

Dated: _____

MATERN LAW GROUP, P.C.

By: _____

Mikael H. Stahle

Dated: _____

By: _____

Wilde Management Group, LLC

Its: _____

Dated: _____

By: _____

Personnel Staffing Group, LLC

Its: _____

Dated: _____

By: _____

Triune Logistics, LLC

Its: _____

Approved as to Form Only:

Counsel For Plaintiffs and Proposed Class Counsel:

Dated: July 22, 2022

LIDMAN LAW APC

By:  _____

Scott M. Lidman

Dated: July 22, 2022

HAINES LAW GROUP, APC

By:  _____

Print Name: Paul Haines

Dated: _____

MATERN LAW GROUP, P.C.

By: _____

Mikael H. Stahle

Dated: _____

By: _____
Wilde Management Group, LLC

Its: _____

Dated: _____

By: _____
Personnel Staffing Group, LLC

Its: _____

Dated: _____

By: _____
Triune Logistics, LLC

Its: _____

Approved as to Form Only:

Counsel For Plaintiffs and Proposed Class Counsel:

Dated: _____

LIDMAN LAW APC

By: _____
Scott M. Lidman

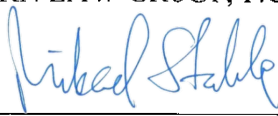
Dated: _____

HAINES LAW GROUP, APC

By: _____
Print Name: _____

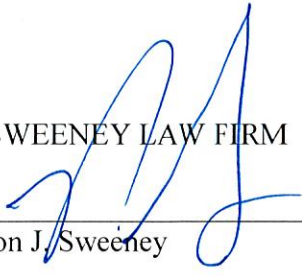
Dated: 7/28/2022

MATERN LAW GROUP, P.C.

By:  _____
Mikael H. Stahle

Dated: 7/21/2022

THE SWEENEY LAW FIRM

By: 
Brandon J. Sweeney

Counsel for Defendants:

Dated: _____

SPACH MANAHAN O'DELL, LLP

By: _____
Amanda E. Manahan
Attorneys for Kann Enterprises, Inc.

RUTAN & TUCKER, LLP

Dated: _____

By: _____
Edson McClellan
Attorneys for Tireco, Inc.

Dated: _____

LOCKHART LAW FIRM, APC

By: _____
Samuel G. Lockhart
Attorneys for Triune Logistics, LLC

Dated: _____

KOREY RICHARDSON, LLP

By: _____
Ronald Z. Gomez
Attorneys for Wilde Management Group, LLC, and
Personnel Staffing Group, LLC

Dated: _____

THE SWEENEY LAW FIRM

By: _____
Brandon J. Sweeney

Counsel for Defendants:

Dated: 7-28-22

SPACH MANAHAN O'DELL, LLP

By: Amanda Manahan
Amanda E. Manahan
Attorneys for Kann Enterprises, Inc.

RUTAN & TUCKER, LLP

Dated: _____

By: _____
Edson McClellan
Attorneys for Tireco, Inc.

Dated: _____

LOCKHART LAW FIRM, APC

By: _____
Samuel G. Lockhart
Attorneys for Triune Logistics, LLC

Dated: July 20, 2022

KOREY RICHARDSON, LLP

By: Ronald Z. Gomez
Ronald Z. Gomez
Attorneys for Wilde Management Group, LLC, and
Personnel Staffing Group, LLC

Dated: _____

THE SWEENEY LAW FIRM

By: _____

Brandon J. Sweeney

Counsel for Defendants:

Dated: _____


SPACH MANAHAN O'DELL, LLP

By: _____

Amanda E. Manahan
Attorneys for Kann Enterprises, Inc.

RUTAN & TUCKER, LLP

Dated: July 28, 2022

By:  _____

Edson McClellan
Attorneys for Tireco, Inc.

Dated: _____

LOCKHART LAW FIRM, APC

By: _____

Samuel G. Lockhart
Attorneys for Triune Logistics, LLC

Dated: _____

KOREY RICHARDSON, LLP

By: _____

Ronald Z. Gomez
Attorneys for Wilde Management Group, LLC, and
Personnel Staffing Group, LLC

Dated: _____

THE SWEENEY LAW FIRM

By: _____

Brandon J. Sweeney

Counsel for Defendants:

Dated: _____

SPACH MANAHAN O'DELL, LLP

By: _____

Amanda E. Manahan
Attorneys for Kann Enterprises, Inc.

RUTAN & TUCKER, LLP

Dated: _____

By: _____

Edson McClellan
Attorneys for Tireco, Inc.

Dated: Aug 3, 2022

LOCKHART LAW FIRM, APC

By: *Samuel G. Lockhart*
Samuel G. Lockhart (Aug 3, 2022 08:47 PDT)

Samuel G. Lockhart
Attorneys for Triune Logistics, LLC

Dated: _____

KOREY RICHARDSON, LLP

By: _____

Ronald Z. Gomez
Attorneys for Wilde Management Group, LLC, and
Personnel Staffing Group, LLC

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF KERN

MIKE JURADO, as an individual and on behalf of all others similarly situated,

Plaintiff,

vs.

KANN ENTERPRISES, INC., an Illinois corporation;
TRIUNE LOGISTICS, LLC, an Illinois limited liability company; and DOES 1 through 100, inclusive,

Defendants.

Case No. BCV-19-100066

NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT

To: All Kann Enterprises, Inc. current and former non-exempt workers paid on an hourly or piece-rate basis and employed in California at any time during the period of January 9, 2015, up to and including [Preliminary Approval of the Settlement by the Court]. Collectively, these employees will be referred to as “Class Members.”

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in a case entitled *Mike Jurado v. Kann Enterprises, Inc. et al.*, Kern County Superior Court Case No. *BCV-19-100066* (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. The records of at least one of the Defendants Kann Enterprises, Inc., Tireco, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC and Triune Logistics, LLC’s (“Defendants”) show that you were employed by Defendant Kann Enterprises, Inc. and paid on an hourly or piece-rate basis at any time during the period of January 9, 2015, up to and including [Preliminary Approval of the Settlement by the Court] (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiffs Mike Jurado and Eligio Castro Camacho (“Plaintiffs”) brought this Lawsuit against Defendants, seeking to assert claims on behalf of all Kann Enterprises, Inc. current and former non-exempt workers paid on an hourly or piece-rate basis and employed in California at any time on or after January 9, 2015. Plaintiffs are known as the “Class Representatives,” and their attorneys, who also represent the interests of all Class Members, are known as “Class Counsel.”

The Lawsuit alleges that Defendants failed to pay all minimum and overtime wages owed, failed to provide to Class Members all required meal and rest periods, failed to reimburse Class Members necessary business

expenses, failed to timely pay wages during employment, failed to maintain required records, and failed to provide Class Members with itemized wage statements in compliance with California law. The Lawsuit also alleges that Defendants failed to timely pay all wages owed to Class Members upon their separation of employment from Defendant. As a result of the foregoing alleged violations, Plaintiff also alleges that Defendants engaged in unfair business practices and are liable for civil penalties under the Labor Code Private Attorney General Act.

Defendants deny that they have done anything wrong. Defendants further deny that they owe Class Members any wages, restitution, penalties, or other damages, or anything at all. No Court has made any determination as to the factual allegations in the Lawsuit. Rather, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendants, and they expressly deny all liability.

The Court has not ruled that Defendants violated any laws or whether Plaintiffs or any other person are entitled to damages or other relief. However, to avoid additional expense, inconvenience, and interference with their business operations, Defendants have concluded that it is in their best interest and the interests of Class Members to settle the Lawsuit on the terms summarized in this Notice. After Defendants provided relevant information to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the Parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendant Kann Enterprises Inc, your decision about whether to participate in the Settlement will not affect your employment. California law strictly prohibits unlawful retaliation. Kann will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Class Member because of the Class Member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

<p>Attorneys for Plaintiff Mike Jurado / Class Members:</p> <p>LIDMAN LAW, APC Scott M. Lidman slidman@lidmanlaw.com Elizabeth Nguyen enguyen@lidmanlaw.com Milan Moore mmoore@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 www.lidmanlaw.com</p> <p>HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com 155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com</p>	<p>Attorneys for Defendant Kann Enterprises, Inc.</p> <p>SPACH MANAHAN O'DEIL, LLP Amanda E. Manahan, Esq. 4675 MacArthur Court, Suite 550 Newport Beach, CA 92660 Tel: (949) 852-0710</p> <p>Attorneys for Defendant Triune Logistics, LLC</p> <p>LOCKHART LAW FIRM, APC Samuel G. Lockhart, Esq. slockhart@lock-law.com 41856 Ivy Street, Suite 207 Murrieta, CA 92562 Tel: (951) 461-8878 Fax: (951) 823-5715</p> <p>Attorneys for Defendant Tireco, Inc.</p> <p>RUTAN & TUCKER, LLP Edson K. McClellan Kimberly A. Nayagam 18575 Jamboree Road, 9th Floor Irvine, CA 92612</p>
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<p>Attorneys for Plaintiff Eligio Camacho/Class Members</p> <p>MATERN LAW GROUP, P.C. Matthew J. Matern (SBN 159798) Mikael H. Stahle (SBN 182599) 1230 Rosecrans Ave., Suite 200 Manhattan Beach, CA 90266 Telephone: (310) 531-1900 Facsimile: (310) 531-1901 Email: mmatern@maternlawgroup.com Email: mstahle@maternlawgroup.com</p> <p>THE SWEENEY LAW FIRM Brandon J. Sweeney (SBN 278532) Email: bsweeney@thesweeneylawfirm.com 15303 Ventura Blvd., Suite 900 Sherman Oaks, California 91403 Tel.: (818) 380-3051 Fax: (818) 380-3001</p>	<p>Attorneys for Defendants Wilde Management Group, LLC and Personnel Staffing Group, LLC</p> <p>KOREY RICHARDSON, LLP Ronald Z. Gomez 1055 Wilshire Blvd., Suite 1690 Los Angeles, CA 90017</p>
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What are the terms of the Settlement?

On [INSERT DATE OF PRELIMINARY APPROVAL], the Court preliminarily certified a class, for settlement purposes only, of all Kann Enterprises, Inc. current and former non-exempt workers paid on an hourly or piece-rate basis and employed in California at any time during the period of January 9, 2015, up to and including [Preliminary Approval of the Settlement by the Court]. Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendants Kann Enterprises, Inc., Wilde Management Group, LLC, Personnel Staffing Group, LLC and Triune Logistics, LLC have agreed to pay a total of \$194,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, which includes payments to Class Members, attorneys’ fees and expenses, payment to the Labor Workforce Development Agency (“LWDA”), settlement administration costs, and the Class Representative’s Enhancement Payments. Defendants’ share of payroll taxes associated with any wage payments to Class Members shall be paid from the Gross Settlement Amount.

The following deductions from the Gross Settlement Amount will be requested by the Parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting an amount not to exceed \$8,250.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$64,666.67, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement in an amount not to exceed \$35,000.00 for verified costs Class Counsel incurred in connection with the Lawsuit.

Enhancement Payments to Class Representative. Class Counsel will ask the Court to award the Class Representatives enhancement payments in the amount not to exceed \$5,000.00 each, to compensate them for their services and extra work provided on behalf of the Class Members.

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$10,000.00 as and for alleged civil penalties, payable pursuant to the California Labor Code Private Attorney General Act (“PAGA”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00), will be payable to certain Settlement Class Members as the “PAGA Payment,” as described below.

Employer’s Share of Payroll Taxes. Defendants’ share of payroll taxes associated with any wage payments to Class members is currently estimated to be approximately [REDACTED].

Calculation of Individual Settlement Class Members’ Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Class Members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$<< >>, to be shared among an up to << >> estimated Class Members.

The NSA shall be allocated to Settlement Class Members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of work weeks worked as a non-exempt employee during the Class Period, the numerator of which is the Settlement Class Member’s total work weeks worked as a non-exempt employee during the Class Period, and the denominator of which is the total work weeks worked as non-exempt employees by all Settlement Class members (who do not opt out) who worked during the Class Period.

In addition, Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00) of the Gross Settlement Amount has been designated as the “PAGA Payment” as described above. All Aggrieved Employees shall receive a portion of the PAGA Payment. “Aggrieved Employees” include all Kann Enterprises, Inc. current and former non-exempt workers paid on an hourly or piece-rate basis (including those who submit a Request for Exclusion) and employed in California at any time between January 9, 2018, up to and including Preliminary Approval of the Settlement by the Court (“PAGA Period”). An Aggrieved Employee shall receive a portion of the PAGA Payment proportionate to the number of work weeks worked as a non-exempt employee during the PAGA Period, the numerator of which is the Aggrieved Employee’s total work weeks worked as a non-exempt employee during the PAGA Period, and the denominator of which is the total work weeks worked as non-exempt employees by all Aggrieved Employees who worked during the PAGA Period.

Payments to Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Class Members who did not submit a valid and timely Request for Exclusion.

If you submit a Request for Exclusion, you will still receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you are an Aggrieved Employee, in which case you will still be bound by the PAGA portion of the Settlement and Release.

Settlement checks distributed to Settlement Class Members and Aggrieved Employees that are not cashed within 180 days from the date of issuance by the Settlement Administrator will be transferred to the California’s Secretary of State Controller’s Office – Unclaimed Property Fund under the unclaimed property laws in the name of the Class Member or Aggrieved Employees.

Payment by Defendants of Gross Settlement Amount. The Gross Settlement Amount shall be paid by the Defendants listed below within fourteen (14) days after the Final Effective Date, which is defined as the later of (i) the 61st day after service of notice of entry of the Final Order and Final Judgment, if no appeal, review, or writ has been filed; or (ii) if an appeal, review, or writ is sought from the Final Order or Final Judgment,

the day after the Final Order and Final Judgment are affirmed or the appeal, review, or writ is dismissed or denied, and the Final Order and Final Judgment are no longer subject to further judicial review. The GSA of \$194,000 shall be paid as follows by the following Defendants:

- Kann Enterprises, Inc. (“Kann”): \$175,000.00
- Wilde Management Group, LLC/Personnel Staffing Group \$9,750.00
- Triune Logistics, LLC: \$9,250.00

Tireco, Inc. is not obligated to make any contribution to the GSA.

The distribution of Individual Settlement Payments to Settlement Class Members and Aggrieved Employees will occur no later than 14 business days after receipt of the Settlement Fund from Defendants.

Allocation and Taxes. The payments to Participating Settlement Class Members shall be reported as follows: (i) 30% of the amount distributed to each Settlement Class Member will be considered wages, and will be reported as such to each Participating Class Member on a W-2 Form; (ii) 35% of the amount distributed to each Settlement Class Member will be considered interest on the unpaid wages, and will be reported as such to each Settlement Class Member on an IRS Form 1099; and (iii) 35% of the amount distributed to each Settlement Class Member will be considered statutory penalties, and will be reported as such to each Settlement Class Member on an IRS Form 1099. The portion of the PAGA Payments distributed to each Aggrieved Employee will be considered penalties and will be reported on an IRS Form 1099. Class Members are responsible for the proper income tax treatment of the Individual Payments. The Settlement Administrator, Defendants and their counsel, and Class Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. “Released Claims” means, subject to Court approval, the following release: each member of the Settlement Class, who has not opted out from the Settlement Class, hereby agrees, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, assigns, and any one claiming through him, her, or them, or acting or purporting to act on his, her or their behalf, to forever release, discharge hold harmless and covenant not to sue each and all of the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether know or unknown, contingent or accrued under any legal theory for any and all claims that arose during the Class Period and were alleged or could have been alleged in the Action based on the facts or claims alleged in the Action or in Plaintiff’s letters to the LWDA. Without limiting the foregoing, and in addition to the foregoing, the released claims include claims for any alleged failure to pay all business expense reimbursement, wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off the clock and regular rate violations), failure to provide meal and rest breaks, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to timely pay wages and final wages and waiting time penalties, failure to furnish accurate wage statements, including claims derivative and/or related to these claims, liquidated damages, and conversion of wages, up to and including the date of preliminary approval by the Court. This Release shall include all claims and theories arising under applicable regulations Labor Code sections, including without limitation, §§ 201, 202, 203, 204, 226, 226.7, 510, 512(a), 516, 558, 1194,1194.2, 1197, 1198, Wage Orders and state and federal wage and hour law, as well as claims under Business and Professions Code section 17200 and/or Labor Code section 2698 based on violations of the above Labor Code Provisions. This release shall apply to all claims arising at any point during the Class Period.

Upon the funding of the Gross Settlement Amount the Plaintiffs and all Settlement Class Members hereby shall be deemed to have fully, finally, and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties from the Released Claims that arose during the Class Period.

This release by the Plaintiffs and each Settlement Class Member is intended to settle any and all of the Released Claims that any of them may have against Defendants or any of the Released Parties during the Class Period. Thus, even if the Plaintiffs or any Settlement Class Member may subsequently discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter

of the Released Claims, they shall be deemed to have, and by operation of the Final Order and Judgment shall have fully, finally, and forever settled and released any and all Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or have existed upon any theory of law or equity now existing or coming into existence in the future.

PAGA Release and Aggrieved Employees. “PAGA Claims” means, subject to Court approval, the following release: each Aggrieved Employee, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, assigns, and any one claiming through him, her, or them, or acting or purporting to act on his, her or their behalf, and the State of California agrees to forever release, discharge hold harmless and covenant not to sue each and all of the Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney’s fees, damages, actions or causes of action of whatever kind or nature, whether know or unknown, contingent or accrued for PAGA civil penalties which arose during the PAGA Period that were alleged or could have been alleged in the Action based on the facts or claims alleged in the Action or in Plaintiffs’ letters to the LWDA. Without limiting the foregoing, and in addition to the foregoing, the PAGA released claims include claims for civil penalties based on any alleged failure to pay all business expense reimbursement, wages due (including minimum wage and overtime wages), failure to pay for all hours worked (including off the clock and regular rate violations), failure to provide meal and rest breaks, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to timely pay wages and final wages and waiting time penalties, failure to furnish accurate wage statements, including claims derivative and/or related to these claims, up to and including the date of preliminary approval by the Court. This Release shall include all claims and theories arising under applicable regulations Labor Code and Wage Orders.

In exchange for the PAGA Settlement recited in this Agreement, the Plaintiffs, as the representative for the State of California and all Aggrieved Employees, and on behalf of their current, former, and future heirs, executors, administrators, attorneys, agents, and assigns will, upon payment of the Gross Settlement Amount, forever completely release and discharge Defendants and each of the Released Parties from the PAGA Claims that arose during the PAGA Period. The Aggrieved Employees and the State of California will be deemed by operation of the Final Order and Judgment to have agreed not to sue or otherwise make a claim against Defendants and any of the Released Parties for the PAGA Claims that arose during the PAGA Period.

You cannot submit a Request for Exclusion from the PAGA Release.

The releases are null and void if Defendants fail to fully fund the Gross Settlement Amount.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period (as explained above), and as stated in the accompanying Notice of Individual Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Individual Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period and whether you have worked during the PAGA Period. The information contained in Defendants’ records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Individual Settlement Payment. If you disagree with the information in your Notice of Individual Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Individual Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>.

DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Class Members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written "Request for Exclusion from the Class Action Settlement" letter or card postmarked no later than <<RESPONSE DEADLINE>>. A valid Opt-Out Request must: (i) contain the Class Member's full name, current address, and signature; (ii) contain the Action name and case number; (iii) contain a written request clearly expressing the Class Member's desire to be excluded from (or opt out of) the Settlement; and (iv) be returned so that it is postmarked on or before the expiration of the Response Period. The Request for Exclusion could state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE JURADO V. KANN ENTERPRISES, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS ACTION SETTLEMENT OF THIS LAWSUIT."

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Class Member, shall be barred from participating in any portion of the Class Settlement, and shall receive no benefits from the Class Settlement.

If you submit a Request for Exclusion, you will only be excluded from the Released Claims. You cannot submit a Request for Exclusion from the PAGA Release. You will receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you were employed between January 9, 2018, up to and including Preliminary Approval of the Settlement by the Court.

Do not submit both a Dispute and a Request for Exclusion. If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection.

If you also wish to appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department of the Kern County Superior Court, located at 1215 Truxtun Avenue, Bakersfield, California 93301, either remotely, in person or through an attorney, you must also file a notice of intention to appear with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Mike Jurado v. Kann Enterprises, Inc. et al.*, Kern County Superior Court Case No. BCV-19-100066.

Any Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court's social distancing and mandatory face covering requirements, as well as other orders related to COVID-19. All such rules and orders can be located at the Court's website [kern.courts.ca.gov](https://www.kern.courts.ca.gov).

For more information on how to appear remotely, please visit the Court's website at https://www.kern.courts.ca.gov/online_services/remote_court_hearings.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department __ of the Kern County Superior Court, located at 1215 Truxtun Avenue, Bakersfield, California 93301. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. **You are not required to attend the Final Approval Hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website (<http://.com>).

Notice of the Court's final judgment will be posted on the Settlement Administrator's website (<http://.com>).

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement by requesting judicial records online at https://www.kern.courts.ca.gov/online_services/judicial_records_requests/disclaimer or at the Office of the Clerk of the Kern County Superior Court, located at _____, during regular court hours. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANTS OR THEIR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

NOTICE OF INDIVIDUAL SETTLEMENT PAYMENT

Mike Jurado v. Kann Enterprises, Inc. et al

Kern County Superior Court Case No. BCV-19-100066

Please complete, sign, date and return this form to <<ADMINISTRATOR CONTACT INFO>> ONLY IF (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Individual Settlement Payment:

According to the records:

(a) You were employed by Defendant Kann Enterprises, Inc. and worked a total of [] workweeks for Kann Enterprises, Inc. as a non-exempt worker during the time period January 9, 2015 through [<<date of preliminary approval>>].

(b) You were employed by Defendant Kann Enterprises, Inc. and worked a total of [] pay periods for Kann Enterprises, Inc. as a non-exempt worker during the time period January 9, 2018 through [<<date of preliminary approval>>].

Based on the above, your Individual Settlement Payment is estimated to be \$ [] .

(IV) If you disagree with items in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this form:

If you dispute the above information from Defendant’s records, Defendant’s records will control unless you are able to provide documentation that establishes that Defendant’s records are mistaken. If there is a dispute about whether Defendant’s information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the “Notice of Pendency of Class Action and Proposed Settlement” that accompanies this Form. Any unresolved disputes will be submitted to the Court for a final determination.

ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>