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7	Atternerie for Disintiffs OSCAD ALDADDAN	
3	Additional Counsel Listed on Following Page	
)		
)	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
		Y OF SACRAMENTO
	MAYDA PEREA and OSCAR	Case No. 37-2018-00243114
-	ALBARRAN, on behalf of themselves and all others similarly situated and current and	
;	former aggrieved employees,	Judge: Hon. Jill Talley Dept.: 25
5	Plaintiff,	STIPULATION OF CLASS AND
,	VS.	REPRESENTATIVE ACTION SETTLEMENT AND RELEASE
3	HORIZON PERSONNEL SERVICES, INC. a California corporation, STAY SAFE	
,	STAFFING, INC., a California corporation, CHARLES KOMAR & SONS, INC., DBA	
)	KOMAR DISTRIBUTION SERVICES, a New York corporation, KOMAR	
	PROPERTIES OF OKLAHOMA, INC., DBA KOMAR DISTRIBUTION	
	SERVICES, an Oklahoma corporation, JORGE CANTU, an individual, CARLOS	
	LOPEZ, an individual, and DOES 1-50, Inclusive,	
	,	
	Defendants.	
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	STIPULATION OF CLASS AND REPRESENT	FATIVE ACTION SETTLEMENT AND RELEASE Doc ID: fe3ac826a7ab44983e84b0450287287048e92

1 2 3 4 5 6 7 8 9 10 11 12	Thomas H. Petrides, Bar No. 117121 tpetrides@vedderprice.com Ashley D. Stein, Bar No. 305094 astein@vedderprice.com VEDDER PRICE (CA), LLP 1925 Century Park East, Suite 1900 Los Angeles, California 90067 T: +1 424 204 7700 F: +1 424 204 7702 Attorneys for Defendants Charles Komar & Sons Inc. and Komar Properties of Oklahoma, Inc. Christian Keeney, CA Bar No. 269533 christian.keeney@ogletree.com Patricia A. Matias, CA Bar No. 254125 patricia.matias@ogletree.com Bryce Farrington, CA Bar No. 322900 bryce.farrington@ogletree.deakins.com Alis Moon, CA Bar No. 293897 alis.moon@ogletree.com OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C. Park Tower, Fifteenth Floor 695 Town Center Drive	
12	Costa Mesa, CA 92626	
13	Telephone: 714-800-7900 Facsimile: 714-754-1298	
15	Attorneys for Defendant Horizon Personnel Services, Inc. and Stay Safe Staffing, Inc.	
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	- 1 - STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE	
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1	This Stipulation of Class and Representative Action Settlement and Release ("Settlement"		
2	or "Settlement Agreement") is made and entered into by and between Plaintiffs Oscar Albarran		
3	and Mayda Perea ("Plaintiffs" or "Class Representatives"), individually and on behalf of all others		
4	similarly situated and as agents for the State of California on behalf of all aggrieved employees,		
5	and Defendants Charles Komar & Sons, Inc., and Komar Properties of Oklahoma, Inc. (together		
6	"Komar"), and Horizon Personnel Services, Inc., and Stay Safe Staffing, Inc. (together		
7	"Horizon"). Komar and Horizon collectively are the "Defendants" and together with Plaintiffs,		
8	the "Parties."		
9	<u>PREAMBLE</u>		
10	1. On October 22, 2018, Mayda Perea ("Perea") filed a Complaint (Sacramento		
11	County Superior Court Case No. 34-2018-00243114) against Horizon, Komar, Jorge Cantu, and		
12	Carlos Lopez alleging a claim for violation of the Private Attorneys General Act of 2004,		
13	California Labor Code §§ 2698, et seq. ("PAGA").		
14	2. On December 14, 2020, Oscar Albarran ("Albarran") filed a class action Complaint		
15	(Riverside County Superior Court Case No. CVRI2000554) against Komar alleging: (1) recovery		
16	of unpaid minimum wages and liquidated damages; (2) recovery of unpaid overtime; (3) failure to		
17	provide meal periods or compensation in lieu thereof; (4) failure to provide rest periods or		
18	compensation in lieu thereof; (5) failure to provide accurate itemized wage statements; (6) failure		
19	to timely pay wages during employment and upon separation of employment; (7) failure to make		
20	proper disclosure in violation of ICRAA; and (8) violation of Unfair Competition Law. On		
21	February 16, 2021, Albarran filed a First Amended Complaint, which added a cause of action		
22	under PAGA.		
23	3. On October 19, 2021, with the assistance of a well respected class action mediator,		
24	the Parties agreed to a global resolution of the claims alleged by Plaintiffs in their respective		
25	actions, with the specific terms of the Settlement to be negotiated in this Settlement Agreement.		
26	4. For the purposes of facilitating the Parties' settlement, the Parties agree that Perea		
27	will file a First Amended Complaint, which will name Albarran as a party-plaintiff and proposed		
28	Class and PAGA Representative and will incorporate all claims alleged in the Albarran Action.		
	- 2 - STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE		
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2 Riverside County Superior Court in the Albarran Action without prejudice and the Parties will 3 seek approval of this Settlement Agreement in the Perea Action. 4 5. The Parties expressly acknowledge that this Settlement Agreement is entered into 5 solely for the purpose of compromising highly disputed claims and that nothing contained herein 6 shall constitute an admission of liability or wrongdoing by Defendants. Defendants each deny that 7 it is liable to Plaintiffs or the Class Members or any aggrieved employees for any of the claims alleged in the Perea Action or the Albarran Action and each denies that it has violated any law. 8 9 **DEFINITIONS** 10 The following definitions are applicable to this Settlement Agreement. Definitions 11 contained elsewhere in this Settlement Agreement will also be effective: 12 "Albarran Action" means the civil lawsuit Albarran filed against Komar, styled 1. 13 Albarran v. Charles Komar & Sons, Inc., et al., Riverside County Superior Court Case No. 14 CVRI2000554, filed on December 14, 2020, in the Superior Court of California, in and for the 15 County of Riverside. "Appeal" means a timely appeal by a Class Member to the Order and Judgment 16 2. 17 approving the Settlement, or an appeal by one of the Parties to an order that materially alters the 18 Settlement. 19 3. "Attorney's Fees and Costs" means attorney's fees agreed upon by the Parties and 20 approved by the Court for Class Counsel's litigation and resolution of the Action, and all costs 21 incurred and to be incurred by Class Counsel in the Action, including but not limited to, costs 22 associated with documenting the Settlement, providing any notices required as part of the 23 Settlement or Court order, securing the Court's approval of the Settlement, administering the 24 Settlement, obtaining entry of an Order and Judgment approving the Settlement, and expenses for 25 any experts. Class Counsel will request not more than one-third of the Gross Settlement Amount, 26 or Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) in attorney's fees, and not more 27 than Twenty Thousand Dollars and Zero Cents (\$20,000.00) in litigation costs and expenses. 28 Defendants have agreed not to oppose Class Counsel's request for attorney's fees and costs and - 3 -

Once the First Amended Complaint is filed, Albarran will dismiss his pending lawsuit with the

STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE

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1 expenses as set forth above.

2 "Class Counsel" means Zachary M. Crosner, Michael Crosner, and Blake R. Jones, 4. 3 and Crosner Legal, P.C.

4 5. "Class List" means a complete list of all Class Members that Defendants (Komar 5 and Horizon, respectively) will diligently and in good faith compile from their records and provide 6 to the Settlement Administrator within twenty (20) business days after entry of an Order granting 7 Preliminary Approval of this Settlement. The Class List will be formatted in password protected 8 Microsoft Office Excel and will include each Class Member's full name; most recent mailing 9 address and telephone number; Social Security Number; number of workweeks worked during the 10 settlement period; and any other relevant information needed to calculate and distribute notices 11 and settlement payments to potential class members.

12 6. "Class Member(s)" or "Settlement Class" means all individuals who worked as a 13 non-exempt, hourly-paid employee employed directly by Komar in California during the Komar 14 Class Period (the "Komar Settlement Class"), and all individuals who worked as a non-exempt, 15 hourly-paid employee employed directly by Horizon and assigned to work at Komar in California 16 during the Horizon Class Period (the "Horizon Settlement Class").

17 7. "Class Notice" means the Notice of Class and Representative Action Settlement 18 substantially in the form attached hereto as Exhibit A, and approved by the Court.

19 8. "Class Representatives" means Plaintiffs Oscar Albarran and Mayda Perea. 20 9. "Enhancement Payment" means the enhancement payment paid to Plaintiffs in 21 exchange for a general release, and in recognition of their efforts and work in prosecuting the 22 Action on behalf of the Class Members, as approved by the Court.

23 10. "Gross Settlement Amount" means the amount of Six Hundred Thousand Dollars 24 and Zero Cents (\$600,000.00), to be paid by Defendants pursuant to this Agreement in full 25 satisfaction of all claims alleged in the Action or that could have been alleged in the Action, based 26 on the operative facts alleged therein, which includes all Individual Settlement Payments to 27 Participating Class Members, Individual PAGA Payments to PAGA Employees, the Labor & 28 Workforce Development Agency Payment, Attorney's Fees and Costs, the Enhancement STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE

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Payments, and Settlement Administration Costs. Any employer-side payroll taxes required by
 law, including the employer-side FICA, FUTA, and SDI contributions, will be paid by Defendants
 separately and apart from the Gross Settlement Amount. There will be no reversion of any portion
 of the Gross Settlement Amount to Defendants.

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11.

"Court" means the Sacramento County Superior Court.

6 12. "Effective Date" shall be the later date to occur of the following: (1) if no appeal,
7 writ or other appellate proceeding is taken of the Final Approval (regardless of whether any
8 objections were made), the date that is sixty-five (65) calendar days after Notice of Entry of
9 Judgment; or (2) if an appeal, writ, or other appellate proceeding has been initiated after Final
10 Approval, then the Effective Date shall be ten (10) calendar days after all appeals and appellate
11 proceedings are withdrawn or after an appellate decision affirming the Final Approval and
12 Judgment becomes final with no right to pursue further appeals, writs, or relief.

13 13. "Final Approval" means the Court's Order granting final approval of the Settlement
14 pursuant to California Rules of Court, Rule 3.769(a) and a Judgment thereon pursuant to
15 California Rules of Court, Rule 3.769(h) (the "Judgment").

16 14. "Horizon Class Period" means the period from August 17, 2017 through July 30,
17 2019, inclusive.

18 15. "Individual PAGA Payment" means each PAGA Employee's respective share of19 the PAGA Employee Allocation.

20 16. "Individual Settlement Payment" means each Participating Class Member's
21 respective share of the Net Settlement Amount.

17. "Komar Class Period" means the period from December 14, 2016 through October
19, 2021, inclusive.

18. "Labor & Workforce Development Agency Payment" means the payment of
Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00) from the Gross
Settlement Amount to the California Labor & Workforce Development Agency ("LWDA") for its
portion of the civil penalties paid under the Private Attorneys General Act of 2004, California
Labor Code §§ 2698, *et seq.* ("PAGA").

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1 19. "Net Settlement Amount" means the portion of the Gross Settlement Amount
 2 remaining after deducting the Enhancement Payments, the PAGA Allocation, Attorney's Fees and
 3 Costs, and Settlement Administration Costs. The entire Net Settlement Amount will be distributed
 4 to the Participating Class Members. There will be no reversion of any portion of the Net
 5 Settlement Amount to Defendants.

6 20. "Notice of Entry of Judgment" means a Notice of Entry of Judgment pursuant to
7 section 664.5(c) of the California Code of Civil Procedure filed and served by Plaintiffs.

8 21. "Objection" means a Class Member's valid and timely written objection to the
9 Settlement Agreement. For a written Objection to be valid, it must be submitted by using an
10 Objection Form, Exhibit C hereto, contain all information required by the Objection Form, be
11 signed by the objecting Class Member, and be postmarked on or before the Response Deadline.
12 Alternatively, any Class Member may object by appearing at the Final Approval Hearing either
13 with or without submitting a written Objection.

14 22. "PAGA Allocation" means the amount of Fifty Thousand Dollars and No Cents
15 (\$50,000.00) from the Gross Settlement Amount allocated to payment of alleged civil penalties
16 under PAGA and in full satisfaction of all claims alleged in the Action and or the Perea Action, or
17 that could have been alleged in the Action and/or the Perea Action, under PAGA.

18 23. "PAGA Employee(s)" means all individuals employed by Komar as a non-exempt
19 employee in California during the PAGA Period and all individuals employed by Horizon and
20 assigned to work at Komar in California during the PAGA Period.

21 24. "PAGA Employee Allocation" means the amount of Twelve Thousand Five
22 Hundred Dollars and Zero Cents (\$12,500.00) from the PAGA Allocation to be paid to the PAGA
23 Employees on a pro rata basis as their share of the civil penalties paid under PAGA.

24 25. "PAGA Period" means the period from August 17, 2017 through October 19, 2021,
25 inclusive.

26 26. "Parties" means Plaintiffs and Defendants collectively.

27 27. "Participating Class Member" means any Class Member who does not submit a
28 timely and valid Request for Exclusion.

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1	28. "Perea Action" means the civil lawsuit Perea filed against Horizon, Komar, Jorge	
2	Cantu, and Carlos Lopez, styled Perea v. Horizon Personnel Services, Inc.,, et al., Sacramento	
3	County Superior Court Case No. 34-2018-00243114, filed on October 22, 2018, in the Superior	
4	Court of California, in the County of Sacramento, as amended by the First Amended Complaint	
5	pursuant to this Settlement Agreement (collectively with the Albarran Action, the "Action")	
6	29. "Plaintiffs" means Oscar Albarran and Mayda Perea.	
7	30. "Plaintiffs' Counsel" means Zachary M. Crosner, Michael Crosner, Blake R. Jones,	
8	and Crosner Legal, P.C.	
9	31. "Preliminary Approval" means the Court order granting preliminary approval of	
10	the Settlement.	
11	32. "Qualifying Workweek(s)" means each seven-day period(s) commencing on	
12	Sunday at 12:00 a.m. and ending on a Saturday at 11:59 p.m. in which a Class Member was	
13	employed by Komar in California during the Komar Class Period and/or PAGA Period or	
14	employed by Horizon and assigned to work for Komar in California during the Horizon Class	
15	Period and/or PAGA Period.	
16	33. "Released Class Claims" means any and all causes of action, claims, rights,	
17	damages (including punitive, statutory or liquidated damages), penalties, liabilities, attorneys'	
18	fees, costs, expenses, interest and losses alleged in the operative complaint or which could have	
19	been alleged in the operative complaint under federal, state, local or common law, based on the	
20	facts alleged therein, including, but not limited to: (a) any alleged failure by Defendants (1) to pay	
21	wages, minimum wages, or overtime; (2) to provide meal or rest periods or compensation in lieu	
22	thereof; (3) to provide accurate wage statements to employees; (4) to timely pay wages during	
23	employment; (5) to timely pay all wages due upon separation of employment; and (6) to make	
24	proper disclosures as required by the ICRAA; (b) any right or claim against Defendants for unfair	
25	business practices in violation of California Business & Professions Code §§ 17200, et seq., based	
26	on the alleged failures set forth in (a)(1) through (a)(6) above; and (c) any violation by Defendants	
27	of the California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(6)	
28	above that any Class Member has or might have that was alleged or could have been alleged based	
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on the factual allegations in the operative complaint that accrued during the applicable Komar
 Class Period and/or Horizon Class Period.

3 34. "Released PAGA Claims" means any right or claim for civil penalties pursuant to 4 the Private Attorneys General Act of 2004, California Labor Code §§ 2698, et seq., and any claim 5 for civil penalties arising under the Labor Code or Wage Orders alleged in the operative complaint 6 in the Action and/or the Perea Action, or that could have been alleged in the operative complaint 7 in the Action and/or the Perea Action, based on the facts alleged therein, including without 8 limitation any alleged failure by Defendants (1) to pay wages, minimum wages, or overtime; (2) to 9 provide meal or rest periods or compensation in lieu thereof; (3) to provide accurate wage 10 statements; (4) to timely pay wages during employment; (5) to timely pay all wages due upon 11 separation of employment (6) and any alleged violation of Labor Code Sections 98.6, 200, 201, 12 202, 203, 204, 210, 216, 221, 222, 223, 224, 225.5, 226, 226.2, 226.3, 226.6, 226.7, 245-248.5, 13 256, 432.5, 450, 510, 512, 558, 558.1, 1102.5, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 14 2699, 2751, 2802, 2810.5, or any other state statute, rule and/or regulation (Wage Order), or 15 similar causes of action that accrued during the PAGA Class Period. 35. 16 "Released Parties" includes Defendants and each of their respective current and 17 former officers, directors, employees and agents, including Jorge Cantu and Carlos Lopez.

36. "Request for Exclusion" means a timely Request for Exclusion Form (Exhibit B
hereto) submitted by a Class Member indicating a request to be excluded from the Settlement of
the Class Claims. A Request for Exclusion must be submitted on a Request for Exclusion Form,
contain all information required by the Request for Exclusion Form, be signed by the Class
Member requesting exclusion, and be returned to the Settlement Administrator with a postmark on
or before the Response Deadline.

37. "Response Deadline" means the deadline by which Class Members must postmark
 to the Settlement Administrator Requests for Exclusion, or postmark an Objection to the
 Settlement Administrator, or postmark any dispute regarding the number of Qualifying
 Workweeks allocated to the employee. The Response Deadline will be forty-five (45) calendar
 days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th
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1 day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to
2 the next day on which the U.S. Postal Service is open.

38. "Settlement Administration Costs" means the costs to the Settlement Administrator
for administering this Settlement, including, but not limited to, printing, distributing, and tracking
documents for this Settlement, translating required documents into Spanish, maintaining a toll-free
telephone number, calculating, withholding and reporting all required taxes, distributing the Gross
Settlement Amount, and providing necessary reports and declarations, as requested by the Parties
or the Court. The Settlement Administration Costs will not exceed Fifteen Thousand Dollars and
No Cents (\$15,000.00).

39. "Settlement Administrator" means Phoenix Settlement Administrators or any other
third-party class action settlement administrator agreed to by the Parties and approved by the
Court for the purposes of administering this Settlement. The Parties each represent that they do
not have any financial interest in the Settlement Administrator or otherwise have a relationship
with the Settlement Administrator that could create a conflict of interest.

15

TERMS OF AGREEMENT

The Plaintiffs, on behalf of themselves, the Settlement Class, and PAGA Employees; and
Defendants agree as follows:

18 40. **Class Certification.** For settlement purposes only, the Parties agree that the Class 19 shall be certified. This Settlement Agreement is contingent upon the approval and certification by 20 the Court of the Class for settlement purposes only. Defendants do not waive, and instead expressly 21 reserve, their rights to challenge the propriety of class certification for any purpose should the Court 22 not approve the Settlement. In connection with the proposed certification of the Class, the Parties 23 shall cooperate and present to the Court for its consideration competent evidence, as may be 24 requested by the Court, under the applicable due process requirements and standards for class 25 certification. In the event either preliminary or final approval of the Settlement is not obtained or, 26 if obtained, is reversed upon appeal, the Parties shall be returned to their respective positions in the 27 action as they existed immediately prior to the execution of this Agreement. Furthermore, nothing 28 said or represented in connection with obtaining approval of the Court with respect to this

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STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE

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settlement, either on a preliminary or final basis, shall be admissible for any purpose other than to
 obtain approval of this Settlement by the Court.

41. Amended Complaint. The Parties will stipulate to the filing of a First Amended
Complaint in the Action for purposes of settlement only, which shall name Oscar Albarran as a
party-plaintiff and proposed Class and PAGA representative , and shall incorporate all claims
alleged in the Albarran Action and maintain all claims alleged in the Albarran Action, including
all applicable statutes of limitations. Plaintiffs thereafter will dismiss the Albarran Action without
prejudice upon the filing of the First Amended Complaint in this Action.

9 42. Funding of the Gross Settlement Amount. The Settlement Administrator will 10 establish a Qualified Settlement Account ("QSA") within ten (10) business days of the Effective 11 Date, and Defendants will fund the QSA with their respective portions of the Gross Settlement 12 Amount and any Employer-side taxes required within thirty (30) business days notice from the 13 Administrator that the QSA has been established and the amount of Employer taxes required. 14 Horizon will fund One Hundred and Twenty Five Thousand Dollars (\$125,000.00) and Komar 15 will fund Four Hundred and Seventy Five Thousand Dollars (\$475,000.00) of the Gross 16 Settlement Amount. Under no circumstances shall Horizon be required to fund more than 17 \$125,000.00 nor shall Komar be required to fund more than \$475,000.00 towards the Gross 18 Settlement Amount (other than any applicable required Employer-side taxes).

43. Qualified Settlement Account. The QSA shall be a "Qualified Settlement Fund"
within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and
Treas. Reg. Section 1.468B-1, *et seq*. The Settlement Administrator shall request and obtain from
the IRS an appropriate Tax ID for the QSA and shall act as a fiduciary with respect to the
handling, management, reporting and distribution of the funds in a manner necessary to qualify
and maintain the QSA as a Qualified Settlement Fund as provided by law.

44. Attorney's Fees and Costs. Defendants agree not to oppose or impede any
 application or motion by Class Counsel for Attorney's Fees and Costs, not to exceed one-third
 (1/3) of the Gross Settlement Amount, or Two Hundred Thousand Dollars and Zero Cents
 (\$200,000.00), in Attorneys' fees, and actual litigation costs and expenses not to exceed Twenty

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Thousand Dollars and Zero Cents (\$20,000.00), each to be approved by the Court and paid from
 the Gross Settlement Amount. Any funds allocated to Attorney's Fees and Costs but not awarded
 by the Court will be included in the Net Settlement Amount and distributed pro rata to the
 Participating Class Members. The Settlement Administrator will issue an IRS Form 1099 to Class
 Counsel for the Attorney's Fees and Costs.

45. 6 Enhancement Payments. In exchange for a general release, and in recognition of 7 their efforts and work in prosecuting the Action on behalf of the Class Members and PAGA 8 Employees, Defendants agree not to oppose or impede any application or motion for an 9 Enhancement Payment not to exceed Seven Thousand Five Hundred Dollars and Zero Cents 10 (\$7,500.00) to each Plaintiff, to be approved by the Court. The Enhancement Payments will be 11 paid from the Gross Settlement Amount and will be in addition to each Plaintiffs' Individual 12 Settlement Payment and/or Individual PAGA Payment. Any funds allocated to the Enhancement 13 Payments but not awarded by the Court will be included in the Net Settlement Amount and 14 distributed pro rata to the Participating Class Members. Plaintiffs will be solely responsible to pay 15 any and all applicable taxes on the payments made pursuant to this paragraph, and the Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. 16

17 46. Settlement Administration Costs. The Settlement Administrator will be paid for 18 the reasonable costs of administration of the Settlement and distribution of payments from the 19 Gross Settlement Amount, which Settlement Administration Costs shall not exceed Fifteen 20 Thousand Dollars and Zero Cents (\$15,000.00). These costs, will include, inter alia, the required 21 tax withholding and reporting on the Individual Settlement Payments and Individual PAGA 22 Payments, including the Employer-side required taxes, the issuing of 1099 and W-2 IRS Forms, 23 distributing Class Notices, translation of Class Member documents into Spanish, maintaining a 24 toll-free telephone number, calculating Individual Settlement Payments and Individual PAGA 25 Payments and distributing the Gross Settlement Amount as set forth herein, and providing 26 necessary reports and declarations. These costs shall be paid from the Gross Settlement Amount. 27 Any funds allocated to Settlement Administration Costs but not incurred by or otherwise paid to 28 the Settlement Administrator will be included in the Net Settlement Amount and distributed pro - 11 -

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1 || rata to the Participating Class Members.

2 47. **PAGA Allocation.** The Parties agree to allocate Fifty Thousand Dollars and No 3 Cents (\$50,000.00) from the Gross Settlement Amount to the resolution of all claims related to the 4 PAGA Employees arising under PAGA. Pursuant to PAGA, Seventy-Five Percent (75%) of the 5 PAGA allocation, or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (\$37,500.00), 6 will be paid to the LWDA as the Labor & Workforce Development Agency Payment, and the 7 remaining Twenty Five Percent (25%) of the PAGA Allocation, or Twelve Thousand Five Dollars 8 and Zero Cents (\$12,500.00), will be allocated as the PAGA Employee Allocation. Each PAGA 9 Employee (including those who submit a Request for Exclusion from the class settlement) shall 10 receive an Individual PAGA Payment proportionate to the number of Qualifying Workweeks that 11 he or she worked during the PAGA Period, and which will be calculated by multiplying the PAGA 12 Employee Allocation by a fraction, the numerator of which is each individual's number of 13 Qualifying Workweeks worked during the PAGA Period, and the denominator of which is the 14 total number of Qualified Workweeks worked by all PAGA Employees during the PAGA Period 15 (including those who submit a Request for Exclusion from the class settlement). The Settlement 16 Administrator will perform all calculations necessary to determine the Individual PAGA Payments 17 based upon information provided by Defendants with the Class List.

48. 18 Individual Settlement Payment Calculations for Class Claims. The Individual 19 Settlement Payment for each Participating Class Member shall be determined as follows: (a) the 20 Net Settlement Amount shall be divided by the total number of Qualifying Workweeks of all of 21 the Participating Class Members during the applicable Horizon Class Period and Komar Class 22 Period. The result of this division is referred to as the Workweek Rate; and (b) the amount of each 23 Class Member's Individual Settlement Payment shall be the result of multiplying each Class 24 Member's number of Qualifying Workweeks by the Workweek Rate. (Some Class Members may 25 have Qualifying Workweeks during a portion of both the Horizon Class Period and the Komar Class Period.) The Settlement Administrator will perform all calculations necessary to determine 26 27 the Individual Settlement Payments based upon information provided by Defendants with the 28 Class List. - 12 -

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49. The Settlement Administrator shall be responsible for reducing each Individual
 Settlement Payment based on any required deductions for each Participating Class Member as
 specifically set forth herein, including employee-side tax withholdings or deductions.

50. The entire Net Settlement Amount will be disbursed to all Class Members who do
not submit timely and valid Requests for Exclusion. If there are any timely and valid Requests for
Exclusion from Class Members, the Settlement Administrator shall not include all Qualifying
Workweeks attributable to such individuals as part of the calculation of the total class-wide
Qualifying Workweeks for all Participating Class Members (as described above) so that the
amount available for distribution to the Participating Class Members equals 100% of the Net
Settlement Amount.

11 51. No Credit To Benefit Plans. The Individual Settlement Payments made to 12 Participating Class Members, and the Individual PAGA Payments made to PAGA Employees, 13 under this Settlement, as well as any other payments made pursuant to this Settlement, shall not be 14 utilized to calculate any additional benefits under any benefit plans to which any Class Members 15 may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, 16 stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan or 17 program sponsored by Defendants (collectively, the "Benefit Plans"). Rather, it is the Parties' 18 intention that this Settlement Agreement will not affect any rights, contributions, or amounts to 19 which any Class Members may be entitled under any Benefit Plans. The Parties further agree that 20 any payments made under the terms of this Settlement do not represent any modification of any 21 Class Member's previously credited hours of service or other eligibility criteria and shall not be 22 considered wages, compensation, or earnings in any year for purposes of determining any 23 eligibility for, vesting of, credit to, or benefit accrual within, any Benefit Plans for purposes of 24 determining any rights, eligibility, hours of service, benefit accruals, contributions or amounts to 25 which any Class Member may be entitled with respect to any such Benefit Plans.

26 52. Administration Process. The Parties agree to cooperate in the administration of
27 the settlement and to make all reasonable efforts to control and minimize the costs and expenses
28 incurred in administration of the Settlement.

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53. Delivery of the Class List. Within twenty (20) business days of Preliminary
 Approval, Komar and Horizon will each provide its respective Class List to the Settlement
 Administrator. The Settlement Administrator shall keep the names, addresses and other
 private/personal data contained on the Class List strictly confidential and shall not disclose the
 information to any other person or entity unless ordered otherwise by the Court.

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54. Notice by First-Class U.S. Mail. Within ten (10) business days after receiving the Class List from Defendants, the Settlement Administrator will mail a Class Notice, Request for Exclusion Form, and Objection Form to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

10 55. **Confirmation of Contact Information in the Class List.** Prior to mailing, the 11 Settlement Administrator will perform a search based on the National Change of Address 12 Database for information to update and correct for any known or identifiable address changes. 13 Any Class Notices returned to the Settlement Administrator as non-deliverable on or before the 14 Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding 15 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing 16 on the Class Notice. If no forwarding address is provided, the Settlement Administrator will 17 promptly attempt to determine the correct address using a skip-trace, or other search using the 18 name, address and/or Social Security Number of the Class Member involved, and will then 19 perform a single re-mailing.

20 56. **Class Notices.** All Class Members will be mailed a Class Notice via First Class 21 U.S. Mail. Each Class Notice will provide: (i) information regarding the nature of the Action; (ii) 22 a summary of the Settlement's principal terms; (iii) the Settlement Class definition; (iv) the total 23 number of Qualifying Workweeks worked by that respective Class Member while working for 24 Defendants as a non-exempt employee in California at Komar during the applicable Komar Class 25 Period, Horizon Class Period and/or PAGA Period, together with the total number of Qualifying 26 Workweeks collectively worked by the members of the Settlement Class; (v) the estimated 27 Individual Settlement Payment and the formula for calculating Individual Settlement Payments 28 and Individual PAGA Payments; (vi) the procedure for a Class Member to dispute the calculation - 14 -

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1 of their estimated Individual Settlement Payments; (vii) the dates comprising the Class Period and 2 PAGA Period; (viii) instructions on how Class Members can submit a Request for Exclusion or 3 Objection; (ix) the deadlines by which the Class Member must postmark Requests for Exclusion 4 or Objections to the Settlement, and/or disputes regarding the Qualifying Workweeks; and (x) the 5 claims to be released by the Class Members and PAGA Employees. The Class Notice shall be in 6 substantially the same form as Exhibit A hereto, as approved by the Court. The Class Notice will 7 be accompanied by a Request for Exclusion Form and an Objection Form in substantially the same 8 form as Exhibits B and C hereto, as approved by the Court (collectively, the "Notice Packet"). 9 The Notice Packet will be mailed in both English and Spanish versions.

10 57. Toll-Free Telephone Number. The Settlement Administrator will also maintain a
11 toll-free telephone number for Class Members to contact the Settlement Administrator regarding
12 the Settlement, and the toll-free telephone number will be identified in the Class Notice.

- 13 58. **Disputed Information on Class Notices.** Class Members will have an opportunity 14 to dispute the information provided in their Class Notices. To the extent Class Members dispute 15 their total Qualifying Workweeks while working for Defendants at Komar as a non-exempt 16 employee in California during the Class Period, Class Members may produce evidence to the 17 Settlement Administrator showing that such information in the Class Notice is inaccurate. The 18 Settlement Administrator will decide the dispute. Defendants' records will be presumed correct, 19 but the Settlement Administrator will evaluate the evidence submitted by the Class Member and 20 will make the final decision as to the merits of the dispute, which decision shall be final and 21 unappealable by any Party or Class Member. All disputes will be resolved within ten (10) 22 business days of the Response Deadline.
- 59. Request for Exclusion Procedures. Any Class Member wishing to opt-out from
 the Settlement must sign and postmark a written Request for Exclusion Form, attached hereto as
 Exhibit B, to the Settlement Administrator within the Response Deadline. Any Request for
 Exclusion Form must be signed by the Class Member and contain all information required by this
 Settlement Agreement, as specified in the Class Notice and the Request for Exclusion Form.
 Requests for Exclusion must be mailed to the Settlement Administrator as explained in the Class
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1 Notice and postmarked on or before the Response Deadline. The postmark date will be the 2 exclusive means to determine whether a Request for Exclusion has been timely submitted. Any 3 Settlement Class member who requests to be excluded from the class settlement will not be 4 entitled to any recovery under the class settlement provisions and will not be bound by the terms 5 of the class settlement (although the PAGA settlement and release provisions will apply to each 6 such individual, and such individuals shall be entitled to their share of the PAGA Allocation) or 7 have the right to object, appeal or comment thereon. The Settlement Administrator shall provide 8 Class Counsel with a declaration that attaches and authenticates all valid and timely Requests for 9 Exclusion received, which declaration Class Counsel shall file with the Court concurrently with 10 the motion seeking final approval of the Settlement.

11 60. **Defective Submissions.** If a Class Member's Request for Exclusion is defective as 12 to the requirements listed herein, that Class Member will be given an opportunity to cure the 13 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) 14 business days of receiving the defective submission to advise the Class Member that his or her 15 submission is defective and that the defect must be cured to render the Request for Exclusion 16 valid. The Class Member will have until the later of (i) the Response Deadline or (ii) fifteen (15) 17 calendar days from the date of the cure letter to postmark a revised Request for Exclusion. If the 18 revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

19 61. Option to Rescind the Settlement Agreement: Horizon and Komar may elect, at 20their respective option, to rescind the Settlement if more than five percent (5%) of Class Members 21 of the applicable Horizon Settlement Class or Komar Settlement Class submit timely and valid 22 Requests for Exclusion. If either or both Defendants exercise the conditional right to rescind, they 23 must do so by written communication to the other Defendants and to Class Counsel that is 24 received by Class Counsel within thirty (30) calendar days of the Response Deadline. If one, but 25 not both, Defendants rescind, the Settlement will proceed with respect to the remaining Defendant 26 (either Horizon or Komar, respectively) based on their respecitve agreed settlement funding 27 amount, with the remaining monetary terms of the Settlement adjusted accordingly on a pro-rata 28 basis. In the event both Defendants exercise the conditional right to rescind, Defendants will be - 16 -

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responsible for all Settlement Administration Costs incurred prior to notice to the Administrator of
 the rescission.

62. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
Member who does not affirmatively opt-out of the Settlement Agreement by submitting a timely
and valid Request for Exclusion will be bound by all of its terms, including those pertaining to the
Released Claims, as well as any Judgment that may be entered by the Court if it grants final
approval to the Settlement.

8 63. **Objection Procedures.** To object to the Settlement Agreement, a Class Member 9 must timely submit to the Settlement Administrator a written Objection Form, Exhibit C hereto. 10 Any written Objection Form must be signed by the Class Member and contain all information 11 required by this Settlement Agreement, as specified in the Class Notice and the Objection Form. 12 Objection Forms must be mailed to the Settlement Administrator as explained in the Class Notice 13 and postmarked on or before the Response Deadline. The Settlement Administrator will forward 14 copies of all written Objections to both Class Counsel and counsel for the Defendants within three 15 (3) calendar days of receipt. The postmark date will be deemed the exclusive means for 16 determining whether a written Objection is timely. Alternatively, any Class Member may appear 17 at the Final Approval Hearing, personally or through their own counsel, in order to have their 18 objections heard by the Court, regardless of whether such Class Member submits a written 19 Objection Form. Only those Class Members who do not submit a Request for Exclusion may 20 object to the Settlement. At no time will any of the Parties or their counsel seek to solicit or 21 otherwise encourage Class Members to submit written or oral objections to the Settlement 22 Agreement or appeal from the Final Approval and Judgment thereon. Class Counsel will not 23 represent any Class Members with respect to any such objections to this Settlement. The 24 Settlement Administrator shall provide Class Counsel with a declaration that attaches and 25 authenticates all Objections received, which declaration Class Counsel shall file with the Court 26 concurrently with the motion seeking final approval of the Settlement.

27 64. Certification Reports. The Settlement Administrator will provide all counsel with
28 a weekly report that certifies the number of Class Members who have submitted valid Requests for

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Exclusion, and whether any Class Member has submitted a challenge to any information contained
 in their Class Notice. Additionally, the Settlement Administrator will provide to counsel for both
 Parties any updated reports regarding the administration of the Settlement Agreement as needed or
 requested.

5 65. Distribution of Settlement Payments. All settlement payments will be distributed
6 within ten (10) business days of the funding of the QSA, at which time the Settlement
7 Administrator will issue the Court-approved payments to: (i) Participating Class Members; (ii)
8 PAGA Employees, (iii) the LWDA; (iv) Plaintiffs; (v) Class Counsel; and (vi) itself for the
9 Settlement Administration Costs.

10 66. Un-cashed Settlement Checks. Class Members will have 180 days to cash their 11 applicable settlement checks. If a Participating Class Member's Individual Settlement Payment or 12 Individual PAGA Payment check is not cashed within 120 days after the initial mailing to the 13 Participating Class Member and/or PAGA Employee, the Settlement Administrator will send each 14 such individual a letter informing him or her that unless the check is cashed in the next 60 days, it 15 will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced 16 but not cashed. If any checks remain uncashed by the expiration of the 60-day period after this 17 notice (i.e., 180 days from the date of issuance), the funds represented by those checks and funds 18 represented by Individual Settlement Payment and/or Individual PAGA Payment checks returned 19 as undeliverable will be redistributed pro rata among all Participating Class Members who cashed 20 their settlement checks, and checks for the redistribution of residual funds shall be valid and 21 negotiable for sixty (60) calendar days. If any funds remain unclaimed thereafter, the Settlement 22 Administrator shall forward those funds to the California State Controller's Unclaimed Property 23 Fund in the name of the applicable Participating Class Member and/or PAGA Employee.

24 67. Certification of Completion. Upon completion of administration of the
25 Settlement, the Settlement Administrator will provide a written declaration under oath to certify
26 such completion to the Court and counsel for all Parties.

27 68. Tax Treatment. All Individual Settlement Payments will be allocated as follows:
28 (i) Twenty Five Percent (25%) of each Individual Settlement Payment will be allocated as wages

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for which IRS Forms W-2 will be issued; and (ii) Seventy Five Percent (75%) will be allocated to
 penalties and interest for which IRS Forms 1099–MISC will be issued. All Individual PAGA
 Payments will be allocated One Hundred Percent (100%) to penalties for which IRS Forms 1099 MISC will be issued.

69. Administration of Taxes by the Settlement Administrator. The Settlement
Administrator will be responsible for issuing to Plaintiffs, Participating Class Members, and Class
Counsel any W–2, 1099–MISC, or other tax forms as may be required by law for all amounts paid
pursuant to this Settlement. The Settlement Administrator will also be responsible for calculating
and forwarding all payroll taxes and penalties to the appropriate government authorities.

10 70. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR 11 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY 12 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER 13 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS 14 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR 15 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE 16 17 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN 18 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 19 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED 20 EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX 21 COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS 22 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE 23 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO 24 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY 25 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE 26 27 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER 28 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY - 19 -STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE

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1 OF ANY SUCH ATTORNEYS' OR ADVISER'S TAX STRATEGIES (REGARDLESS OF 2 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE 3 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY 4 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS 5 AGREEMENT.

71. 6 No Prior Assignments. The Parties and their counsel represent, covenant, and 7 warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to 8 assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, 9 action, cause of action or right herein released and discharged.

10 72. Nullification of Settlement Agreement. In the event that: (i) the Court does not 11 finally approve the Settlement as provided herein; or (ii) the Settlement does not become final for 12 any other reason, then this Settlement Agreement, and any documents generated to bring it into 13 effect, will be null and void. Any order or judgment entered by the Court in furtherance of this 14 Settlement Agreement will likewise be treated as void from the beginning.

15 73. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court 16 to request the Preliminary Approval of the Settlement, and the entry of a Preliminary Approval 17 Order. Class Counsel will provide Defendants with a reasonable period of time to review and 18 approve the Preliminary Approval papers prior to Plaintiffs filing the motion. The Preliminary 19 Approval Order will provide for the Notice Packet to be sent to all Class Members and PAGA 20 Employees as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs 21 will submit this Settlement Agreement, which sets forth the terms of this Settlement, and will 22 include the proposed Class Notice, the proposed Request For Exclusion Form, and the proposed 23 Objection Form, which are attached hereto as Exhibits A-C respectively.

24 74. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration 25 of the deadline to postmark Requests for Exclusion and Objections, and with the Court's 26 permission, a Final Approval Hearing will be conducted to determine the Final Approval of the 27 Settlement, along with the amounts properly payable for: (i) Individual Settlement Payments and 28 Individual PAGA Payments; (ii) the Labor & Workforce Development Agency Payment; (iii) the - 20 -STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND RLEEASE

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1 Enhancement Payments; (iv) Attorney's Fees and Costs; and (v) all Settlement Administration 2 Costs. The Final Approval Hearing will not be held earlier than forty-five (45) calendar days after 3 the Response Deadline. Class Counsel will be responsible for drafting all documents necessary to 4 obtain final approval. Class Counsel will provide Defendants with a reasonable period of time to 5 review and approve the Final Approval papers prior to Plaintiffs filing the motion. Class Counsel 6 will also be responsible for drafting the application for the Enhancement Payments and Attorney's 7 Fees and Costs, and a request for approval of the Settlement Administration Costs, to be heard at 8 the Final Approval Hearing.

9 75. Notice to the LWDA. On or before the date on which the Motion for Preliminary
10 Approval of Settlement is filed with the Court, Class Counsel will provide notice to the LWDA of
11 the settlement and its terms as required by PAGA. Within ten (10) days after entry of the Final
12 Approval, Class Counsel shall provide a copy of the Final Approval and Judgment to the LWDA
13 as required by PAGA.

14 76. Release by the Settlement Class. Upon the Effective Date and except for the full
15 satisfaction of the payment obligations in paragraph 65, all Participating Class Members will be
16 deemed to have fully, finally and forever waived, released and discharged the Released Parties
17 from the Released Class Claims. It is the intent of the Parties that the Judgment entered by the
18 Court shall have *res judicata* effect and shall be final and binding upon Plaintiffs and all
19 Participating Class Members regarding all of the Released Class Claims.

20 77. Release of the PAGA Claims. Upon the Effective Date and except for the full 21 satisfaction of the PAGA Payment obligations in paragraph 47, all PAGA Employees and the 22 LWDA will be deemed to have fully, finally and forever waived, released and discharged the 23 Released Parties from the Released PAGA Claims. This PAGA release is final and binding on all 24 Class Members who worked during the PAGA Period, even if they submitted a valid Request for 25 Exclusion to opt out of the Settlement. It is the intent of the Parties that the Judgment entered by 26 the Court shall have res judicata effect and shall be final and binding upon all PAGA Employees 27 and the LWDA.

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78. Release of FLSA Claims. The Parties agree that the scope of the release under

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this Agreement shall include a release of claims under the federal Fair Labor Standards Act
 ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

79. Judgment and Continued Jurisdiction. Upon final approval of the Settlement
by the Court, the Parties will present the Judgment to the Court for its approval. After entry of the
Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the
interpretation and enforcement of the terms of the Settlement, (ii) settlement administration
matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set
forth in this Settlement Agreement.

9 80. Release by Plaintiffs. Upon the Effective Date, in addition to the claims being 10 released by all Participating Class Members and all PAGA Employees, Plaintiffs will release and 11 forever discharge the Released Parties, to the fullest extent permitted by law, of and from any and 12 all claims, known and unknown, asserted and not asserted, suspected or unsuspected, foreseen or 13 unforeseen, actual or contingent, liquidated or unliquidated, and punitive or compensatory which 14 Plaintiffs have or may have against the Released Parties as of the date of execution of this 15 Settlement Agreement, including but not limited to any claims arising from or related to their 16 employment with Defendants and/or the termination of that employment. To the extent the 17 foregoing releases are releases to which Section 1542 of the California Civil Code or similar 18 provisions of other applicable law may apply, Plaintiffs expressly waive any and all rights and 19 benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or 20 similar provisions of applicable law, which are as follows:

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.

Release of Claims Between Komar and Horizon. Horizon and Komar hereby
agree to settle and fully resolve any and all disputes and claims between them relating to the Perea
Action and/or to the Albarran Action, including the defense of these respective litigation Actions,

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1 or the retention of counsel related to these Actions. In this regard, Horizon hereby waives, 2 releases and fully discharges the Released Parties of Komar from any and all claims, actions, 3 charges, and causes of action, of whatever nature, that Horizon may have against Komar relating to or arising out of the Perea Action and/or the Albarran Action as of the Effective Date of this 4 5 Settlement Agreement, and Komar hereby waives, releases and fully discharges the Released 6 Parties of Horizon from any and all claims, actions, charges, and causes of action, of whatever 7 nature, that Komar may have against Horizon relating to or arising out of the Perea Action and/or 8 the Albarran Action as of the Effective Date of this Settlement Agreement, it being the intent of 9 the Defendants to fully settle and resolve any and all such claims and disputes, whether known or 10 unknown, regarding the Perea Action and the Albarran Action.

82. Exhibits Incorporated by Reference. The terms of this Settlement Agreement
include the terms set forth in the attached Exhibits, which is incorporated by this reference as
though fully set forth herein. Any Exhibit to this Settlement Agreement is an integral part of the
Settlement.

15 83. Entire Agreement. This Settlement Agreement and attached Exhibits constitute
16 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
17 agreements may be deemed binding on the Parties. The Parties expressly recognize California
18 Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide
19 that a written agreement is to be construed according to its terms and may not be varied or
20 contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
21 representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

84. Amendment or Modification. No amendment, change, or modification to this
Settlement Agreement will be valid unless in writing and signed by the Parties, except that the
Parties' counsel may stipulate to non-material changes requested by the Court.

85. Authorization to Enter Into Settlement Agreement. Counsel for all Parties
warrant and represent they are expressly authorized by the Parties whom they represent to
negotiate this Settlement Agreement and to take all appropriate action required or permitted to be
taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute

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any other documents required to effectuate the terms of this Settlement Agreement. The Parties
 and their counsel will cooperate with each other and use their best efforts to effect the
 implementation of the Settlement. If the Parties are unable to reach agreement on the form or
 content of any document needed to implement the Settlement, or on any supplemental provisions
 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the
 assistance of the Court to resolve such disagreement.

86. Binding on Successors and Assigns. This Settlement Agreement will be binding
upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously
defined.

10 87. California Law Governs. All terms of this Settlement Agreement and the
11 Exhibits hereto will be governed by and interpreted according to the laws of the State of
12 California.

13 88. Execution and Counterparts. This Settlement Agreement is subject only to the
14 execution of all Parties. However, the Settlement Agreement may be executed in one or more
15 counterparts. All executed counterparts and each of them, including facsimile and scanned copies
16 of the signature page, will be deemed to be one and the same instrument provided that counsel for
17 the Parties will exchange among themselves original signed counterparts.

18 89. Acknowledgement that the Settlement is Fair and Reasonable. The Parties
19 believe this Settlement Agreement is a fair, adequate and reasonable settlement of the Action and
20 have arrived at this Settlement after adversarial and arm's-length negotiations before a well21 respected and neutral mediator, in the context of adversarial litigation, and taking into account all
22 relevant factors, present and potential. The Parties further acknowledge that they are each
23 represented by competent counsel and that they have had an opportunity to consult with their
24 counsel regarding the fairness and reasonableness of this Settlement.

90. Labor Code Sections 206 and 206.5 Do Not Apply. The Parties agree that this
Settlement involves the settlement of highly contested and disputed claims, such that the
provisions of California Labor Code sections 206 and 206.5 are not applicable to this Settlement
or the Releases required by this Agreement.

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Invalidity of Any Provision. Before declaring any provision of this Settlement
 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest
 extent possible consistent with applicable precedents so as to define all provisions of this
 Settlement Agreement valid and enforceable.

5 92. Waiver of Certain Appeals. The Parties agree to waive appeals; except, however,
6 that either party may appeal any court order that materially alters the Settlement Agreement's
7 terms.

8 93. Non-Admission of Liability. The Parties enter into this Settlement to resolve the 9 dispute that has arisen between them and to avoid the burden, expense and risk of continued 10 litigation. In entering into this Settlement, Defendants do not admit, and specifically deny, that 11 they 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 12 13 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or 14 engaged in any other unlawful conduct with respect to their employees. Neither this Settlement 15 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, will 16 be construed as an admission or concession by Defendants of any such violations or failures to 17 comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this 18 Settlement, this Settlement Agreement and its terms and provisions will not be offered or received 19 as evidence in any action or proceeding to establish any liability or admission on the part of 20 Defendants or to establish the existence of any condition constituting a violation of, or a non-21 compliance with, federal, state, local or other applicable law.

94. Waiver. No waiver of any condition or covenant contained in this Settlement
Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
to imply or constitute a further waiver by such party of the same or any other condition, covenant,
right or remedy.

95. Publicity. This Settlement is not confidential. However, the Parties and their
counsel agree that they will not issue any press or media releases about the Settlement, post
information about the Settlement on any media site, or publicize the Settlement in any way prior to

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1 the Preliminary Approval of the Settlement. Plaintiffs and Plaintiffs' Counsel further agree that 2 they will not at any time issue any press or media releases about the Settlement, or post 3 information about the Settlement on any media site, or engage in any advertising or distribution of 4 any marketing materials relating to the Settlement that in any manner identifies the Defendants, 5 including but not limited to any postings on any websites maintained by Class Counsel, except 6 that Class Counsel may identify this Settlement in other litigation matters to demonstrate to the 7 Court in such other matters their adequacy to serve as class counsel. This provision does not 8 apply to prevent any necessary disclosure to the Court or the LWDA to seek approval of the 9 Settlement, any court filings or Notices to be sent to Class Members by the Settlement 10 Administrator, or the posting of the final judgment of this Settlement on the Settlement 11 Administrator's website to the extent required by the Court in connection with approval of the 12 Settlement.

13 96. Enforcement Actions. In the event that one or more of the Parties institutes any
14 legal action or other proceeding against any other Party or Parties to enforce the provisions of this
15 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
16 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable Attorney's fees
17 and costs, including expert witness fees, incurred in connection with any enforcement actions.

18 97. Mutual Preparation. The Parties have had a full opportunity to negotiate the
19 terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will
20 not be construed more strictly against one party than another merely by virtue of the fact that it
21 may have been prepared by counsel for one of the Parties, it being recognized that, because of the
22 arms-length negotiations between the Parties, all Parties have contributed to the preparation of this
23 Settlement Agreement.

98. Representation By Counsel. The Parties acknowledge that they have been
represented by counsel throughout all negotiations that preceded the execution of this Settlement
Agreement, and that this Settlement Agreement has been executed with the consent and advice of
counsel. Further, Plaintiffs and Plaintiffs' Counsel warrant and represent that there are no liens on
the Settlement Agreement.

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1	99.	All Terms Subject to Final Court Approval. All amounts and procedures
2	described in t	this Settlement Agreement herein will be subject to final Court approval.

3 100. Cooperation and Execution of Necessary Documents. All Parties will cooperate 4 in good faith and execute all documents to the extent reasonably necessary to effectuate the terms 5 of this Settlement Agreement.

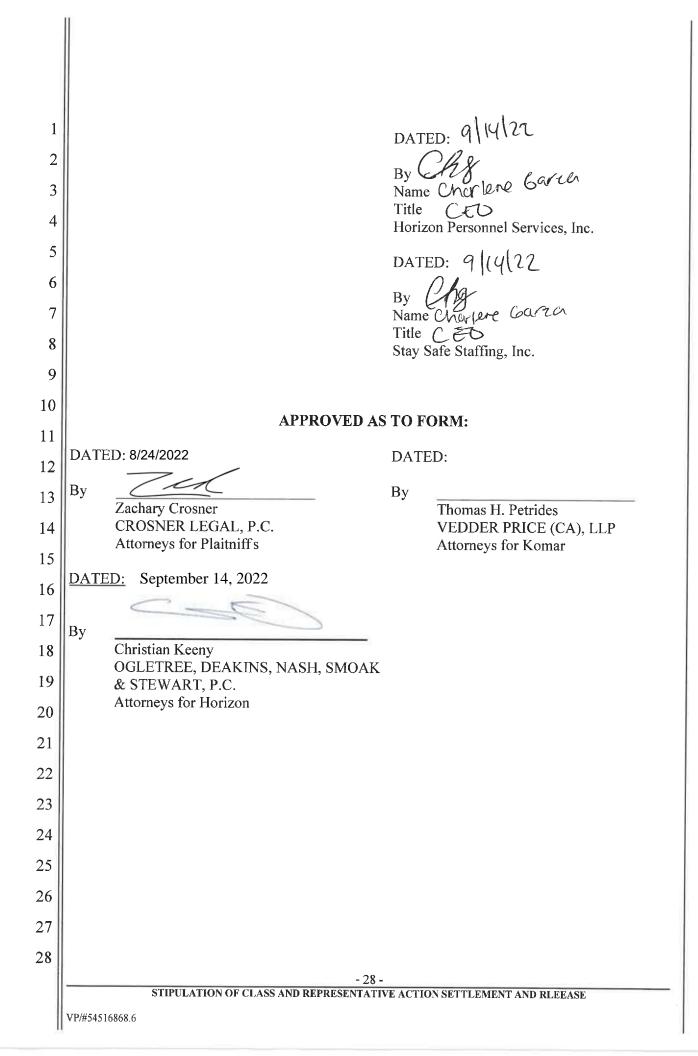
6 101. Binding Agreement. The Parties warrant that they understand and have full 7 authority to enter into this Settlement Agreement, and further intend that this Settlement 8 Agreement will be fully enforceable and binding on all parties, and agree that it will be admissible 9 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law. 10

11		<u>SIGNATURES</u>
12		
13	<u>PLAINTIFFS</u>	<u>DEFENDANTS</u>
14	DATED:08 / 27 / 2022	DATED:
15	By Contraction	Ву
16	Oscar Albarran	Name Title
17		Charles Komar & Sons, Inc. dba Komar Distribution Services
18		Distribution Services
19	DATED:	DATED:
20	By Mayda Perea	By Name
21	lviayda i cica	Title
22		Komar Properties of Oklahoma, Inc. dba Komar Distribution Services
23		[Signatures continue on next page.]
24		[orginatures continue on next page.]
25		
26		
27		
28		
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1	99. All Terms Subject to Fin	al Court Approval. All amounts and procedures
2	described in this Settlement Agreement h	erein will be subject to final Court approval.
3	100. Cooperation and Execution of Necessary Documents. All Parties will cooperate	
4	in good faith and execute all documents t	to the extent reasonably necessary to effectuate the terms
5	of this Settlement Agreement.	
6	101. Binding Agreement. The	e Parties warrant that they understand and have full
7	authority to enter into this Settlement Ag	reement, and further intend that this Settlement
8	Agreement will be fully enforceable and	binding on all parties, and agree that it will be admissible
9	and subject to disclosure in any proceeding	ng to enforce its terms, notwithstanding any mediation
10	confidentiality provisions that otherwise	might apply under federal or state law.
11		<u>SIGNATURES</u>
12		
13	<u>PLAINTIFFS</u>	<u>DEFENDANTS</u>
14	DATED:	DATED:
15	Ву	Ву
16	Oscar Albarran	Name Title
17		Charles Komar & Sons, Inc. dba Komar Distribution Services
18		
19	DATED:09 / 12 / 2022	DATED:
20	By Mayda Perea	By Name
21		Title
22		Komar Properties of Oklahoma, Inc. dba Komar Distribution Services
23		[Signatures continue on next page.]
24		
25		
26		
27		
28		27
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1	99. All Terms Subject to Fina	al Court Approval. All amounts and procedures	
2	described in this Settlement Agreement herein will be subject to final Court approval.		
3	100. Cooperation and Execution of Necessary Documents. All Parties will cooperate		
4	in good faith and execute all documents to	the extent reasonably necessary to effectuate the terms	
5	of this Settlement Agreement.		
6	101. Binding Agreement. The Parties warrant that they understand and have full		
7	authority to enter into this Settlement Agr	eement, and further intend that this Settlement	
8	Agreement will be fully enforceable and b	inding on all parties, and agree that it will be admissible	
9	and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation		
10	confidentiality provisions that otherwise might apply under federal or state law.		
11	<u></u>	SIGNATURES	
12			
13	<u>PLAINTIFFS</u>	DEFENDANTS 8/25/2022	
14	DATED:	DATED:	
15	Ву	By Harry Gaffney	
16	Oscar Albarran	Name Fare Chief Financial Officer	
17		Charles Komar & Sons, Inc. dba Komar Distribution Services	
18	DATED:	8/25/2022 DATED:	
19		DocuSigned by:	
20	By Mayda Perea	By Harry Gaffrey Name Harpate Det More y 200408	
21		Title Chief Financial Officer Komar Properties of Oklahoma, Inc. dba	
22		Komar Distribution Services	
23		[Signatures continue on next page.]	
24			
25			
26			
27			
28		- 27 -	
		RESENTATIVE ACTION SETTLEMENT AND RLEEASE	
	VP/#54516868.6		



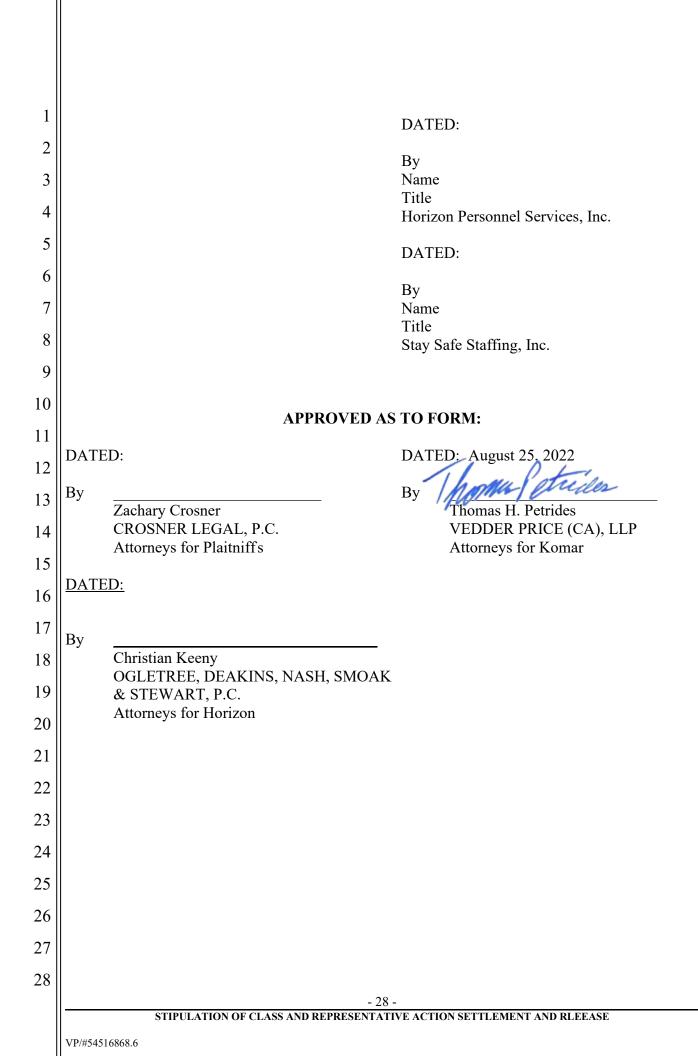


EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SACRAMENTO

IF YOU WORKED AS AN HOURLY PAID EMPLOYEE IN CALIFORNIA FOR CHARLES KOMAR & SONS, INC. AND/OR KOMAR PROPERTIES OF OKLAHOMA, INC., OR IF YOU WORKED AS AN HOURLY PAID EMPLOYEE OF HORIZON PERSONNEL SERVICES, INC. OR STAY SAFE STAFFING, INC. AND WERE ASSIGNED TO WORK AT CHARLES KOMAR & SONS IN CALIFORNIA, YOU MAY OBTAIN PAYMENTS FROM A SETTLEMENT REACHED IN A PROPOSED CLASS AND REPRESENTATIVE ACTION LAWSUIT

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

This Notice is court approved. This is not a solicitation from an attorney.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT		
	Receive compensation but release your rights to sue separately.	
DO NOTHING	If you do nothing, you will receive a proportional share of the settlement based on the time you worked in a relevant position during the Settlement Class period for the claims alleged in this lawsuit. You will also give up your rights to sue Charles Komar and Sons, Inc., and Komar Properties of Oklahoma, Inc. (together "Komar") or Horizon Personnel Services, Inc. and Stay Safe Staffing, Inc. (together "Horizon") about any of the claims in this case that arose during the Settlement Class period.	
	Get no compensation but keep rights to sue separately.	
EXCLUDE YOURSELF FROM THE SETTLEMENT	If you ask to exclude yourself or "opt out" from the settlement, you remove yourself from this lawsuit and will not receive any compensation from the settlement, but you will keep your rights to sue Komar and/or Horizon about any of the class claims in this case that arose during the Settlement Class period. However, the PAGA claims as described in this Notice will be released even if you opt- out of the Settlement.	

	Tell the Court why you like or don't like the settlement.	
OBJECT OR COMMENT	You may write to the Court, or you may appear personally or through your own attorney and your own expense, and tell the Court about why you do or do not like the settlement. You must remain a part of the lawsuit to comment or object to the settlement, and you cannot object if you also ask to be excluded.	
These rights and options and the time deadlines for everyising them are evplained further in		

These rights and options – **and the time deadlines for exercising them** – are explained further in this Notice.

1. WHY DID I GET THIS NOTICE?

You have received this Notice because Komar's or Horizon's records identify that you are a class member who may be entitled to money from this settlement.

This Notice describes a proposed settlement of two different lawsuits that have been combined for purposes of settlement. The current lawsuit is *Oscar Albarran and Mayda Perea v. Charles Komar & Sons, Inc., Komar Properties of Oklahoma, Inc., Horizon Personnel Services, Inc., and Stay Safe Staffing, Inc.,* filed on October 13, 2018 in the California Superior Court in and for the County of Sacramento, Case Number 34-2018-00243114 (the "Lawsuit"). This Notice is being sent to you by the order of the Sacramento County Superior Court, which preliminarily approved the settlement and conditionally certified the Settlement Class on

At this time, the Court has determined only that there is sufficient evidence that the settlement might be fair, reasonable and adequate and any final determination of these issues will be made at the Final Approval Hearing described below. The Court has not made any rulings on the merits of the claims alleged.

This Notice informs you of the terms of the proposed settlement, describes your rights and options in connection with the settlement, and explains 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 settlement is finally approved by the Court, you will receive a settlement payment and be bound by the terms of the settlement and any final judgment.

2. WHAT IS THIS LAWSUIT ABOUT?

The Lawsuit was filed by Plaintiff Mayda Perea under the California Private Attorneys General Act (PAGA") on behalf of all individuals who worked in California as employees paid on an hourly basis by Horizon Personnel Services, Inc. and/or Stay Safe Staffing, Inc. (together "Horizon") and were assigned to work at Charles Komar & Sons, Inc. and/or Komar Properties of Oklahoma, Inc. (together "Komar") at any point between August 17, 2017 and July 30, 2019. ¹ The Lawsuit was amended to include class action claims filed by Plaintiff Oscar Albarran on behalf of all individuals who worked for Komar in California as employees paid on an hourly basis at any point between December 14, 2016 and October

¹ In addition to Komar and Horizon, other defendants in the Perea Action included Komar Properties of Oklahoma, Inc., Stay Safe Staffing, Inc., Jorge Cantu, and Carlos Lopez.

19, 2021, inclusive. Komar and Horizon together are referred to as the "Defendants." The Lawsuit as amended includes claims under PAGA and also class action claims against the Defendants.

A second lawsuit was filed by Plaintiff Oscar Albarran on December 14, 2020, in the Riverside County Superior Court, *Perea v. Horizon Personnel Services, Inc. and Charles Komar & Sons, Inc.,* Riverside County Superior Court Case No. CVRI2000554 (the "Albarran Action"). The Albarran Action is now being settled as part of the Lawsuit.

The Lawsuit currently alleges Defendants failed to pay Class Members for all hours worked, failed to provide all meal and rest breaks required under California law, failed to provide proper itemized wage statements, and failed to pay all wages due upon separation of employment. The Lawsuit also alleged claims for unfair competition and violation of PAGA based on the same alleged violations. Plaintiffs seek allegedly unpaid wages and statutory and civil penalties related to these claims. Defendants deny each and all of the claims and contentions alleged by the Plaintiffs and believes they have consistently complied with all applicable laws. The Court has not made any rulings regarding the merits of the Lawsuit.

After engaging in extensive investigation and a full day of mediation before an experienced mediator, in which both sides recognized the substantial risks of an adverse result in the Lawsuit for either side, Plaintiffs and Defendants agreed on a settlement of all class and PAGA claims that was preliminarily approved by the Court on ______. Plaintiffs and Class Counsel support the settlement.

The settlement represents a compromise of highly disputed claims. Nothing in the settlement is intended to or will be construed as an admission by Defendants that Plaintiffs' claims in the Lawsuit have merit or that they have any liability to Plaintiffs or the Class on those claims. By agreeing to settle, Komar and Horizon are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Komar and Horizon have agreed to settle the case as part of a compromise with Plaintiffs solely because of the risk and expense of continued litigation.

The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties to each side of continued litigation and trial.

3. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons, called Class Representatives, sue on behalf of other people who they believe have similar claims. Plaintiffs Oscar Albarran and Mayda Perea are the Class Representatives in the Lawsuit, and they assert claims on behalf of themselves and the Class Members. A class action potentially allows one court to resolve the claims of all the Class Members who choose not to exclude themselves from the class at the same time. A Class Member is bound by the determination or judgment entered in this case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action.

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, both sides avoid the risks and costs of a trial, and people affected will quickly receive compensation. The Class Representatives and the attorneys think the settlement is best for the Class.

5. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All individuals who worked as an hourly-paid employee employed directly by Komar in California at any point from December 14, 2016 through October 19, 2021, inclusive, and/or were employed directly by Horizon as an hourly-paid employee and assigned to work at Komar in California at any point from August 17, 2017 through July 30, 2019, inclusive, are included in the Class.

According to Defendants' records, you are member of the Class and eligible for payments under the settlement. If you are still not sure if you are entitled to participate in the settlement, please call [SETTLEMENT ADMIN. TOLL FREE PHONE NUMBER].

All individuals employed by Komar as an hourly paid employee in California and all individuals employed by Horizon as an hourly paid employee and assigned to work at Komar in California at any point from August 17, 2017 through October 19, 2021, inclusive, are also a "PAGA Employee" and are eligible to receive a separate payment representing civil penalties allegedly owed under PAGA.

6. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against them and final disposition of the Lawsuit, Defendants will pay a total of Six Hundred Thousand Dollars and Zero Cents (\$600,000.00) ("Gross Settlement Amount") following final Court approval of the Settlement.

After attorney's fees and costs, service payments to the Plaintiffs, a payment to the California Labor & Workforce Development Agency, and settlement administration costs are deducted from the Gross Settlement Amount, the remaining "Net Settlement Amount" will be distributed to Class Members who do not validly exclude themselves from the settlement ("Participating Class Members"), and to the PAGA Employees.

Subject to Court approval, the Gross Settlement Amount will be allocated as follows:

• Individual Settlement Payment: Each Participating Class Member will receive a payment based the total number of "Qualifying Workweeks" they were employed directly by Komar, or employed directly by Horizon and assigned to work at Komar, in California as an hourly-paid employee during the relevant time period.

Individual Settlement Payments will be calculated as follows: first, the Net Settlement Amount will be divided by the total number of Qualifying Workweeks worked by all of the Class Members to determine the "Workweek Rate." Second, the number of Qualifying Workweeks worked by each individual Class Member will be multiplied by the Workweek Rate to arrive at each person's Individual Settlement Payment. (Some Class Members may have Qualifying Workweeks during a portion of both the Horizon Class Period and the Komar Class Period.)

Your estimated Individual Settlement Payment is set forth in Section 7 below.

• Class Representative Service Payments: For acting as the Class Representatives, each Plaintiff will request from the Court an award of \$7,500.00 in recognition of and as compensation for their efforts, such as starting the Lawsuit and the Perea Action, volunteering time to assist with the case, and providing information and documents, as well as risks they assumed in starting and

assisting with the prosecution of the Lawsuit. Any amounts ordered by the Court will be paid from the Gross Settlement Amount.

- Class Counsel's Attorney's Fees and Costs: Class Counsel will request from the Court no more than one-third (1/3) of the Gross Settlement Amount (\$200,000.00) as attorney's fees for litigation and resolution of the Lawsuit. Class Counsel will also request from the Court reimbursement for litigation costs advanced on behalf of the Class, which will be no more than \$20,000.00. Any amount ordered by the Court for Class Counsel's attorney's fees and costs will be paid from the Gross Settlement Amount.
- **PAGA Allocation:** \$50,000.00 from the Gross Settlement Amount is allocated for settlement of Plaintiffs' claims under PAGA. Upon Court approval, 75% of the PAGA Payment (\$37,500.00) will be paid to the California Labor & Workforce Development Agency, and 25% of the PAGA Payment (\$12,500.00) will be distributed to PAGA Employees who were employed by Komar in California or employed by Horizon and assigned to work at Komar in California between August 17, 2017 and October 19, 2021 (the "PAGA Period"). There is no statutory right to opt out or otherwise exclude yourself from your Individual PAGA Payment and the associated release of claims and rights under PAGA.
- Settlement Administration: The costs of settlement administration will not exceed \$_____.00, which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties and the Court. Any amount ordered by the Court will be paid from the Gross Settlement Amount.
- All checks issued to Participating Class Members and PAGA Employees shall remain valid and negotiable for one hundred eighty (180) days from the date of their issuance. After expiration of this time, all funds related to unclaimed or uncashed checks will be forwarded to the California State Controller's Unclaimed Property Fund.

7. WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT, AND HOW MUCH WILL I RECEIVE?

You do not need to do anything to receive a payment from the settlement.

Komar's records show that you worked a total of [Number of Workweeks] as anhourly -paid employee employed directly by Komar in California during the relevant time period. Horizon's records show that you worked a total of [Number of Workweeks] as an hourly-paid employee employed directly by Horizon and assigned to work at Komar in California during the relevant time period. Accordingly, your anticipated Individual Settlement Award is [\$ AMOUNT].

The Parties currently estimate the Individual Settlement Awards will range from \$_______ to \$______. Individual PAGA Payments will range from \$_______ to \$_____. The actual amount of all individual settlement awards may vary somewhat based on the actual implementation of the settlement.

25% of your Individual Settlement Payment will be issued in a check representing alleged unpaid wages with applicable federal, state, and local tax withholdings taken out, and you will be sent an IRS Form W-2 for tax purposes (just like a paycheck). 75% of your Individual Settlement Payment will be issued in a check representing alleged penalties and interest, and you will be issued an IRS Form 1099 for tax purposes. 100% of your Individual PAGA Payment will be issued in a check representing alleged

penalties and interest, and you will be issued an IRS Form 1099 for tax purposes. You will need to speak with an accountant or other tax professional about any tax issues related to your settlement checks.

If you dispute the information about the amount of your anticipated Individual Settlement Payment, you must send the Settlement Administrator in the mail any records (such as paystubs, pay checks or other records) supporting your calculation of the total number of work weeks you were employed by Defendants in an, hourly -paid position in California during the relevant time frame, along with a letter explaining the reasons for your dispute that also includes the last four digits of your social security number. The letter must be sent to the Settlement Administrator by [RESPONSE DEADLINE]. The date of the postmark will determine if it was timely mailed. The Settlement Administrator will review the information you submit along with Defendants' records and make a final determination as to the correct amount of your settlement share.

The Settlement Administrator is:

Albarran/Perea v. Komar and Horizon Settlement Administration c/o Settlement Administrator Street Address/PO Box City, State, Zip Code

8. WHAT AM I GIVING UP TO STAY IN THE CLASS AND GET COMPENSATION?

For all Class Members, unless you ask to be excluded, you will remain a part of the Settlement Class, and that means you can't sue, continue to sue, or be a part of any other lawsuit or proceeding making any of the same claims and allegations made in *this* case. It also means all of the Court's orders will apply to you and legally bind you. If you stay in the Settlement Class, you will be deemed to have released and discharged Defendants and all their present and former officers, directors, employees, and agents (the "Released Class Parties), from any and all claims stated in the operative complaint of the Lawsuit or that are based upon the facts alleged in the operative complaint that arose during the Class Period, whether under state, federal or local law, whether statutory, common law or administrative law, including but not limited to claims for failure to pay wages, failure to provide meal periods, failure to make proper disclosures as required by the ICRAA, and unfair competition, including, but not limited to, claims for injunctive relief, punitive damages, liquidated damages, penalties of any nature, interest, attorneys' fees, including fees under California Code of Civil Procedure section 1021.5, and costs, and all claims under PAGA (the "Released Class Claims").

For all PAGA Employees, you will be deemed to have release and discharged the Released Parties from any right or claim for civil penalties pursuant to the Private Attorneys General Act of 2004 and any claim for civil penalties arising under the Labor Code or Wage Orders alleged in the operative complaint in the Lawsuit and/or the Albarran Action, or that could have been alleged in the operative complaint in the Lawsuit and/or the Albarran Action, based on the facts alleged therein, including without limitation claims for failure to pay wages, failure to provide meal periods, failure to provide rest periods, failure to furnish accurate wage statements, failure to pay all wages earned, failure to maintain required records, and failure to pay earned wages upon termination or discharge (the "PAGA Released Claims").

The Settlement Agreement contains additional details about the scope of the Released Claims and you may obtain a copy of the Settlement Agreement from the Settlement Administrator or Class Counsel listed below. You may also view the Settlement Agreement in the Court's file either in person or online. It is the "Stipulation of Class and Representative Action Settlement and Release" filed on ______, 2022 as Exhibit 1 to the Declaration of Zachary M. Crosner In Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement. The Court's address is 720 9th Street, Sacramento, California 95815, and the Court's website is "www.saccourt.ca.gov".

9. DO I HAVE A LAWYER IN THIS CASE?

The Court has decided the law firm below is qualified to represent you and the Settlement Class. This law firm is called "Class Counsel."

Crosner Legal, P.C. 9441 Santa Monica Blvd., Suite 301 Beverly Hills CA 90210 (310) 241-3714

If you want to be represented by your own lawyer, you may hire one at your own expense.

10. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you must submit a Request for Exclusion Form, included with this Notice, to the Settlement Administrator at the following address:

Albarran/Perea v. Komar and Horizon Settlement Administration c/o Settlement Administrator Street Address/PO Box City, State, Zip Code

You must send your Request for Exclusion Form by mail <u>no later than</u> [RESPONSE DEADLINE] to the Settlement Administrator at the above address. The date of the postmark will determine if your Request for Exclusion Form was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Gross Settlement Amount, including the Release described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement. However, to the extent you are a PAGA Employee and eligible to receive a portion of the PAGA Allocation, you will still receive that amount whether or not you submit a Request for Exclusion. This is because, if the Court approves the PAGA Allocation, there is no statutory right to opt out, object or otherwise exclude yourself from receiving an Individual PAGA Payment and the associated release of claims and rights under PAGA.

11. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the proposed settlement either in writing, by appearing at the Final Approval Hearing in person or through an attorney at your own expense, or both. The Final Approval Hearing is scheduled to take place on ______, 2023, at 8:30 a.m. in Department 25 of the Superior Court of the State of California for the County of Sacramento, located at 720 9th Street, Sacramento, California 95814.

Please use the Objection Form included with this Notice and be sure to attach any legal briefs or other support for your objection.

You must submit your Objection Form and all supporting papers if any to the Settlement Administrator by mailing to the following address/facsimile number:

Albarran/Perea v. Komar and Horizon Settlement Administration c/o Settlement Administrator Street Address/PO Box City, State, Zip Code

To be valid, your Objection Form and all supporting papers must be postmarked/faxed on or before [RESPONSE DEADLINE].

If you do not submit a written Objection Form, you may still appear at the Final Approval Hearing and make your objection to the Court.

12. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court, will bind all Class Members who do not request to be excluded from the settlement whether or not they receive or timely cash their Individual Settlement Award. Final approval of the settlement will bar any Class Member who does not request to be excluded from the settlement from initiating a lawsuit or proceeding regarding the Released Claims.

13. WHAT IF MY CONTACT INFORMATION CHANGES?

If, after you receive this Notice you change your mailing address, it is your responsibility to inform the Settlement Administrator of your updated information.

14. THE FINAL APPROVAL HEARING

The Final Approval Hearing is scheduled to take place on _____, 2023, at 8:30 a.m. in Department 25 of the Superior Court of the State of California for the County of Sacramento, located at 720 9th Street, Sacramento, California 95814. The date and time may change without further notice to the Class.

At the Final Approval Hearing, the Court will make a final decision whether to approve the settlement, and will also decide what amounts will be awarded to Plaintiff for a service award, and to Class Counsel for attorney's fees and costs.

15. FURTHER INFORMATION

This Notice is only a summary of the settlement. To obtain a copy of the Settlement Agreement (which defines the capitalized terms used in this Notice), the Court's Preliminary Approval Order, or the operative complaint filed in the Lawsuit, please contact the Settlement Administrator at [SETTLEMENT ADMIN. TOLL FREE PHONE NUMBER] or Class Counsel listed above.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [SETTLEMENT ADMIN. TOLL FREE PHONE NUMBER] or Class Counsel listed above. Please refer to the Albarran/Perea v Komar and Horizon Class Action Settlement.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT WITH QUESTIONS OR FOR INFORMATION REGARDING THIS SETTLEMENT

EXHIBIT B

REQUEST FOR EXCLUSION FORM

(Oscar Albarran and Mayda Perea v. Charles Komar & Sons, Inc. dba Komar Distribution Services, Komar Properties of Oklahoma, Inc. dba Komar Distribution Services, Horizon Personnel Services, Inc., and Stay Safe Staffing, Inc.; Sacramento County Superior Court Case No. 34-2018-00243114)

IF YOU WANT TO BE INCLUDED IN THIS CLASS ACTION SETTLEMENT AND RECEIVE A SETTLEMENT PAYMENT, <u>DO NOT</u> FILL OUT THIS FORM.

IF YOU DO NOT WANT TO BE INCLUDED IN THE SETTLEMENT, AND DO NOT WANT TO RECEIVE A SETTLEMENT PAYMENT, YOU MUST COMPLETE, DATE AND SIGN THIS FORM AND MAIL OR FAX IT BACK TO THE ADDRESS OR FAX NUMBER BELOW, POSTMARKED OR FAXED NO LATER THAN [response deadline]:

Albarran/Perea v. Komar and Horizon Settlement Administration c/o Settlement Administrator [Settlement Administrator address]

I have received notice of the proposed settlement in this lawsuit, and I wish to be excluded from the class and I have decided *not* to participate in the proposed settlement. I understand this means that I will not be bound by the settlement and will not receive any payment from the settlement, but I will retain whatever rights I may have, if any, to pursue a claim against Charles Komar & Sons, Inc. dba Komar Distribution Services, Komar Properties of Oklahoma, Inc. dba Komar Distribution Services, Inc., and Stay Safe Staffing, Inc. with respect to the claims raised in the lawsuit referenced above.

Your Name: _____

Street Address:

City, State, Zip Code: _____

Last four digits of Social Security Number: XXX-XX-

Date:

(signature)

EXHIBIT C

OBJECTION FORM

(Oscar Albarran and Mayda Perea v. Charles Komar & Sons, Inc. dba Komar Distribution Services, Komar Properties of Oklahoma, Inc. dba Komar Distribution Services. Horizon Personnel Services, Inc., and Stay Safe Staffing, Inc.; Sacramento County Superior Court Case No. 34-2018-00243114)

AS EXPLAINED IN MORE DETAIL IN THE NOTICE THAT CAME WITH THIS FORM, YOU HAVE THE RIGHT TO OBJECT TO THE PROPOSED CLASS ACTION SETTLMENT DESCRIBED IN THE NOTICE.

If you choose, you may object to the proposed Settlement. The Court may or may not agree with your objection. Objecting to the Settlement will not exclude you from the Settlement, and if the Court grants final approval to the Settlement, you will get your settlement payment and the release of claims will apply to you.

If you wish to object to the Settlement, you must complete this Objection Form and state the basis for your objection, and mail the completed Objection Form along with legal briefs or other documents that support your objection, if any, to the address below, postmarked no later than [response deadline]. Alternatively, you may appear and be heard at the Final Approval Hearing and make your objection to the Court regardless of whether you submit an Objection Form.

Albarran/Perea v. Komar and Horizon Settlement Administration c/o Settlement Administrator [Settlement Administrator address]
Your Name:
Street Address:
City, State, Zip Code:
Last four digits of Social Security number: XXX-XX-
Date:
(signature)
Reasons Why You Object (you may attach additional pages if necessary):