STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This stipulation of class action and PAGA settlement ("Stipulation of Settlement") is made and entered into by and between Plaintiff Martin Nolasco, individually and on behalf of the Settlement Class, and Defendant Mohawk ESV, Inc., subject to the terms and conditions hereof and the Court's approval pursuant to California Rule of Court 3.769.

A. Definitions.

1. "Actions" means the case filed by Plaintiff and pending before the Superior Court of the State of California for the County of San Bernardino entitled, *Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2106866 and the case filed by Plaintiff and pending before the State of California for the County of San Bernardino entitled, *Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2113778.

2. "Check Stale Date" means the date by which any Settlement Payment checks issued from the Distribution Fund shall become stale and void, i.e., a date one hundred eighty (180) days after the date of their issuance.

3. "Class Action" means the case filed by Plaintiff and pending before the Superior Court of the State of California for the County of San Bernardino entitled, *Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2106866

4. "Class Counsel" means Joseph Lavi, Vincent C. Granberry, and Melissa A. Huether of Lavi & Ebrahimian, LLP.

5. "Class Member(s)" shall include and mean Plaintiff Martin Nolasco and all current and former component/piece rate drivers who worked for Defendant Mohawk ESV, Inc. in the State of California any time from January 9, 2021, through September 18, 2022.

6. "Class Notice" shall refer to the dissemination, in the manner set forth herein, of the notice in substantially the form attached hereto as <u>Exhibit A</u>.

7. "Complaint" means the First Amended Complaint filed in the Class Action.

8. "Cost Award" means the amount to be paid to Class Counsel as and for litigation costs and expenses that were actually incurred with respect to the Actions, from the Settlement Amount, as approved by the Court and subject to the terms of this Stipulation of Settlement, which shall not exceed \$25,000.00.

9. "Court" means the Superior Court of the State of California for the County of San Bernardino where the Actions are pending.

10. "Defendant" means Mohawk ESV, Inc.

11. "Distribution Fund" means the amount of money to be distributed to Class Members, which is the difference between the Settlement Amount and the sum of: (1) Class Counsel's Fees Award; (2) Class Counsel's Cost Award; (3) Plaintiff's Service Award; (4) Settlement Administration Costs; and (5) seventy-five percent (75%) of the PAGA Allocation.

12. "Effective Date" means the date by which this Stipulation of Settlement is finally approved by the Court as provided herein and when the Court's final judgment becomes binding. For purposes of this Stipulation of Settlement, the final judgment becomes binding upon the later of: (i) the day after the last day by which a notice of appeal to the California Court of Appeal of the final judgment may be timely filed, and none is filed; (ii) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial or otherwise, the day after the last date for filing a request for further review of the Court of Appeal's decision passes, and no further review is requested; (iii) if an appeal is filed and there is a final disposition by ruling, dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal's decision is requested, the day after the request for review is denied with prejudice and/or no further review of the judgment can be requested, or (iv) if review is accepted, the day the California Supreme Court affirms the Settlement.

13. "Fees Award" means the amount to be paid to Class Counsel as and for its attorneys' fees with respect to the Action, from the Settlement Amount, as approved by the Court and subject to the terms of this Stipulation of Settlement, which shall not exceed one third of the Settlement Amount or \$100,000.00.

14. "Final Approval" means the date that the Court issues an order finally approving the Settlement.

15. "Named Plaintiff" or "Plaintiff" means Martin Nolasco.

16. "Named Plaintiff's Complete And General Release" means an irrevocable and unconditional release given only by the Named Plaintiff releasing the Released Parties from any and all charges, complaints, claims, causes of action, debts, sums of money, controversies, agreements, promises, damages and liabilities of any kind or nature whatsoever, both at law and equity, known or unknown, suspected or unsuspected, arising from conduct occurring on or before the date the Named Plaintiff signs this Stipulation of Settlement, including, but not limited to, the Release of Claims. This provision is intended by the Parties to be all encompassing and to act as a full and total release of any claim, whether specifically enumerated herein or not, that Named Plaintiff might have or have had, that exists or ever has existed on or to the date this Stipulation of Settlement is signed. The words "claim" or "claims" includes without limitation all actions, claims and grievances, whether actual or potential, known or unknown, related, incidental to or arising out of any act or omission committed or omitted by the Released Party through the date Named Plaintiff signs this Stipulation of Settlement and/or arising out of Named Plaintiff's employment relationship with Defendant and/or the cessation thereof. The Named Plaintiff's Complete And General Release includes a waiver of all rights under California Civil Code section 1542 which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIM 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."

Named Plaintiff acknowledges that they have read all of this Stipulation of Settlement, including the above Civil Code section, and that they fully understand both the Stipulation of Settlement and the Civil Code section. By executing this Stipulation of Settlement, Named Plaintiff expressly waives any benefits and rights granted to them pursuant to Civil Code section 1542 or any statute, rule, or principle of common law or equity, in any jurisdiction, that is similar to Civil Code section 1542. Named Plaintiff acknowledges and agrees that this knowing and voluntary waiver of the provisions of Civil Code section 1542 is an essential and material term of this Stipulation of Settlement, and the Stipulation of Settlement would not have been entered without such a waiver from Named Plaintiff.

17. "Notice" means the notice that will be sent to Settlement Class Members to inform them of the Actions and the proposed Settlement, in substantially the form attached hereto as Exhibit 1 and as approved by the Court.

18. "Objection/Exclusion Deadline" means the deadline sixty (60) days after the mailing of the Notice to Class Members by which Class Members must object to or request exclusion from the Stipulation of Settlement.

19. "PAGA Action" means the case filed by Plaintiff and pending before the Superior Court of the State of California for the County of San Bernardino entitled, *Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2113778.

20. "PAGA Allocation" means the total allocation from the Settlement Amount towards a release of the PAGA claims, which the Parties have agreed shall be Thirty Thousand Dollars and Zero Cents (\$30,000.00). Of this amount, 75% (i.e., \$22,500) shall be paid to the California Labor Workforce Development Agency ("LWDA"), and 25% (i.e., \$7,500) shall be distributed to Class Members.

21. "Parties" shall mean, collectively, Plaintiff and Defendant (who are referred to individually as "Party").

22. "Preliminary Approval" means the date that the Court issues an order preliminarily approving the Stipulation of Settlement and Class Notice.

23. "Released Claims" means any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that are alleged, related to or that reasonably could have arisen out of the same facts alleged in the Complaint, including claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 1194, 1197, 1194.2, 2802 as well as IWC Wage Order No. 9 section 4 and the California Business and Professions Code based on the foregoing, as well as any civil penalty claims predicated on the

claims alleged in the Complaint under the California Labor Code Private Attorneys General Act ("PAGA").

24. "Released Parties" means Defendant as well as its respective present and former parent companies, subsidiaries, affiliates, and joint ventures, and each of its respective present and former officers, directors, controlling stockholders, agents, affiliates, employees, insurers, coinsurers, reinsurers, attorneys, including legal counsel herein, accountants, auditors, advisors, representatives, consultants, pension and welfare benefit plans, plan fiduciaries, administrators, trustees, general and limited partners, predecessors, successors and assigns, and the spouse of each of the foregoing who is a natural person.

25. "Service Award" means the amount the Court awards to Plaintiff for being Named Plaintiff in this Action, but not to exceed a total of Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) in the aggregate.

26. "Settlement Administrator" means Phoenix Class Action Administration Solutions or any other settlement administrator that the Parties agree to use as an alternative and the Court approves.

27. "Settlement Administration Costs" means the costs incurred by the Settlement Administrator to administer this Settlement, which shall not exceed \$10,000.00.

28. "Settlement Amount" means Three Hundred Thousand Dollars and Zero Cents (\$300,000.00), which is the total amount available for distribution that Defendant has agreed to pay according to the terms of this Stipulation of Settlement.

29. "Settlement Class" and "Settlement Class Members" shall include and mean all Class Members who do not properly elect to exclude themselves from this Settlement.

30. "Settlement Hearing" is the hearing on the Motion for Final Approval of the Settlement.

31. "Settlement Payment(s)" means the total amount paid to each Settlement Class Member, which shall be calculated based on the distribution formula in paragraph C.40.d from the Distribution Fund.

32. "Settlement Period" means the time period from January 9, 2021, through September 18, 2022.

33. "Stipulation of Settlement," "Stipulation," "Agreement," "Settlement," and "Settlement Agreement" means this Stipulation of Settlement, including any attached Exhibits, which the Parties understand and agree sets forth all material terms and conditions of the settlement among them, and which is subject to Court approval.

B. General.

34. The Complaint alleges the following claims against Defendant: (1) failure to pay minimum wage and to pay separately and hourly for time spent by drivers on rest periods and nondriving time in California (Labor Code §§ 226.2, 1194, 1194.2, 1197; IWC Wage Order No. 9, section 4); (2) failure to reimburse business expenses (Labor Code § 2802); (3) failure to provide complete/accurate wage statements (Labor Code §§ 226(a), 226.2); (4) failure to pay timely wages (Labor Code §§ 204, 210); (5) waiting time penalties (Labor Code §§ 201-203); (6) deceptive/fraudulent business practices based on the foregoing (Cal. Bus. & Prof. Code § 17200, *et seq.*; and (7) PAGA penalties based on the foregoing (Cal. Labor Code § 2698, *et seq.*).

35. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Actions and further denies that the Class Action is appropriate for class treatment for any purpose other than this Settlement. Defendant contends, among other things, that it has always complied with the California Labor Code and the California Business and Professions Code. Neither this Stipulation of Settlement, nor any document referred to or contemplated in this document, may be used as an admission, concession or indication by or against Defendant or any Released Parties of any wrongdoing or liability whatsoever. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152, be inadmissible as evidence in any proceeding. The preceding sentence shall not apply to an action or proceeding to approve, interpret, or enforce this Settlement Agreement.

36. Plaintiff believes that the Actions are meritorious and that, with respect to the Class Action, class treatment for Settlement purposes is appropriate.

37. Class Counsel has conducted a thorough investigation into the facts of the Actions, including informal discovery and exchange of information. This includes, but is not limited to, conducting damages analysis, reviewing and analyzing documents, and participating in a full day mediation. Class Counsel has done extensive legal research with respect to the applicable law and potential defenses to the claims of the Class. Class Counsel has diligently pursued an investigation of the Class Members' claims against Defendant. Based on the forgoing information, data, and on their own independent investigation and evaluation, Class Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set forth in this Stipulation of settlement is fair, reasonable, and adequate and is in the best interest of Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and potential appellate issues. Defendant indicated that there are approximately 4,248 work weeks at issue and approximately 65 Class Members.

38. Defendant has expended a significant amount of time and other resources to defend the Actions to date and recognizes that it will have to spend additional time and resources to defend the Actions through any attempted class certification and, if necessary, trial. Defendant has therefore agreed to settle the Actions on the terms set forth in this Stipulation of Settlement.

39. For Settlement only, Defendant and Plaintiff stipulate to certification of the Class based on the claims asserted in the Complaint. If the Stipulation of Settlement does not become

effective, the fact that Defendant stipulated to class certification as part of the Settlement will not be admissible or used in any way in connection with any attempt by Plaintiff to certify a class either in this Court or any other court or forum. Defendant expressly reserves its rights to oppose class certification if this Stipulation of Settlement does not become effective.

C. Financial Terms of Settlement.

40. The financial terms of the settlement are as follows:

(a) **Settlement Amount:** Defendant and Plaintiff agree to settle the Actions for the Settlement Amount of Three Hundred Thousand Dollars and Zero Cents (\$300,000.00). The Settlement Amount is non-reversionary. The Settlement Amount consists of: (a) the Distribution Fund, which shall be paid out to Settlement Class Members; (b) up to one-third of the Settlement Amount or One Hundred Thousand Six Dollars and Zero Cents (\$100,000.00) for Class Counsel's Fees Award; (c) up to Twenty Five Thousand Dollars and Zero Cents (\$25,000.00) for Class Counsel's Cost Award; (d) up to Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) for a Service Award to Plaintiff in the aggregate; (e) up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for Settlement Administration Costs; and (f) a PAGA Allocation in the amount of Thirty Thousand Dollars and Zero Cents (\$30,000.00).

(b) **Escalator Clause:** The Settlement Amount was negotiated based on the assumption that there are approximately 4,248 weeks worked by the approximate 65 Class Members during the Settlement Period. If the actual number of weeks worked by Class Members in the Settlement Period exceeds 4,673 (i.e., 10% more than 4,248) then the Settlement Amount shall be increased in proportion to the number of additional weeks worked over 4,673. For example, if there are actually 4,715 workweeks (i.e., 11% more than 4,248 workweeks), then the Settlement Amount will be increased by 1%.

(c) **Common Fund Settlement:** This is a common fund Settlement, such that the Settlement Payments will be disbursed without Settlement Class Members needing to make a claim, provided they do not timely exclude themselves from the Settlement.

(d) **Calculation of The Settlement Payments to Settlement Class Members:** Settlement Payments will be distributed to Settlement Class Members on a pro rata basis based on weeks worked by Settlement Class Members during the Settlement Period. More specifically, the Distribution Fund will be divided by the total number of weeks worked by Settlement Class Members for Defendant in California during the Settlement Period to ascertain a value per workweek. The value per workweek will then be multiplied by the number of weeks worked during the Settlement Period by each Settlement Class Member. If a Class Member disputes their number of workweeks as allocated to them, they may dispute the number workweeks by following the instructions described in the Class Notice.

(e) **Tax Allocation of Payments to Settlement Class Members:** Settlement Payments to Settlement Class Members will be allocated as follows: 25% to wages for which an IRS Form W-2 shall issue and 75% to reimbursement, penalties and interest for which an IRS Form 1099 shall issue. Defendant will pay the employer share of payroll taxes due on the portion of the Settlement Payments to Settlement Class Members allocated to wages in addition to payment of the Settlement Amount.

(f) **No Tax Advice:** No Party is providing tax advice to the other. To the extent that this Stipulation of Settlement is interpreted to contain or constitute legal advice regarding any federal, state, or local tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code. Defendant and the Released Parties are not responsible for any employee tax obligations related to the allocation of monies paid pursuant to this Stipulation of Settlement except as specifically provided herein.

(g) **Tax Forms and Filings:** The Settlement Administrator will be responsible for issuing all required W-2 and 1099 forms and other tax forms to the Settlement Class Members and Plaintiff under this Stipulation of Settlement.

(h) **No Effect on Employee Benefits:** Settlement Payments to the Settlement Class Members from the Distribution Fund shall not trigger any obligation of any kind whatsoever by Defendant or the Released Parties to make any contributions or payments of any kind to the Settlement Class, including payments related to any retirement benefit accounts. Payments to Settlement Class Members will also not have any effect on any other benefits for Settlement Class Members (*e.g.*, vacation or holiday pay).

(i) Service Award to Plaintiff: The Service Award to be paid to Plaintiff will be awarded by the Court in its discretion for his service as class representative and as consideration for his general release of claims but shall not exceed a total of Eight Thousand Nine Hundred Dollars and Zero Cents (\$8,900.00) in the aggregate. Defendant shall not oppose Plaintiff's request for a Service Award in the amount described herein. The Plaintiff's Service Award will come from the Settlement Amount. Any amount of the Service Award not approved by the Court will be added to the Distribution Fund.

(j) **PAGA Allocation:** Defendant and Plaintiff agree the PAGA Allocation is Thirty Thousand Dollars and Zero Cents (\$30,000.00). The PAGA Allocation will come from the Settlement Amount. Any amount of the PAGA Allocation not approved by the Court will be added to the Distribution Fund.

(k) Attorneys' Fees and Costs: Class Counsel may apply for a Fees Award in an amount not to exceed one-third of the Settlement Amount or One Hundred Thousand Dollars and Zero Cents (\$100,000.00), which represents all past and future attorneys' fees incurred in the Actions by all attorneys working on behalf of the Named Plaintiff and Class Members. Additionally, Class Counsel may apply for a Costs Award in an amount not to exceed Twenty Five Thousand Dollars and Zero Cents (\$25,000.00), which represents all past and future attorneys' costs and expenses necessary to prosecute, settle and administer the Actions and this Settlement. Defendant shall not oppose Class Counsel's requests for a Fees Award and Costs Award in the amounts described herein. The Fees Award and Costs Award will come from the Settlement Amount. Any amount of the Fees Award or Costs Award not approved by the Court will be added to the Distribution Fund. (1) **Settlement Administration Costs:** Subject to Court approval, Defendant will pay up to Ten Thousand Dollars and Zero Cents (\$10,000.00) for Settlement Administration Costs, which will be paid from the Settlement Amount. Any amount of the Settlement Administration Costs not approved by the Court will be added to the Distribution Fund.

D. Release by the Settlement Class and Plaintiff.

41. As of the date Defendant funds the Settlement Amount, the Named Plaintiff and all Settlement Class Members will be deemed to fully and irrevocably release and discharge the Released Parties from the Released Claims.

42. As of the date Defendant funds the Settlement Amount, the Named Plaintiff's Complete And General Release referenced in paragraph 16 above will be deemed enforceable and binding as to Named Plaintiff.

E. Settlement Notice.

43. As indicated above, Defendant and Plaintiff have agreed to use the Settlement Administrator to perform settlement administration duties, including mailing the notice, using approved, standard devices to obtain forwarding addresses, independently reviewing and verifying documentation associated with any timely submitted opt-out requests, timely submitted disputes regarding weeks worked attributed to a Class Member, and timely Class Member objections to the Settlement, applying the formula for determining individual settlement amounts, preparing and mailing settlement payments to Settlement Class Members, issuing tax forms and performing such other tasks as set forth herein or as Defendant and Plaintiff mutually agree or that the Court orders.

44. Within fourteen (14) calendar days after the Parties receive written notice of Preliminary Approval, Defendant shall provide to the Settlement Administrator a list of the Class Members, including name, last known address, social security number and number of work weeks worked for Defendant in California during the Settlement Period ("Class Data"). The Settlement Administrator shall keep the list(s) provided by Defendant confidential and shall not provide it to any other persons including Class Members, Plaintiff or Class Counsel.

45. The Notice, which the Parties will agree upon, and which shall be approved by the Court, shall be sent by the Settlement Administrator to the Class Members, by first class mail, within ten (10) calendar days of the Settlement Administrator's receipt of the Class Data. Prior to mailing the Notice to Class Members, the Settlement Administrator shall run the Class Data through the National Change of Address Database maintained by the United States Postal Service to search for any known and identifiable address changes. Class Members shall have not more than sixty (60) calendar days after the date the Notice is mailed to the Class to dispute the number of weeks worked credited to them, object to the Settlement, or opt out of the Settlement.

46. If any Notices are returned within fourteen (14) calendar days from the initial date of mailing, the Settlement Administrator will re-mail the Notice within five (5) business days, using reasonable means to identify the correct address, i.e., through skip traces. The re-mailing of any Notice does not restart or extend the Objection/Exclusion Deadline. The Settlement

Administrator will not re-mail any Notices that are returned as non-deliverable after fourteen (14) calendar days from the initial date of mailing.

47. Twenty-eight (28) calendar days prior to the final approval hearing, the Settlement Administrator shall provide counsel for Defendant and Plaintiff with a declaration of due diligence with regard to the mailing of the Notice.

48. If the procedures in this Stipulation of Settlement are followed and the intended recipient of a Notice still does not receive the Notice, the recipient will nevertheless remain a Settlement Class Member and will be bound by the Stipulation of Settlement, including the Release of Claims, should the Settlement become effective.

49. The Notice will list the number of individual weeks worked by the Class Member in California during the Settlement Period according to Defendant's records, the number of weeks worked by the Class Member in California during the Settlement Period paid by component pay, and the estimated Settlement Payment. If a Class Member wishes to challenge the number of weeks worked credited to him or her, then he or she must submit a written challenge to the Settlement Administrator, which must: contain the case name and number of the Class Action (Martin Nolasco et al. v. Mohawk ESV, Inc. et al., Case No. CIVSB2106866); contain the full name, address, telephone number, and last four digits of the Social Security number of the Class Member, which must match up with the social security number and either first or last name in Defendant's records; have a signature and date; contain a statement clearly indicating that the Class Member wishes to challenge the number of weeks worked credited to him or her and the number that he or she contends should be credited to him or her; and attach any materials that the Class Member wishes to rely upon to support his or her challenge; and be returned to the Settlement Administrator, at the address specified in the Notice, and postmarked no later than the applicable Objection/Exclusion Deadline. Once the Objection/Exclusion Deadline has passed, no Class Member may dispute weeks worked. If a dispute is timely submitted, Defendant's records will be presumed determinative, but Defendant and Plaintiff will evaluate the evidence submitted by the Class Member and will discuss in good faith how many individual workweeks should be credited. If the Parties cannot agree, the Settlement Administrator will make the final determination, which will be binding on the Parties and the Subject Class Member without hearing or right of appeal.

50. Class Members may also object to the Settlement in writing before the Objection/Exclusion Deadline. To be valid, all written objections, supporting papers and/or notices of intent to appear at the final approval hearing must: (1) clearly identify the Class Action by name and case number (*Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2106866); (2) contain the full name, address, telephone number, and last four digits of the Social Security number of the Class Member objecting to the Settlement, which must match up with the social security number and either first or last name in Defendant's records; (3) have a signature and date; and (4) be postmarked for service by mail and sent to the Settlement Administrator no later than the Objection/Exclusion Deadline. Settlement Class Members who fail to file and serve timely written objections or, if the Court permits, orally make an objection at the Final Approval Hearing, in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement.

51. Class Members who wish to request exclusion from the Settlement must do so in writing by the Objection/Exclusion Deadline. To be valid, any request for exclusion must: (1) be in writing and postmarked for service by mail to the Settlement Administrator no later than the Objection/Exclusion Deadline; (2) contain the full name, address, telephone number, and last four digits of the Social Security number of the Class Member objecting to the Settlement, which must match up with the social security number and either first or last name in Defendant's records; (3) have a signature and date; and (4) state "I wish to be excluded from the Settlement in Martin Nolasco et al. v. Mohawk ESV, Inc. et al., San Bernardino County Superior Court, Case No. CIVSB2106866. I understand that in asking to be excluded from the Settlement class, I will not receive any money as part of the Settlement approved by the Court." Any Class Member who submits a valid, timely request for exclusion will not be bound by the Settlement and will not be entitled to any Settlement Payment provided in the Stipulation of Settlement. Class Members who submit a timely, valid request for exclusion will not be allowed to object to, appeal or comment on the Settlement as it pertains to Settlement Class Members. Class Members who fail to submit a valid, timely request for exclusion will be bound by all of the terms of the Settlement and any final judgment entered in this Action, including the Released Claims, if the Settlement is approved by the Court.

52. The Settlement Administrator will provide counsel for Defendant and Class Counsel with prompt, regular reports reflecting objections and exclusions.

53. Defendant and Plaintiff, and their respective counsel, will not solicit or otherwise encourage Class Members to submit written objections to or request exclusion from the Settlement. This paragraph will not prevent Class Counsel from responding to questions from Class Members about the Settlement.

54. Defendant will be obligated to fund the Settlement as approved by the Court, up to the Settlement Amount. Defendant will fund the Settlement Amount and an amount sufficient to pay the employer's share of payroll taxes in the full amount as ordered by the Court no later than twenty-one (21) calendar days after the Effective Date.

55. No later than twenty-one (21) calendar days after receiving funds from Defendant, the Settlement Administrator will mail the Settlement Payments to the Settlement Class Members, the Service Award to Plaintiff, and the Fees Award and Costs Award to Class Counsel. Concurrently, the Settlement Administrator will also issue payment itself for the Settlement Administration Costs.

56. Settlement Payment checks issued to Settlement Class Members from the Distribution Fund shall remain valid and negotiable for one hundred eighty (180) days from the date of their issuance and will thereafter automatically be canceled if not cashed by the Check Stale Date. Any funds associated with uncashed checks in the Net Settlement Amount shall be distributed pursuant to the State Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500, et seq for the benefit of those Settlement Class Members who did not cash their checks.

57. The Settlement Administrator shall provide Class Counsel and Defendant with a declaration of due diligence regarding administration of the Settlement no later than one hundred and eighty (180) calendar days after the Effective Date. Class Counsel will file the declaration of due diligence with the Court by no later than one hundred and ninety (190) calendar days after the Effective Date.

F. Duties of the Plaintiff and Defendant Prior to Court Approval.

58. After execution of this Stipulation of Settlement, Plaintiff shall move the Court for preliminary approval of this Settlement and entry of an order accomplishing the following:

(a) Scheduling a fairness hearing on the question of whether the proposed settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class members;

- (b) Approving as to form and content the proposed Notice;
- (c) Directing the mailing of the Notice by first class mail to Class Members;
- (d) Preliminarily approving this Settlement;

(e) Preliminarily certifying claims in the Class Action on behalf of the Class for purposes of settlement;

(f) Preliminarily setting the amount of the Fees Award and Costs Award payable to Class Counsel;

(g) Preliminarily setting the Service Award, if any, to the Plaintiff; and

(h) Preliminarily approving Settlement Administration Costs payable to the Settlement Administrator.

The Parties shall submit this Stipulation of Settlement in support of the motion for preliminary approval of the settlement.

G. Duties of Plaintiff and Defendant Following Final Court Approval.

59. In connection with the hearing on final approval of the Settlement provided for in this Stipulation of Settlement, Plaintiff will submit a proposed final approval order and final judgment accomplishing the following:

(a) Finally approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;

(b) Finally approving Class Counsel's Fees Award and Costs Award, the Service Award to Plaintiff and the Settlement Administration Costs; and

(c) Entering judgment permanently barring: (i) all Settlement Class Members from prosecuting any Claims released in the Release of Claims against the Released Parties; and (ii) Plaintiff from proceeding with any of the claims released in Named Plaintiff's Complete And General Release against any of the Released Parties.

60. After entry of the final approval order and final judgment, Plaintiff will dismiss the separately pending PAGA Action.

H. Terminating the Stipulation of Settlement.

61. If, before the final approval hearing, the number of Class Members who have timely filed valid requests for exclusion from the Class equals or exceeds ten (10), Defendant shall have, in its sole discretion, the option to terminate this Settlement.

62. In the event: (i) the Court does not enter the preliminary approval order; (ii) the Court does not finally approve the Settlement as provided herein; (iii) the Superior Court does not enter a final judgment and order; or (iv) the Settlement does not become final or effective as defined by the Effective Date for any other reason, this Stipulation of Settlement shall be null and void and any order or judgment entered by the Superior Court in furtherance of this Settlement shall be treated as void *ab initio*. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Stipulation of Settlement, and the Parties shall proceed in all respects as if this Stipulation of Settlement had not been executed, except that any fees already incurred by the Settlement Administrator shall be paid for by Defendant. In the event an appeal is filed from the Court's final judgment, or any other appellate review is sought, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review.

I. Parties' Authority.

63. The signatories to this Stipulation of Settlement represent that they are fully authorized to enter into this Stipulation of Settlement and bind Defendant and Plaintiff to the terms and conditions.

J. Mutual Full Cooperation.

64. Defendant and Plaintiff agree to fully cooperate with each other to accomplish the terms of this Stipulation of Settlement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Stipulation of Settlement. Defendant and Plaintiff shall use commercially reasonable efforts, including all efforts contemplated by this Stipulation of Settlement and any other efforts that may become necessary by order of the Court, to effectuate this Stipulation of Settlement and the terms set forth herein. As soon as reasonably practicable after execution of this Stipulation of Settlement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's Preliminary Approval and Final Approval of the Settlement.

K. No Prior Assignments.

65. Defendant and Plaintiff represent, covenant, and warrant that they have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged by this Stipulation of Settlement.

L. No Admission.

66. Defendant and the Released Parties deny any and all claims alleged in the Actions and deny all wrongdoing whatsoever. This Stipulation of Settlement is not a concession or admission and shall not be used against Defendant or any of the Released Parties as an admission or indication with respect to any claim of any fault, concession or omission by Defendant or any of the Released Parties. Whether or not the Settlement is finally approved, neither the Settlement, nor any document, statement, proceeding or conduct related to this Stipulation of Settlement, nor any reports or accounts thereof, shall in any event be:

(a) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or

(b) disclosed, referred to or offered or received in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of enforcing this Stipulation of Settlement. However, the Released Parties may file the final judgment, Stipulation of Settlement, or any other papers and records on file in the Actions as evidence of the Settlement to support a defense of res judicata, collateral estoppel, release, waiver or other theory of claim preclusion or issue preclusion or similar defense as to the Release of Claims, and/or in defense of any future claim in this or any other proceeding.

M. Enforcement Actions.

67. Except as otherwise provided in this Stipulation of Settlement, in the event that Plaintiff or Defendant institute any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Stipulation of Settlement or to declare rights and/or obligations under this Stipulation of Settlement, the prevailing Party or Parties shall be entitled to recover from the other Party or Parties reasonable attorneys' fees and costs, including expert witness fees, incurred in connection with any enforcement actions.

N. No Press Releases.

68. The Parties and their counsel agree that they will not issue any press releases, engage in any communications, or take any other action that would directly or indirectly provide the press or other media or any litigation reporting service with information about the litigation or the Parties' Settlement or would otherwise enable or allow the press or other media or any litigation reporting service to learn or obtain such information; except that Defendant retains the right and discretion to disclose the Settlement as may be required under federal or state laws or generally

accepted accounting principles. Notwithstanding this paragraph, the filing of papers in court in this case in support of the Parties seeking approval of the settlement or other court papers filed in this case shall not be considered a violation of this paragraph under any circumstances. Plaintiff and Class Counsel further agree that if contacted regarding this case, they will state only that the case has been resolved.

O. Notices.

69. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the date of mailing by United States registered or certified mail, return receipt requested, or nationally recognized overnight courier service, addressed:

To Class Counsel:

Joseph Lavi, Esq. Vincent C. Granberry, Esq. Melissa A. Huether, Esq. Lavi & Ebrahimian, LLP 8889 W. Olympic Blvd., Suite 200 Beverly Hills, California 90211

To Defendant:

Ian A. Wright, Esq. Alston & Bird LLP 333 South Hope Street, 16th Floor Los Angeles, California 90071

P. Construction.

70. The Parties agree that the terms and conditions of this Stipulation of Settlement are the result of lengthy, intensive, arm's length negotiations between Plaintiff and Defendant and that this Stipulation of Settlement shall not be construed in favor of or against any Party by reason of the extent to which any Party or their or its counsel participated in the drafting of this Stipulation of Settlement.

Q. Captions and Interpretations.

71. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation of Settlement or any provision hereof. Each term of this Stipulation of Settlement is contractual and not merely a recital.

R. Modification.

72. This Stipulation of Settlement may not be changed, altered, or modified, except by the Court and/or in a writing and signed by the Parties and their counsel, and approved by the Court. This Stipulation of Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties and their counsel.

S. Integration Clause.

73. This Stipulation of Settlement contains the entire agreement between Defendant and Plaintiff relating to the settlement and transaction contemplated hereby, and, upon its full execution by all Parties, all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

T. Binding on Assigns.

74. This Stipulation of Settlement shall be binding upon and inure to the benefit of the Parties hereto (including but not limited to Class Members) and their respective heirs, trustees, executors, administrators, successors and assigns.

U. Signatures of All Class Members Unnecessary to be Binding.

75. It is agreed that, because the members of the Class are numerous, it is impossible or impractical to have each Class Member execute this Stipulation of Settlement. The Notice will advise all Class Members of the binding nature of the Release of Claims provided herein and such shall have the same force and effect as if each Class Member executed this Stipulation of Settlement.

V. Counterparts.

76. This Stipulation of Settlement may be executed in counterparts, and when each signatory has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully-signed Stipulation of Settlement, which shall be binding upon and effective as to all Parties. Signatures may be provided as originals or by scanned, electronic versions delivered via e-mail. Signatures provided as a scanned version delivered via e-mail will be binding and have the same force and effect of an original signature.

Dated: <u>11/15/</u> , 2022 CLASS CO	DUNSEL:
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LAVI & EBRAHIMIAN, LLC	
DocuSigned by:	
By: Joseph Lavi 871E0169FCF244D	
,	

JOSEPH LAVI, ESQ. MELISSA A. HUETHER, ESQ.

Attorneys for Plaintiff and the Class

Dated: <u>11/11/22</u>, 2022

CLASS REPRESENTATIVE:

DocuSigned by:
B78EA55CE15D4B5...

MARTIN NOLASCO

Dated: _____, 2022

COUNSEL FOR DEFENDANT:

ALSTON & BIRD LLP

By: _____

IAN A. WRIGHT, ESQ.

Dated: _____, 2022

MOHAWK ESV, INC.

By:_____

ITS: _____

Dated: _____, 2022 CLASS COUNSEL:

LAVI & EBRAHIMIAN, LLC

Ву:_____

JOSEPH LAVI, ESQ. MELISSA A. HUETHER, ESQ.

Attorneys for Plaintiff and the Class

Dated: _____, 2022

CLASS REPRESENTATIVE:

MARTIN NOLASCO

Dated: 11 10, 2022

COUNSEL FOR DEFENDANT:

ALSTON & BIRD LLP

By: In which the second

Dated: <u>NIV. 10</u>^{*}, 2022

MOHAWK ESV, INC.

By: Marth Fops MARK A. ROBERS ITS: DEP. BENERAL CUNSES

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN BERNARDINO

Martin Nolasco et al. v. Mohawk ESV, Inc. et al. Case No. CIVSB2106866

If you are or were employed as a component/piece rate driver employee by Mohawk ESV, Inc. in California, a pending class action settlement may affect your rights.

A court authorized this notice. This is not a solicitation from a lawyer.

- A proposed class action settlement (the "Settlement") has been reached between Plaintiff Martin Nolasco ("Plaintiff") and Defendant Mohawk ESV, Inc. ("Defendant") on behalf of Plaintiff and all other California residents who are or were employed as component/piece rate drivers who worked for Defendant Mohawk ESV, Inc. in the State of California any time from January 9, 2021, through September 18, 2022 (the "Class").
- The Settlement resolves a proposed class action lawsuit entitled *Martin Nolasco v. Mohawk ESV, Inc. et al.* (the "Action") that claims that Defendant failed to pay separately and hourly for time spent by drivers on rest periods and non-driving time, failed to pay for all hours worked at minimum wage, failed to properly reimburse business expenses, failed to issue complete/accurate wage statements, failed to pay timely wages, and failed to pay all wages owed to former employees. In the Action, Plaintiff also claims that Defendant violated the California Private Attorneys General Act ("PAGA"), Labor Code § 2699 et seq. and violated California Business and Professions Code § 17200 et seq.
- The Court has not decided that Defendant did anything wrong. Defendant denies all of the claims in the Action, and denies that a class action is proper except solely for purposes of the Settlement.
- Defendant's records indicate that you may be a member of the Class.
- The Parties have decided to settle the Action. Before you can receive any money, the Court must approve the settlement.

Your legal rights are affected whether you act or do not act. Read this Notice carefully.

YOUR ESTIMATED PAYMENT INFORMATION

• If you are a member of the Class, the Settlement provides for monetary payments in the form of a "Settlement Payment" based on the number of weeks that you worked for Defendant between January 9, 2021, through September 18, 2022 (the "Settlement Period").

• Your *estimated* "Settlement Payment" as a Class Member is [**\$INSERT ESTIMATED INDIVIDUAL SETTLEMENT SHARE**] less any applicable taxes and other payroll withholdings. This amount was calculated based on Defendant's records, which show that the number of your "Workweeks" during the Settlement Period is [**X**].

Do Nothing You will be bound by the Settlement and will be entitled to a monetary Settlement Payment, should the Court approve the Settlement. In addition, if you wish to dispute the number of work weeks listed above, you must provide satisfactory written proof to the Settlement Administrator at [INSERT CONTACT **INFORMATION**], postmarked on or before **60 day dispute deadline**, showing that the amount of your weeks worked during the Settlement Period is different from the amount listed on this Notice. Make An Objection If you wish to object to the Settlement, you must mail your written objections to the Settlement Administrator on or before If the Court overrules your objection, you will be bound by the Settlement. Further instructions on how to object to the Settlement are included in this Notice. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only. **Request Exclusion** If you request to be excluded from the Settlement, you must mail your written request for exclusion to the Settlement Administrator on or before _____. If you request exclusion, you will not receive any monies and you will not be bound by the Settlement in this Action. Further instructions on how to request exclusion from the Settlement are included in this Notice. Failure to follow all of the procedures for submitting a request for exclusion will result in the rejection of your request for exclusion. Please note that you cannot both request exclusion and object to the Settlement and exclude yourself. You must choose one option only.

Your Legal Rights and Options with Regard to this Pending Class Action Settlement

Your options are explained in this notice.

To make an objection or request exclusion, you must act before [60 days after the date listed on this notice].

- The Court handling this case still has to decide whether to grant final approval to the Settlement. Payment of the amounts described above will only be issued if the Court grants final approval to the settlement.
- Additional information regarding the Settlement is available through the Settlement Administrator or Class Counsel, whose contact information is provided in this Notice.

DEFENDANT WILL NOT RETALIATE AGAINST YOU REGARDING THIS SETTLEMENT, WHETHER YOU ACCEPT THE SETTLEMENT, FILE AN OBJECTION OR REQUEST EXCLUSION FROM THE SETTLEMENT

I. WHY IT IS IMPORTANT TO READ THIS NOTICE?

You are receiving this notice because Defendant's records show that you are a member of the Class conditionally certified by Judge David S. Cohn on [date of preliminary approval] in a case known as *Martin Nolasco, on behalf of himself and others similarly situated, Plaintiff, v. Mohawk Industries, Inc., and Mohawk ESV, Inc., and DOES 1 to 100, inclusive, Defendants, filed in San Bernardino County Superior Court on February 26, 2021, Case No. CIVSB2106866.*

You should read this notice carefully as it may affect your rights.

II. WHY AM I RECEIVING THIS NOTICE?

Plaintiff filed the operative First Amended Complaint (the "Complaint") on XX XX, 2022, against Defendant alleging claims for (1) failure to pay minimum wage and to pay separately and hourly for time spent by drivers on rest periods and non-driving time in California (Labor Code §§ 226.2, 1194, 1194.2, 1197; IWC Wage Order No. 9, section 4); (2) failure to reimburse business expenses (Labor Code § 2802); (3) failure to provide complete/accurate wage statements (Labor Code §§ 226(a), 226.2); (4) failure to pay timely wages (Labor Code §§ 204, 210); (5) waiting time penalties (Labor Code §§ 201-203); (6) deceptive/fraudulent business practices based on the foregoing (Cal. Bus. & Prof. Code § 17200, *et seq.*; and (7) PAGA penalties based on the foregoing (Cal. Labor Code § 2698, *et seq.*).

You are receiving this Notice because Defendant's records show you are or were employed by Defendant as component/piece rate drivers who worked for Defendant Mohawk ESV, Inc. in the State of California any time from January 9, 2021, through September 18, 2022.

III. HOW WAS A SETTLEMENT REACHED?

Following extensive litigation and negotiations between the Parties at a full-day mediation and after taking into account the risks and costs attendant to further litigation and the substantial benefits to be received pursuant to the Settlement, the Parties have concluded that this Settlement is fair. In particular, Plaintiff and his attorneys, Lavi & Ebrahimian, LLP ("Class Counsel"), believe the Settlement confers substantial benefits to the Class, is a fair, adequate and reasonable settlement, and is in the best interest of these employees.

The Court approved the Settlement on a preliminary basis on [date of preliminary approval]. A summary of the terms of the preliminarily approved Settlement is set forth below. The Settlement Agreement ("Settlement Agreement") contains all of the additional details of the Settlement. Instructions about how to obtain a copy of the Settlement Agreement are included at

the end of this Notice in the "How Do I Get More Information?" section.

IV. WHAT ARE THE TERMS OF THE PRELIMINARILY APPROVED SETTLEMENT?

The total settlement amount in this case is \$300,000.00. Of that amount, up to \$10,000.00 will be used to pay the Settlement Administrator for the cost of preparing, mailing, and tracking the mailing of this Notice and gathering and reporting on the individuals, if any, who ask to be excluded from the Settlement. Up to \$100,000.00 will be used to pay Class Counsel's Fees Award and up to \$25,000.00 will be used to pay Class Counsel's Costs Award, for the fees' and costs they have incurred in this Action. Up to \$8,900.00 will be paid as a Service Award to Plaintiff for the risk and effort he undertook in filing and prosecuting this Action on behalf of the Class. A payment in the amount of \$22,500.00 will be made to the California Labor and Workforce Development Agency (the Private Attorneys General Act or "PAGA Allocation"). All of the above payments are subject to Court approval at the Settlement Hearing.

If the Court does award all of these amounts, the net Distribution Fund after these payments will be \$133,600.00. Your share of this amount is based on your share of workweeks worked during the Settlement Period by all Settlement Class Members.

V. HOW WILL MY SHARE BE CALCULATED?

Settlement Class Members' payment will be calculated as follows: The Distribution Fund will be distributed to Settlement Class Members on a pro-rata basis based upon their share of workweeks worked during the Settlement Period.

More specifically, the Distribution Fund will be divided by the total number of weeks worked by Settlement Class Members for Defendant in California during the Settlement Period to ascertain a value per workweek. The value per workweek will then be multiplied by the number of weeks worked during the Settlement Period by each Settlement Class Member.

Based on Defendant's records, you worked the following number of workweeks during the period between January 9, 2021, through September 18, 2022: [Number of Workweeks].

Defendant's records will control unless you provide documentation that establishes Defendant's records are in error. If you do not dispute the amount of the above workweeks, you need not do anything. If you dispute the amount of the above workweeks, you must provide documentation (such as pay stubs or W-2) to the Settlement Administrator showing your weeks worked on or before ______. If there is a dispute about your workweeks, the Parties will attempt to resolve the dispute. If the Parties cannot resolve the dispute, the Settlement Administrator will make the final determination.

Each Settlement Class Member's Settlement Payment shall be allocated as follows: 25% to wages for which an IRS Form W-2 shall issue and 75% to reimbursement, penalties and interest for which an IRS Form 1099 shall issue. Settlement Class Members shall be responsible for the tax consequences of all payments received by them, for filing returns, reporting all income received to state and federal taxing authorities and for payment of any other applicable taxes due. Settlement Class Members are advised to seek tax advice as to any amounts they receive pursuant to the Settlement Agreement.

Please contact the Settlement Administrator at [Toll-Free Number] to update your mailing address if the address printed on the Notice is incorrect or if you are moving to a new address.

VI. WHAT ARE ALL MY OPTIONS?

1. <u>Do Nothing</u>

If you wish to participate in the Settlement and receive a monetary payment under the terms of the Settlement, you do not need to take any action in response to this Notice. *If you are satisfied with the proposed Settlement, you do not need not appear at the Settlement Hearing or take any action at all.*

Each Settlement Class Member will receive a check if the Settlement becomes final. The checks will be valid and negotiable for one hundred eighty (180) days from issuance. If not cashed in 180 days, the checks will be distributed to the State Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500, et seq for the benefit of those Settlement Class Members who did not cash their checks.

If you receive a monetary payment under the Settlement as a Settlement Class Member, you will be providing a release of the Released Claims to Defendant and the Released Parties. The Released Claims are described below in Section VII.

2. <u>File An Objection</u>

You may oppose or object to the proposed Settlement or any aspect of it that you think is unfair in writing. You may also appear at the Settlement Hearing, either in person or through an attorney at your own expense, provided you notify the Court of your intent to do so in your written objection to the Settlement. The location, date and time of the Settlement Hearing is set forth in Section VIII of this Notice.

All written objections, supporting papers and/or notices of intent to appear at the Settlement Hearing must: (1) clearly identify the Action by name and case number (*Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2106866; (2) contain the full name, address, telephone number, and last four digits of the Social Security number of the Class Member objecting to the Settlement, which must match up with the social security number and either first or last name in Defendant's records; (3) have a signature and date; and (4) be postmarked for service by mail and sent to the Settlement Administrator no later than [60 days from the mailing of the notice]. If the Court permits, Class Members may also make objections at the Final Fairness Hearing (details below). The addresses for Parties' counsel are as follows:

Class Counsel:

Joseph Lavi, Esq. Vincent C. Granberry, Esq. Melissa A. Huether, Esq. Lavi & Ebrahimian, LLP 8889 W. Olympic Blvd., Suite 200 Beverly Hills, California 90211

Counsel for Defendant:

Ian A. Wright Alston & Bird LLP 333 South Hope Street, 16th Floor Los Angeles, California 90071

Note: If you do not send in your written objection in the manner provided above, or appear and make an objection at the Final Approval Hearing, you will be bound by the Settlement and will waive your objections to the Settlement (either before the trial court or the appellate court) and will not be able to assert them.

3. <u>Request Exclusion</u>

You may request exclusion from the Settlement, which means that you will not be bound by the Settlement, will waive any objections to the Settlement and will not be entitled to any money from the Settlement should it receive final approval from the Court. To be valid, your request for exclusion must: (1) be in writing and postmarked for service by mail to the Settlement Administrator no later than [60 days from the mailing of the notice]; (2) contain the full name, address, telephone number, and last four digits of the Social Security number of the Class Member objecting to the Settlement, which must match up with the social security number and either first or last name in Defendant's records; (3) have a signature and date; and (4) state "I wish to be excluded from the Settlement in *Martin Nolasco et al. v. Mohawk ESV, Inc. et al.*, Case No. CIVSB2106866. I understand that in asking to be excluded from the Settlement class, I will not receive any money as part of the Settlement approved by the Court."

Note: If you timely submit a valid request or exclusion from the Settlement, you preserve your right to bring your own action with respect to the claims at issue.

4. Dispute The Number of Weeks Worked <u>That You Worked During The Settlement</u> <u>Period</u>

If you wish to challenge the number of weeks that you worked during the Settlement Period as set forth above in this Notice, then you must submit a written, signed challenge along with supporting documents, if any exist, to the Settlement Administrator at the address provided on the Class Notice within sixty (60) calendar days of the date that this Notice was issued.

No dispute will be considered timely if it is postmarked more than the number of days set forth in the preceding paragraph of this Notice. Absent an agreement between Class Counsel and Defendant's Counsel regarding how to address the dispute, the Settlement Administrator shall have authority to resolve the challenge and make a final and binding determination without hearing or right of appeal.

VII. WHAT CLAIMS ARE BEING RELEASED?

As of the date Defendant funds the Settlement Amount, the Settlement Class Members, as well as the Plaintiff, will be bound by the "Released Claims" in favor of Defendant as well as its respective present and former parent companies, subsidiaries, affiliates, and joint ventures, and each of its respective present and former officers, directors, controlling stockholders, agents, affiliates, employees, insurers, co-insurers, reinsurers, attorneys, including legal counsel herein, accountants, auditors, advisors, representatives, consultants, pension and welfare benefit plans, plan fiduciaries, administrators, trustees, general and limited partners, predecessors, successors and assigns, and the spouse of each of the foregoing who is a natural person (the "Released Parties").

The Claims covered by this Settlement include any and all claims, debts, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorney's fees, damages, action or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, that are alleged, related to or that reasonably could have arisen out of the same facts alleged in the forthcoming First Amended Complaint, including claims under Labor Code sections 201, 202, 203, 204, 210, 226, 226.2, 1194, 1197, 1194.2, 2802 as well as IWC Wage Order No. 9 section 4 and the California Business and Professions Code based on the foregoing , as well as any civil penalty claims predicated on the claims alleged in the Complaint under the PAGA (the "Released Claims").

VIII. WHEN WILL THE SETTLEMENT BE FINALIZED?

A hearing (the "Final Fairness Hearing") will be held before the San Bernardino County Superior Court, on [Date of Final Approval Hearing], at X:X0 a.m., in Department S26 in Superior Court of California, County of San Bernardino, San Bernardino District – Civil Division, 247 West Third Street, San Bernardino, California 92415-0210 to determine whether the proposed Settlement is fair, adequate and reasonable and should be finally approved by the Court. The Settlement Hearing may be adjourned by the Court from time to time as the Court may determine without further notice.

IX. HOW DO I GET MORE INFORMATION?

All inquiries regarding this Notice should be directed to the Settlement Administrator at: [Toll-free number], or Class Counsel at (310) 277-0614.

Additionally, the pleadings and other records in this litigation may be examined in person at the Clerk's Office, located in Superior Court of California, County of San Bernardino, San Bernardino District – Civil Division, 247 West Third Street, San Bernardino, California 92415-0210, between the hours of 8:30 a.m. and 4:30 p.m. daily, excluding Court holidays.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, DEFENDANT'S ATTORNEYS, OR THE JUDGE WITH ANY INQUIRIES.