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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

AARON VANDERPOOL, an individual, on
behalf of himself, the State of California, as a
private attorney general, and on behalf of all
others similarly situated,

Plaintiff,

v.

SEARLES VALLEY MINERALS INC., a
Delaware corporation; and DOES 1 TO 50,

Defendants.

Case No.: CIVSB2200817

**JOINT STIPULATION OF CLASS AND
REPRESENTATIVE PAGA ACTION
SETTLEMENT**

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SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION

This Joint Stipulation of Class and Representative PAGA Action Settlement (“Settlement Agreement” or “Agreement”) is made and entered into by: (1) Plaintiff Aaron Vanderpool (“Plaintiff”), individually and in his representative capacity on behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State of California; and (2) Defendant Searles Valley Minerals Inc. (“Defendant”). Plaintiff and Defendant are collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the sole purpose of attempting to consummate settlement of the action on a class-wide basis subject to the following terms and conditions. As detailed below, if the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever.

1. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

1.1. ACTION

“Action” shall mean the following class and PAGA complaint: *Aaron Vanderpool v. Searles Valley Minerals Inc.*, case number CIVSB2200817, currently pending before the Superior Court of the State of California for the County of San Bernardino.

1.2. SETTLEMENT ADMINISTRATIVE EXPENSES

“Settlement Administrative Expenses” shall include all costs and expenses associated with and paid to the third-party settlement administrator, which are estimated not to exceed \$25,000.00.

1 **1.3. APPLICABLE WAGE ORDERS**

2 “Applicable Wage Orders” shall mean the California Industrial Welfare Commission (“IWC”)
3 Wage Orders applicable to the facts of this case, including IWC Wage Orders 1-2001 and 16-2001 and
4 others that may be applicable. (Cal. Code of Regs., tit. 8, §§ 11010, 11160.)

5 **1.4. CLAIMS**

6 “Claims” shall mean the claims asserted in the Action.

7 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

8 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount
9 attributable to attorney fees and litigation expenses. The Parties agree that the fee-portion of the Class
10 Attorney Fees and Expenses shall be up to one-third of the Gross Settlement Amount (i.e.,
11 \$333,333.33), as approved by the Court, and the award of costs and expenses shall be up to an
12 additional \$15,000.00. If the Escalator Provision described below is triggered so as to increase the
13 Gross Settlement Amount, the Parties agree that the fee portion of the Class Attorney Fees and
14 Expenses will increase proportionally such that the total amount of attorneys’ fees remains one-third
15 of the Gross Settlement Amount *after* the upward adjustment required by the Escalator Provision is
16 implemented.

17 **1.6. CLASS & PAGA COUNSEL**

18 “Class & PAGA Counsel” shall mean Jonathan Melmed and Laura Supanich of Melmed Law
19 Group P.C.

20 **1.7. CLASS MEMBER**

21 “Class Member” shall mean any person who is a prospective member of the Settlement Class,
22 or, if such person is incompetent or deceased, the person’s legal guardian, executor, heir, or successor-
23 in-interest.

24 **1.8. CLASS NOTICE**

25 “Class Notice” shall mean the *Notice of Proposed Class Action Settlement*, as set forth in the
26 form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to
27 Class Members along with the Share Form.
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1 **1.9. CLASS PARTICIPANTS**

2 “Class Participants” shall mean all Class Members who do not timely request exclusion from
3 the Class Settlement.

4 **1.10. CLASS PERIOD**

5 “Class Period” shall mean the period from January 12, 2018, through December 31, 2023.

6 **1.11. CLASS REPRESENTATIVE**

7 “Class Representative” shall mean Plaintiff Aaron Vanderpool.

8 **1.12. CLASS SETTLEMENT**

9 “Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is
10 subject to Court approval.

11 **1.13. COMPLAINT**

12 “Complaint” shall mean the currently-operative complaint in the Action.

13 **1.14. COURT**

14 “Court” shall mean the Superior Court of the State of California for the County of San
15 Bernardino.

16 **1.15. DEFENDANT**

17 “Defendant” shall mean Defendant Searles Valley Minerals Inc.

18 **1.16. DEFENSE COUNSEL**

19 “Defense Counsel” shall mean the attorneys representing Defendant.

20 **1.17. EFFECTIVE DATE**

21 “Effective Date” shall be the later of the following: (1) the date the Final Order is signed and
22 final judgment is entered if no objections are filed to the Settlement; (2) if objections are filed and
23 overruled, and no appeal is taken of the Final Order and judgment, sixty-five (65) days after the Final
24 Order is signed and final judgment is entered; or (3) if an appeal or other judicial review is taken from
25 the Court’s overruling of objections to the settlement, twenty (20) days after the appeal is dismissed or
26 after an appellate decision affirming the Final Order and judgment becomes final and non-appealable.

1.18. EMPLOYEE'S TAXES AND REQUIRED WITHHOLDING

"Employee's Taxes and Required Withholding" shall mean the employee's share of any and all applicable federal, state, or local payroll taxes, including those collected under authority of the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State Unemployment Tax Act (SUTA) on the portion of any Class Participant's Individual Settlement Amount that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld from and paid out of the Individual Settlement Amounts paid from the Net Settlement Amount.

1.19. EMPLOYER'S TAXES

"Employer's Taxes" shall mean and refer to Defendant's share of payroll taxes (e.g., Unemployment Insurance, Employment Training Tax, Social Security, and Medicare taxes) that is owed on the portion of any Class Participant's Individual Settlement Amount that constitutes wages. The Employer's Taxes shall be separately paid by Defendant and shall not be paid from the Gross Settlement Amount or Net Settlement Amount.

1.20. FINAL APPROVAL AND FAIRNESS HEARING

"Final Approval and Fairness Hearing" shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

1.21. GROSS SETTLEMENT AMOUNT

"Gross Settlement Amount" or "GSA" is the agreed upon non-reversionary settlement amount totaling \$1,000,000.00 to be paid by Defendant in full settlement of the Released Claims asserted in this case, inclusive of the Settlement Administrative Expenses, the Employee's Taxes and Required Withholdings, the Class Attorney Fees and Expenses, the Incentive Award, and PAGA Payment. Defendant shall separately pay its share of the Employer's Taxes in addition to the Gross Settlement Amount on the portion of each Individual Settlement Amount allocated as wages.

1.22. HEARING ON PRELIMINARY APPROVAL

"Hearing on Preliminary Approval" shall mean the hearing held on the motion for preliminary approval of the Class Settlement.

1.23. INCENTIVE AWARD

“Incentive Award” shall mean a monetary amount of up to Seven-Thousand Five Hundred (\$7,500.00) for Plaintiff Aaron Vanderpool, subject to Court approval, in recognition of his effort and work in prosecuting the Action on behalf of Class Members, and for his general release of claims.

1.24. INDIVIDUAL SETTLEMENT AMOUNT

“Individual Settlement Amount” shall mean the amount which is ultimately distributed to each Class Participant based on their pro rata share of the Net Settlement Amount, less any Employee’s Taxes and Required Withholdings. The Individual Settlement Amount does not include any portion of the PAGA Payment.

1.25. INDIVIDUAL PAGA PAYMENT

“Individual PAGA Payment” shall mean the amount which is ultimately distributed to each PAGA Group Member based on their pro rata share of the PAGA Payment, less any Employee’s Taxes and Required Withholdings.

1.26. NET SETTLEMENT AMOUNT

“Net Settlement Amount” shall mean the Gross Settlement Amount minus: Settlement Administrative Expenses; Class Attorney Fees and Expenses; the PAGA Payment ; and Plaintiff’s Incentive Award.

1.27. OPT-OUT

“Opt-Out” shall refer to the process of submitting a timely and valid request for exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.28. OPT-OUTS

“Opt-Outs” shall mean all persons who timely and validly request exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the Response Deadline.

1.29. PAGA

“PAGA” means the California Private Attorneys General Act of 2004, which is codified in California Labor Code §§ 2698 *et seq.*

1.30. PAGA GROUP

“PAGA Group” shall mean all current and former non-exempt, hourly-paid employees employed by Defendant in California during the PAGA Period.

1.31. PAGA PAYMENT

“PAGA Payment” means the penalties pursuant to PAGA that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$100,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA and twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Group. Class & PAGA Counsel shall give timely notice of this Settlement Agreement to the LWDA pursuant to Labor Code section 2699, subdivision (l)(2). PAGA Group Members will not be provided with the opportunity to Opt-Out of the Settlement and will be bound by the Released PAGA Claims.

1.32. PAGA PERIOD

“PAGA Period” shall mean the period from January 12, 2021, through December 31, 2023.

1.33. PAGA RELEASED CLAIMS

“PAGA Released Claims” shall mean any and all claims that are pled in the Action under PAGA, or which could have been pursued in the Action under PAGA, which occurred during the PAGA Period, based on the factual allegations in the Action alleged in the Complaint, including but not limited to: failure to pay minimum wages for all hours worked, failure to pay overtime wages, failure to provide paid rest breaks and pay missed rest break premiums, failure to provide meal periods and pay missed meal period premiums, failure to pay wages timely during employment, failure to pay timely wages at separation, failure to provide accurate and itemized wage statements, and recordkeeping violations, pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199.

1.34. PARTIES

“Parties” shall mean Plaintiff and Defendant.

1 **1.35. PLAINTIFF**

2 “Plaintiff” shall mean Plaintiff Aaron Vanderpool.

3 **1.36. PRELIMINARY APPROVAL DATE**

4 “Preliminary Approval Date” shall mean the date upon which the Court enters an order
5 preliminarily approving this Settlement Agreement.

6 **1.37. RELEASED CLAIMS**

7 “Released Claims” shall mean any and all claims directly related to or arising out of the factual
8 allegations pled in the operative pleading in the Lawsuit, including all claims that have been or could
9 have been pled as wage and hour violations and related penalties and interest under California law,
10 including all claims made and that could have been made in such pleading directly related to or arising
11 out of the factual allegations therein during the Class Period. The Released Claims include any and all
12 claims directly related to or arising out of the factual allegations pled in the operative pleading in the
13 Lawsuit, including all claims that have been or could have been pled as wage and hour violations and
14 related penalties and interest under California law, including all claims made and that could have been
15 made in such pleading directly related to or arising out of the factual allegations therein during the
16 Class Period. The Released Claims include but are not limited to claims for **(1)** failure to pay minimum
17 wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the applicable
18 IWC Wage Order(s); **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510,
19 1197, and 1198, and the applicable IWC Wage Order(s); **(3)** failure to provide compliant rest periods
20 and pay missed rest break premiums in violation of Labor Code section 226.7 and the applicable IWC
21 Wage Order(s); **(4)** failure to provide compliant meal periods and pay missed meal period premiums
22 in violation of Labor Code sections 226.7 and 512, and the applicable IWC Wage Order(s); **(5)** failure
23 to maintain accurate employment records in violation of Labor Code section 1174; **(6)** failure to pay
24 timely wages during employment in violation of Labor Code sections 204, 210; **(7)** failure to pay all
25 wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; **(8)** failure
26 to provide complete and accurate wage statements in violation of Labor Code sections 226 and 226.3;
27 **(9)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation
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of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); **(10)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698-2699.6); **(11)** violation of the Fair Credit Reporting Act (15 U.S.C. § 1681B(B)(2)(A)); **(12)** violation of the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 *et seq.*); **(13)** violation of the Consumer Credit Reporting Agencies Act (Civil Code § 1785 *et seq.*); and **(14)** all claims for liquidated damages, penalties, interest, fees, costs based on the foregoing.

1.38. RELEASED PARTIES

“Released Parties” shall mean Defendant, and all affiliated predecessor and successor entities, and each such entity’s respective present and former subsidiaries, affiliates, parents, agents, employees, members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives, predecessors, successors and assigns.

1.39. RELEASING PARTIES

“Releasing Parties” shall mean every Class Participant and all persons purporting to act on their behalf or purporting to assert a claim under or through them, including, but not limited to, their dependents, heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

1.40. RESPONSE DEADLINE

“Response Deadline” shall mean the deadline by which Class Members must postmark or fax to the Settlement Administrator requests for exclusion or written notices of objection. The Response Deadline will be forty-five (45) calendar days after the initial mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended as set forth herein if there is a re-mailing.

1.41. SETTLEMENT ADMINISTRATOR

“Settlement Administrator” shall mean ILYM Group, Inc. (or other administrator agreed on by the parties) which the Parties have agreed will be responsible for administration of the Class Settlement and related matters.

1.42. SETTLEMENT CLASS

“Settlement Class” shall mean all current and former non-exempt, hourly-paid employees employed by Defendant in California at any time during the Class Period. Defendant represents that the Settlement Class consists of approximately 740 Class Members that worked a total of approximately 128,108 workweeks as of October 31, 2023. .

1.43. SHARE FORM

“Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of **Exhibit 2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along with the Class Notice.

2. FACTUAL AND PROCEDURAL BACKGROUND

2.1. PLAINTIFF’S CLAIMS

Plaintiff, individually and in his representative capacity on behalf of the Settlement Class, and as a private attorney general on behalf of the State of California, has alleged the following violations: (1) failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Orders; (2) failure to pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable Wage Orders; (3) failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Orders; (4) failure to provide compliant meal periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and the Applicable Wage Orders; (5) failure to maintain accurate employment records in violation of Labor Code section 1174; (6) failure to pay timely wages during employment in violation of Labor Code sections 204, 210; (7) failure to pay all wages due and owing at separation in violation of Labor Code sections 201, 202, and 203; (8) failure to provide complete and accurate wage statements in violation of Labor Code

sections 226 and 226.3; **(9)** deceptive, fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210); **(10)** violation of the Fair Credit Reporting Act (15 U.S.C. § 1681B(B)(2)(A)); **(11)** violation of the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 *et seq.*); **(12)** violation of the Consumer Credit Reporting Agencies Act (Civil Code § 1785 *et seq.*); and **(13)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698–2699.6).

2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION

Class & PAGA Counsel has conducted significant informal discovery during the prosecution of the Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a dozen telephonic conferences with Plaintiff; **(b)** inspection and analysis of hundreds of pages of documents and other information produced by Plaintiff and Defendant; **(c)** analysis of punch and payroll data from a sample of Class Members; **(d)** an analysis of the legal positions taken by Defendant; **(d)** investigation into the viability of class treatment of the claims asserted in the Action; **(e)** analysis of potential class-wide damages, including information sufficient to understand Defendant’s potential defenses to Plaintiff’s claims; **(f)** research of the applicable law with respect to the claims asserted in the Complaint and the potential defenses thereto; and **(g)** assembling and analyzing of data for calculating damages. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during settlement negotiations, was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

Class & PAGA Counsel and the Class Representative have vigorously prosecuted this case, and Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative merits of the claims of the Class Representative and of the defenses to them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation with experienced employment law mediator David Phillips, Esq., which culminated in a settlement in principle, the terms of which are elaborated in this Settlement Agreement.

1 **2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF**
2 **CLASS SETTLEMENT**

3 The document and data exchange in this matter, as well as discussions between counsel, have
4 been adequate to give the Class Representative and Class & PAGA Counsel a sound understanding of
5 the merits of their positions and to evaluate the value of the claims of the Settlement Class. The informal
6 discovery conducted in this Action and the information exchanged by the Parties through pre-mediation
7 discussions are sufficient to reliably assess the merits of the Parties' respective positions and to
8 compromise the issues on a fair and equitable basis.

9 The Class Representative and Class & PAGA Counsel believe that the claims, causes of action,
10 allegations, and contentions asserted in the Action have merit. However, the Class Representative and
11 Class & PAGA Counsel recognize and acknowledge the expense and delay of continued lengthy
12 proceedings necessary to prosecute the Action against Defendant through trial and through appeals.
13 Class & PAGA Counsel has taken into account the uncertain outcome of the litigation, the risk of
14 continued litigation in complex actions such as this, as well as the difficulties and delays inherent in
15 such litigation, and the potential difficulty of obtaining certification of the Settlement Class as well as
16 trying the claims of the class. Class & PAGA Counsel is mindful of the potential problems of proof
17 under, and possible defenses to, the claims alleged in the Action.

18 The Class Representative and Class & PAGA Counsel believe that the settlement set forth in
19 this Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that
20 an independent review of this Settlement Agreement by the Court in the approval process will confirm
21 this conclusion. Based on their own independent investigation and evaluation, Class & PAGA Counsel
22 has determined that the settlement set forth in this Settlement Agreement is in the best interests of
23 Plaintiff and the Class Members.

24 **2.4. DEFENDANT'S DENIALS OF WRONGDOING AND LIABILITY**

25 Defendant has denied and continues to deny all allegations, claims, and contentions alleged by
26 Plaintiff in the Action. Defendant has expressly denied and continues to deny all charges of wrongdoing
27 or liability against it arising out of any of the conduct, statements, acts, or omissions alleged in the
28

1 Action. Defendant contends that it complied with California and federal wage and hour laws and has
2 dealt legally and fairly with Plaintiff and the Class Members.

3 Defendant further denies that, for any purpose other than settling this Action, these claims are
4 appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further
5 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
6 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
7 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant's
8 respective businesses without further expensive litigation and the distraction and diversion of their
9 personnel with respect to matters at issue in the Action. Defendant has also taken into account the
10 uncertainty and risks inherent in any litigation, especially in complex cases such as the Action.
11 Defendant has, therefore, determined that it is desirable and beneficial to it that the Action be settled
12 in the manner and upon the terms and conditions set forth in this Settlement Agreement.

13 **2.5. INTENT OF THE CLASS SETTLEMENT**

14 The Class Settlement set forth herein intends to achieve the following: (1) entry of an order
15 approving the Class Settlement; (2) entry of judgment of the Action; (3) discharge of the Released
16 Parties from liability for any and all of the Released Claims; and (4) discharge of Defendant from
17 liability for any and all claims arising out of the Action.

18 **3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS**

19 For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the
20 Parties agree to conditional class certification of the Settlement Class. Defense Counsel believes this
21 conditional certification is appropriate because the Released Claims are being compromised without
22 need to establish the elements of those claims on which liability turns. The certification of the
23 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
24 Defendant, including without limitation, that certification of a class for trial purposes is or would be
25 warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class
26 treatment of any of the claims in the Action.

1 If the Settlement Agreement is not finally approved by the Court, the Effective Date is not
2 achieved, or the Class Settlement is rejected, terminated, or otherwise rendered null and void as set
3 forth herein, then certification of the Settlement Class shall be automatically vacated, shall be void *ab*
4 *initio*, of no force or effect, and shall not constitute evidence or a binding determination that the
5 requirements for certification of a class for trial purposes in this Action or in any other action which
6 have been, are or can be, satisfied. Further, if the Agreement does not reach the Effective Date, Plaintiff
7 agrees that Plaintiff will not argue, claim, reference, or otherwise raise any preliminary approval of the
8 Settlement Class in connection with any later proceeding before the Court.

9 **4. APPOINTMENT OF CLASS & PAGA COUNSEL**

10 For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree
11 to the appointment of Class & PAGA Counsel as counsel for the Settlement Class and the effectuation
12 of the Class Settlement pursuant to this Settlement Agreement.

13 **5. CONSIDERATION**

14 **5.1. SETTLEMENT AMOUNT**

15 The Parties agree to settle this Action for the Gross Settlement Amount of \$1,000,000.00. There
16 shall be no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross
17 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
18 consideration for the Class Settlement and will be made in full and final settlement of: the Released
19 Claims, the Class Attorney Fees and Expenses, Settlement Administrative Expenses, the Incentive
20 Award, the PAGA Payment (and any payments to individual PAGA Group members resulting from
21 the PAGA Payment), and any other obligation of Defendant under this Settlement Agreement (other
22 than the Employer's Taxes on the portion of the Net Settlement Amount allocated to the payment of
23 wages).

24 After the Court issues an order preliminarily approving this Class Settlement, the Settlement
25 Administrator will distribute the Class Notice to the Class Members, which shall describe the terms of
26 the Class Settlement and procedures to Opt-Out, object, or participate in the Class Settlement as well
27 as the Share Form, which shall identify the Class Member, the number of workweeks worked by each
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1 Class Member (“Workweeks”), as well as the estimated amount of the Individual Settlement Amount
2 the Class Member can expect to receive once the Class Settlement becomes effective on the Effective
3 Date. Class Members shall be given the opportunity to challenge their Workweeks information.

4 **5.2. INCENTIVE AWARD FOR PLAINTIFF**

5 Plaintiff may petition the Court to approve an Incentive Award in an amount up to \$7,500.00
6 for Aaron Vanderpool to acknowledge his efforts on behalf of the Settlement Class in this Action,
7 including assisting in the investigation and consulting with Class & PAGA Counsel and providing
8 crucial documents to Class & PAGA Counsel. Defendant shall not oppose any request by Plaintiff for
9 an Incentive Award in such an amount. Any Incentive Award approved by the Court shall be paid to
10 Plaintiff from the Gross Settlement Amount and shall be in addition to any distribution to which he
11 may otherwise be entitled as a Class Participant. Any Incentive Award approved by the Court shall not
12 be considered wages, and the Settlement Administrator shall issue to Plaintiff an IRS Form 1099
13 reflecting such payment. Plaintiff shall be responsible for the payment of all taxes with respect to any
14 Incentive Award approved by the Court and shall hold Defendant harmless from all liability with regard
15 thereto.

16 **5.3. PAYMENT TO CLASS PARTICIPANTS**

17 Each Class Participant shall be eligible to receive payment of the Individual Settlement
18 Amount, which is a share of the Net Settlement Amount based on the pro rata number of weeks worked
19 by the Class Members during the Class Period as a proportion of all weeks worked by all Class
20 Members. Each Class Participant, including Plaintiff, shall be responsible for the payment of the
21 Employee’s Taxes and Required Withholding with respect to his or her Individual Settlement Amount
22 and shall hold Defendant harmless from any and all liability with regard thereto.

23 **5.4. PAYMENT TO PAGA GROUP**

24 Each member of the PAGA Group shall be entitled to receive a portion of the PAGA Payment.
25 The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have agreed is a
26 reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is
27 \$100,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section 2699
28

1 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA and
2 twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Group. The portion of the PAGA Payment
3 allocated to the PAGA Group shall be distributed to the PAGA Group based on the pro rata number of
4 pay periods worked by each particular PAGA Group member during the PAGA Period as a proportion
5 of all pay periods worked by all members of the PAGA Group.

6 **5.5. TAX TREATMENT AND PAYMENT**

7 For the purpose of calculating Employee's Taxes and Required Withholding for the Individual
8 Settlement Amounts for Class Participants (including any payments to the Class Representative but
9 exclusive of his Incentive Award), the Parties agree that 15% of each Individual Settlement Amount
10 shall constitute payment in the form of wages (and each Class Participant will be issued an IRS Form
11 W-2 for such payment to him or her), and 85% of each Individual Settlement Amount shall constitute
12 penalties and interest (and each Class Participant will be issued an IRS Form 1099 for such payment
13 to him or her). Prior to final distribution, the Settlement Administrator shall calculate the total
14 Employee's Taxes and Required Withholding due as a result of the wage portion of Class Participants'
15 anticipated Individual Settlement Amounts and such actual amount will be deducted from the Net
16 Settlement Amount. Additionally, prior to the funding of the Gross Settlement Amount and final
17 distribution, the Settlement Administrator shall calculate the total Employer's Taxes due on the wage
18 portion of the Class Participants' Individual Settlement Amounts and issue instructions to Defendant
19 to separately fund these tax obligations/withholdings. The Parties understand that Plaintiff and the
20 Class Participants who receive any payment pursuant to this Settlement Agreement shall be solely
21 responsible for all other individual tax obligations.

22 With respect to the PAGA Payment and any payments made to individual members of the
23 PAGA Group, all such payments shall be treated as payments owing for penalties and interest thereon
24 and shall not be considered wages. The Settlement Administrator shall issue to members of the PAGA
25 Group an IRS Form 1099 reflecting such payment. Members of the PAGA Group shall be solely
26 responsible for the payment of all taxes with respect to any PAGA payments made to them.

1 **5.6. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

2 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
3 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
4 program sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
5 benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies,
6 or bonus programs. The payments made under the terms of this Settlement Agreement shall not be
7 applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other
8 form of compensation for the purposes of any of Defendant's benefit plan, policy, or bonus program.
9 Defendant retains the right to modify the language of its benefits plans, policies, and bonus programs
10 to reflect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are
11 not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined
12 by applicable plans, policies, and bonus programs for purpose of eligibility, vesting, benefit accrual, or
13 any other purpose, and that additional contributions or benefits are not required by this Settlement
14 Agreement. Defendant does not consider the Class Settlement payments "compensation" for purposes
15 of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs,
16 or any other plan sponsored by Defendant.

17 **5.7. CLASS ATTORNEY FEES AND EXPENSES**

18 As part of the motion for final approval of the Class Settlement, Class & PAGA Counsel may
19 apply for an award of Class Attorney Fees and Expenses with the fee portion not to exceed one-third
20 of the Gross Settlement Amount (i.e., \$333,333.33) and the award of costs and expenses up to an
21 additional \$15,000.00. Defendant agrees to not object to any such fee, cost, or expense application in
22 those amounts.

23 As a condition of this Class Settlement, Class & PAGA Counsel has agreed to pursue fees only
24 in the manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the
25 Court shall be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount
26 and shall not constitute payment to any Class Members. If Class & PAGA Counsel voluntarily reduces
27 the request for Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and
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1 Expenses is less than set forth above, the Net Settlement Amount shall be recalculated to reflect the
2 actual Class Attorney Fees and Expenses awarded.

3 The Class Attorney Fees and Expenses approved by the Court shall reflect: **(a)** all work
4 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
5 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
6 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
7 **(c)** all work to be performed and costs and expenses, if any, incurred in connection with administering
8 the Class Settlement through the Effective Date and dismissal of the Action with prejudice; and **(d)** may
9 be based on the “catalyst theory” and/or the “common fund doctrine.”

10 **6. SETTLEMENT ADMINISTRATION**

11 **6.1. COSTS AND EXPENSES**

12 All costs and expenses due to the Settlement Administrator in connection with its administration
13 of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class
14 Members, processing Opt-Out requests and objections, distributing the portion of the PAGA Payment
15 payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the
16 PAGA Group, and calculating, administering and distributing Individual Settlement Amounts to the
17 Class Participants and related tax forms, shall be paid from the Gross Settlement Amount, and is not
18 expected to exceed \$25,000.00.

19 **6.2. PAYMENT BY DEFENDANT**

20 Defendant shall deposit the Gross Settlement Amount in a lump sum payment plus the
21 employer-side payroll taxes to the Settlement Administrator within twenty-one (21) days of the
22 Effective Date. In no event shall Defendant be obligated to pay or deposit with the Settlement
23 Administrator more than \$1,000,000.00 plus the Employer’s Taxes, except where the Escalator
24 Provision is triggered.

1 **7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

2 **7.1. THE SETTLEMENT ADMINISTRATOR**

3 The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form
4 (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; posting notice of entry of final order and
5 judgment certifying the Class Settlement and approving this Settlement Agreement; handling inquiries
6 from Class Members concerning the Class Notice; determining Individual Settlement Amounts;
7 determining individual payments to members of the PAGA Group; maintaining the settlement funds in
8 an appropriate interest-bearing account; preparing, administering, and distributing Individual
9 Settlement Amounts to Class Participants; preparing, administering, and distributing individual
10 payments to members of the PAGA Group; distributing the portion of the PAGA Payment payable to
11 the LWDA; issuing a final report and performing such other duties as the Parties may direct.
12 Additionally, the Settlement Administrator will handle all tax document preparation and reporting,
13 including state and federal tax forms, if any.

14 On a weekly basis, the Settlement Administrator will provide reports to Class & PAGA Counsel
15 and Defense Counsel with summary information updating them as to the number of validated and
16 timely objections and Opt-Out requests. The Settlement Administrator will serve on Class & PAGA
17 Counsel and Defense Counsel via e-mail date-stamped copies of the original Opt-Out requests and
18 objections no later than seven (7) days after their receipt. The Settlement Administrator will provide
19 Class & PAGA Counsel with proof of mailing of the Class Notice, without listing individual Class
20 Member names which the Settlement Administrator will file with the Court at the time Class & PAGA
21 Counsel files its motion in support of the Court's Final Approval and Fairness Hearing.

22 No later than thirty (30) days prior to the Final Approval and Fairness Hearing, the Settlement
23 Administrator will compile and deliver to Class & PAGA Counsel and Defense Counsel a report with
24 summary information regarding: (a) the total amount of final Individual Settlement Amounts of each
25 Class Participant, without any identifying personal information; (b) the number of Class Participants
26 to receive such payments, and (c) the final number of Opt-Outs and objections.

1 Settlement Administrative Expenses are not anticipated to exceed \$25,000.00. Prior to the
2 calculation and distribution of the Individual Settlement Amounts, the Settlement Administrator shall
3 calculate the total Settlement Administrative Expenses through the conclusion of their services and
4 such actual amount will be deducted from the Gross Settlement Amount prior to the final calculation
5 of the Individual Settlement Amounts.

6 **7.2. NOTICE TO CLASS MEMBERS**

7 Notice shall be provided to Class Members in the following manner: Within fourteen (14) days
8 after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with an
9 updated list of Class Members and members of the PAGA Group containing names, social security
10 numbers, dates of employment, last-known addresses, and phone numbers (the “Database”). The
11 Database shall be marked “Confidential – Settlement Administrator’s Eyes Only.” Class & PAGA
12 Counsel shall not receive a copy of this list.

13 Within twenty-eight (28) days following the Preliminary Approval Date, the Settlement
14 Administrator shall determine the number of workweeks worked by each Class Member, populate the
15 data for each Class Member accordingly, and send each Class Member the Class Notice via first-class,
16 United States mail. The Class Notice shall also contain an easily-understood statement alerting the
17 Class Members that, unless they elect to Opt-Out of the Class Settlement, the Class Member is releasing
18 and waiving all Released Claims against the Released Parties.

19 The Class Notice will inform Class Members of their estimated share of the settlement and the
20 number of workweeks they worked during the Class Period. Class Members may dispute their
21 workweeks if they believe they worked more weeks in the Class Period than Defendant’s records show
22 by submitting information to the Settlement Administrator no later than forty-five (45) days after being
23 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined
24 Response Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendant to
25 resolve the dispute in good faith. If Plaintiff and Defendant cannot agree over the workweeks to be
26 credited, the Settlement Administrator shall make the final decision based on the information presented
27 by the Class Member and Defendant.
28

7.3. OPT-OUT PROCEDURE

Class Members who do not timely Opt-Out of the Class Settlement will be deemed to participate in the Class Settlement and shall become Class Participants without having to submit a claim form or take any other action. To Opt-Out of the Class Settlement, the Class Member must submit a letter or postcard by mail, fax, or email, to the Settlement Administrator by the Response Deadline. The Opt-Out request must state the Class Member's name, address, telephone number, and signature. The Opt-Out request should state something to the effect of:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *AARON VANDERPOOL V. SEARLES VALLEY MINERALS INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT HAVE."

Any Opt-Out request that is not postmarked by the Response Deadline will be invalid. If prior to the Response Deadline any Class Notice mailed to a Class Member is returned as having been undelivered by the United States Postal Service, the Settlement Administrator shall perform a skip trace search and seek an address correction for such Class Members, and a second Class Notice will be sent to any new or different address obtained. Such Class Members shall have an additional fourteen (14) days from the date of the mailing of the second Class Notice in which to Opt-Out, object, or dispute the information provided in the Share Form if the Response Deadline would have otherwise passed prior to fourteen (14) days from the date of the mailing of the second Class Notice.

It will be presumed that, if an envelope containing the Class Notice has not been returned within thirty (30) days of the mailing, the Class Member received the Class Notice. At least twenty-one (21) days prior to the Final Approval and Fairness Hearing, the Settlement Administrator shall provide Class & PAGA Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Class Notice and its attempts to locate Class Members. The declaration

1 shall specify the number of Class Members to whom the Class Notice was sent and the number of Class
2 Members to whom the Class Notice was not delivered, as well as information relating to the number
3 of Opt-Outs and objectors. Class & PAGA Counsel shall file this declaration with the Court.

4 If the Settlement Administrator determines that an Opt-Out request returned by a Class Member
5 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency
6 letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an
7 Opt-Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt-
8 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt-Out request shall
9 be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

10 Class Participants will be bound by the Release of Released Claims set forth in the definition
11 of "Released Claims" provided in this Settlement Agreement.

12 A request to Opt-Out of the Class Settlement shall *not* serve to exclude the Class Member from
13 participation in the PAGA Group. Opt-Outs shall still be entitled to their share of the PAGA Payment.
14 Class Members who are also members of the PAGA Group shall have no right or ability to Opt-Out of
15 the portion of this Settlement Agreement releasing PAGA claims.

16 **7.4. OBJECTION PROCEDURE**

17 The Class Notice shall inform the Class Members of their right to object to the Class Settlement
18 if they do not opt-out. Any Class Participants who wish to object to the Class Settlement may submit a
19 written objection to the Settlement Administrator by mail, fax, or email no later than the Response
20 Deadline. Only Class Participants may object to the Settlement. The objection should include the case
21 name and number and must set forth, in clear and concise terms, a statement of the reasons why the
22 objector believes that the Court should find that the proposed Class Settlement is not in the best interest
23 of the Settlement Class and the reasons why the Class Settlement should not be approved, including
24 the legal and factual arguments supporting the objection. If an objector also wishes to appear at the
25 Final Approval and Fairness Hearing, in person or through an attorney, they may do so. The Settlement
26 Administrator will promptly serve copies of any objection or notice of intention to appear on Class &
27 PAGA Counsel and Defense Counsel. Class Members wishing to make an objection may appear at the
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Final Approval and Fairness Hearing, either in person or through a lawyer retained at their own expense.

7.5. NOTICE OF FINAL JUDGMENT

Within seven (7) days after the Court has held a Final and Fairness Approval Hearing and entered a final order certifying the Class for settlement purposes only and approving the Class Settlement, the Settlement Administrator will give notice of judgment to Class Members pursuant to rule 3.771(b) of the California Rules of Court, by posting a copy of said order and final judgment on its website at a web address to be included in the Class Notice.

8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT

The claims of all Class Members are settled for the Gross Settlement Amount of \$1,000,000.00, which will be allocated as follows:

1. The Settlement Administrative Expenses, estimated not to exceed \$25,000.00;
2. Class & PAGA Counsel's attorney fees not to exceed \$333,333.33;
3. Class & PAGA Counsel's litigation costs and expenses not to exceed \$15,000.00;
4. The Incentive Award, not to exceed \$7,500.00; and
5. PAGA Payment of \$100,000.00.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount based on the estimated values provided above prior to sending Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall recalculate the final Net Settlement Amount based on the actual values of the amounts in each category.

8.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR CLASS PARTICIPANTS

Individual Settlement Amounts to be paid to Class Participants shall be paid from the Net Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata on a

1 “checks cashed” basis based on the proportional number of weeks worked by each Class Member
2 during the Class Period.

3 Defendant will provide the Settlement Administrator with any information reasonably
4 necessary to perform the calculation of number of workweeks for each Class Member, and any other
5 reasonably required information the Settlement Administrator requests to perform the calculations
6 required under this Settlement Agreement. Defendant shall have no responsibility for deciding the
7 validity of the Individual Settlement Amounts or any other payments made pursuant to this Settlement
8 Agreement, shall have no involvement in or responsibility for the determination or payment of
9 Employee’s Taxes and Required Withholding, and shall have no liability for any errors made with
10 respect to such Employee’s Taxes and Required Withholding. Although the Settlement Administrator
11 will calculate and pay the standard Employee’s Taxes and Required Withholding on the portion of the
12 Individual Settlement Amounts constituting wages on their behalf, Plaintiff and Class Participants
13 represent and understand that they shall be solely responsible for any and all tax obligation associated
14 with their respective Individual Settlement Amounts and Incentive Awards.

15 **8.3. CALCULATION OF THE INDIVIDUAL PAGA PAYMENTS FOR PAGA**
16 **GROUP MEMBERS**

17 Each member of the PAGA Group shall be entitled to receive a portion of the PAGA Payment—
18 the Individual PAGA Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA
19 that the Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included
20 in the Action, which is \$100,000.00. The PAGA Payment is to be approved by the Court pursuant to
21 Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e.,
22 \$75,000.00) to the LWDA and twenty-five percent (25%) (i.e., \$25,000.00) to the PAGA Group.

23 The Individual PAGA Payment be distributed to each member of the PAGA Group based on
24 the pro rata number of pay periods worked by that PAGA Group member during the PAGA Period as
25 a proportion of all pay periods worked by all PAGA Group members during the PAGA Period. Each
26 member of the PAGA Group, including Plaintiff, shall be responsible for the payment of the
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1 Employee's Taxes and Required Withholding with respect to their share of the PAGA Payment and
2 shall hold Defendant harmless from any and all liability with regard thereto.

3 Defendant will provide the Settlement Administrator with any information reasonably
4 necessary to perform the calculation of number of pay periods worked for each PAGA Group member,
5 and any other reasonably required information the Settlement Administrator requests to perform the
6 calculations required under this Settlement Agreement. Defendant shall have no responsibility for
7 deciding the validity of the individual payment amounts allocated to each member of the PAGA Group
8 or any other payments made pursuant to this Settlement Agreement, shall have no involvement in or
9 responsibility for the determination or payment of Employee's Taxes and Required Withholding, and
10 shall have no liability for any errors made with respect to such Employee's Taxes and Required
11 Withholding.

12 The members of the PAGA Group shall be solely responsible for any and all tax obligation
13 associated with their respective shares of the PAGA Payment.

14 **8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES**

15 The Settlement Administrator shall distribute to Class & PAGA Counsel any attorney fees and
16 expenses approved by the Court no later than twenty-eight (28) days after the Effective Date.

17 **8.5. TIME FOR PAYMENT OF INCENTIVE AWARD**

18 The Settlement Administrator shall distribute to Plaintiff the Incentive Award approved by the
19 Court no later than twenty-eight (28) days after the Effective Date.

20 **8.6. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA**

21 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment
22 due to it and approved by the Court no later than twenty-eight (28) days after the Effective Date.

23 **8.7. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND**
24 **INDIVIDUAL SETTLEMENT AMOUNTS**

25 The Settlement Administrator shall make every effort to pay the Employee's Taxes and
26 Required Withholding associated with each Class Participant's Individual Settlement Amount and mail
27 the Individual Settlement Amount to each Class Participant, by first-class United States mail, to the
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1 last-known address no later than twenty-eight (28) days after the Effective Date. If the Settlement
2 Administrator is not able to do so within the time period set forth above, it shall so inform Class &
3 PAGA Counsel and Defense Counsel and provide an approximate date by which the Employee's Taxes
4 and Required Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under
5 no circumstances shall the Settlement Administrator distribute checks to Class Participants until all
6 Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the
7 remaining monetary obligations have been calculated and accounted for.

8 Within two hundred ten (210) days of mailing the Individual Settlement Amounts to Class
9 Participants, the Settlement Administrator shall file with the Court and provide to Class & PAGA
10 Counsel a declaration of payment. If any Class Participant is deceased, payment shall be made payable
11 to the estate of that Class Member and delivered to the executor or administrator of that estate, unless
12 the Settlement Administrator has received an affidavit or declaration pursuant to California Probate
13 Code section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

14 **8.8. NON-CASHED SETTLEMENT CHECKS**

15 Any funds associated with checks that have not been cashed within one hundred eighty (180)
16 days, will become void and the Individual Settlement Amount associated with the uncashed check will
17 be remitted pursuant to Code of Civil Procedure section 384 to the California State Controller for
18 deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed. The
19 Parties agree that this disposition results in no "unpaid residue" within the meaning of California Civil
20 Procedure Code section 384, as the entire Net Settlement Amount will be paid out to Class Participants,
21 whether or not they all cash their Individual Settlement Amount checks. Therefore, Defendant shall not
22 be required to pay any interest on said amount. For the purposes of determining whether Defendant has
23 met their financial obligation to pay the Individual Settlement Payment, Defendant will be deemed to
24 have fulfilled its obligation upon the mailing of the check to the Class Member, regardless of whether
25 such Class Member subsequently negotiates the check.
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1 **8.9. DISPUTES REGARDING CLASS MEMBER WORKWEEKS DATA OR**
2 **PAYMENT OF INDIVIDUAL SETTLEMENT SHARES**

3 Class Member Workweeks, PAGA Group member Workweeks, and the corresponding
4 Individual Settlement Amounts and Individual PAGA Payments shall be calculated using the
5 employment and payroll records of Defendant, which presumptively shall be deemed to be full,
6 complete, and accurate for purposes of this Settlement Agreement. To overcome that presumption, any
7 Class Member objecting to the accuracy of the number of Workweeks or amount of the Individual
8 Settlement Amount must submit documentary evidence, such as pay stubs or other written employment
9 records, to the Settlement Administrator by mail, fax, or email. Each Class Member may dispute the
10 number of Workweeks or their estimated Individual Settlement Amount contained on their Class
11 Notice (“Workweeks Dispute”). Any such Workweeks Dispute must be mailed or faxed to the
12 Settlement Administrator by the Class Member, postmarked or fax-stamped on or before the Response
13 Deadline. The Settlement Administrator shall immediately provide copies of all disputes to counsel for
14 Defendant, shall inform Class & PAGA Counsel of the dispute without disclosing the identity of the
15 Class Member making the dispute, and shall immediately attempt to resolve all such disputes directly
16 with relevant Class Members with the assistance of Defendant, Defense Counsel, and Class & PAGA
17 Counsel. If the dispute cannot be resolved, it shall be submitted to the Settlement Administrator for its
18 final, non-appealable decision. The Settlement Administrator shall use its best efforts to resolve all
19 such disputes prior to the Effective Date. If, however, a dispute arises or is not resolved until after the
20 Settlement Amount has been distributed, the initial calculation shall stand (as Defendant shall be under
21 no obligation to pay any amounts in excess of the Gross Settlement Amount under this Settlement
22 Agreement).

23 **9. NULLIFICATION OF THIS SETTLEMENT AGREEMENT**

24 **9.1. NON-APPROVAL OF THIS SETTLEMENT AGREEMENT**

25 The Parties have agreed to the certification of the Class encompassing all claims alleged in the
26 Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail
27 to certify this Class for settlement; or (b) the Court should for any reason fail to approve this Settlement;
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1 or (c) the Court should for any reason fail to enter the Final Order or judgment; or (d) the Final Order
2 or judgment is reversed, or declared or rendered void; or (e) the Court should for any reason fail to
3 dispose of the Action in their entirety, then (i) this Agreement shall be considered null and void; (ii)
4 neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect;
5 (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement
6 had been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to
7 stipulate to class certification of all causes of action pled in the Action as part of the Settlement will
8 have no bearing on, and will not be admissible in connection with, the issue of whether the Class should
9 be certified by the Court in a non-settlement context in the Action or any other action, and in any of
10 those events, Defendant expressly reserves the right to oppose certification of the Class.

11 In the event of a timely appeal from the Final Order and judgment, the Final Order and judgment
12 shall be stayed and the Gross Settlement Amount shall not be distributed pending the completion of
13 the appeal.

14 **9.2. ESCALATOR PROVISION**

15 The Settlement Class as of January 29, 2023 consists of approximately 740 individuals and
16 approximately 109,729 workweeks, and the Parties estimate there are now 128,108 workweeks as of
17 October 31, 2023, and this serves as the basis for Plaintiff accepting the settlement. To the extent the
18 total Settlement Class workweek amount exceeds 131,796 by December 31, 2023, Defendant must
19 agree to either (a) increase the GSA pro rata per additional workweek beyond 131,796; or (b) cap the
20 class period on the date that the 10% threshold is exceeded. Defendant will have ten (10) calendar days
21 from notification of this term being triggered to decide which option it chooses.

22 **9.3. RIGHT OF DEFENDANT TO WITHDRAW BASED ON OPT-OUTS**

23 In the event that more than 10% of the Settlement Class members opt-out of any settlement,
24 then Defendant will be able to exercise an option to terminate the settlement and be relieved of any
25 obligation to pay the GSA or any other obligations under any settlement. If Defendant exercises such
26 option it will solely be responsible for all settlement administration costs.

1 **9.4. INVALIDATION**

2 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class
3 Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions
4 of the Class Settlement are to remain in full force and effect.

5 **9.5. STAY ON APPEAL**

6 If a timely appeal from the approval of the Class Settlement and judgment, the judgment shall
7 be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount or take any other
8 actions required by this Settlement Agreement until all appeal rights have been exhausted by operation
9 of law.

10 **10. MOTIONS FOR COURT APPROVAL**

11 **10.1. PRELIMINARY APPROVAL**

12 As soon as practicable after execution of this Settlement Agreement, Class & PAGA Counsel
13 will submit this Settlement Agreement to the Court along with a Motion for Preliminary Approval of
14 the Class Settlement. Class & PAGA Counsel will be responsible for drafting all documents necessary
15 to obtain preliminary approval. Class & PAGA Counsel shall provide a draft of the preliminary
16 approval motion to Defendant's Counsel within a reasonable time prior to filing. Provided the noticed
17 motion is consistent with the terms of this Agreement, the motion will be unopposed. Each party shall
18 cooperate to present the Class Settlement to the Court for preliminary approval in a timely fashion.

19 **10.2. FINAL APPROVAL**

20 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
21 and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the
22 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
23 reasonable, and adequate to the Class Participants within the meaning of California Rules of Court,
24 Rule 3.769, subdivisions (c), (d) and (e), and for the entry of a final judgment of the Action consistent
25 with the terms of the Class Settlement and rule 3.769, subdivision (h), of the California Rules of Court.
26 Class & PAGA Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence
27 as may be required for the Court's determination. Class & PAGA Counsel will be responsible for
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1 drafting all documents necessary to obtain final approval. Class & PAGA Counsel shall provide a draft
2 of the Final Approval motion to Defendant's Counsel within a reasonable time prior to filing.

3 **11. RELEASES AND WAIVERS**

4 **11.1. RELEASE OF CLAIMS BY THE SETTLEMENT CLASS**

5 Upon the Effective Date, the Releasing Parties shall be deemed to each release the Released
6 Parties, and each of them, of and from any and all Released Claims arising during the Class Period. It
7 is the desire of the Parties and the Releasing Parties to fully, finally, and forever settle, compromise,
8 and discharge the Released Claims. Each of the Releasing Parties, including each Class Participant,
9 will be bound by the release of Released Claims as a result of the Class Settlement and to the terms of
10 the final judgment and the satisfaction of such judgment.

11 Class Participants will be deemed to have acknowledged and agreed that their claims for wages
12 and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes
13 payment of all sums allegedly due to them. Class Participants will be deemed to have acknowledged
14 and agreed that California Labor Code section 206.5 is not applicable to the Individual Settlement
15 Amount. That section provides in pertinent part as follows:

16 "An employer shall not require the execution of a release of a claim or right on account
17 of wages due, or to become due, or made as an advance on wages to be earned, unless
18 payment of those wages has been made."
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20 **11.2. RELEASE OF CLAIMS BY THE PAGA GROUP**

21 Upon the Effective Date, the PAGA Group shall be deemed to release the Released Parties, and
22 each of them, of and from any and all PAGA Released Claims arising during the PAGA Period. It is
23 the desire of the Parties to fully, finally, and forever settle, compromise, and discharge the PAGA
24 Released Claims. Each of the PAGA Group members will be bound by the release of PAGA Released
25 Claims as a result of the Settlement and to the terms of the final judgment and the satisfaction of such
26 judgment.
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1 The PAGA Group members shall have no right or ability to opt out of the portion of this
2 Settlement Agreement releasing PAGA Released Claims.

3 **11.3. RELEASE OF CLAIMS BY PLAINTIFF**

4 Plaintiff, on behalf of himself and his dependents, heirs and assigns, beneficiaries, devisees,
5 legatees, executors, administrators, agents, trustees, conservators, guardians, personal representatives,
6 and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect,
7 or any other type or in any other capacity, shall and does hereby forever release, discharge and agree
8 to hold harmless the Released Parties from any and all charges, complaints, claims, liabilities,
9 obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights,
10 demands, costs, losses, debts and expenses (including attorney fees and costs), known or unknown, at
11 law or in equity, which he may now have or may have after the signing of this Settlement Agreement,
12 arising out of or in any way connected with his employment with Defendant including, the Released
13 Claims, claims that were asserted or could have been asserted in the Complaint, and any and all
14 transactions, occurrences, or matters between the Parties occurring prior to the date this Settlement
15 Agreement is fully executed. Without limiting the generality of the foregoing, this release shall include,
16 but not be limited to, any and all claims under: **(a)** the Americans with Disabilities Act; **(b)** Title VII
17 of the Civil Rights Act of 1964; **(c)** the Civil Rights Act of 1991; **(d)** 42 U.S.C. § 1981; **(e)** the Age
18 Discrimination in Employment Act; **(f)** the Fair Labor Standards Act; **(g)** the Equal Pay Act; **(h)** the
19 Employee Retirement Income Security Act, as amended; **(i)** the Consolidated Omnibus Budget
20 Reconciliation Act; **(j)** the Rehabilitation Act of 1973; **(k)** the Family and Medical Leave Act; **(l)** the
21 Civil Rights Act of 1966; **(m)** the California Fair Employment and Housing Act; **(n)** the California
22 Constitution; **(o)** the California Labor Code; **(p)** the California Government Code; **(q)** the California
23 Civil Code; and **(r)** any and all other federal, state, and local statutes, ordinances, regulations, rules,
24 and other laws, and any and all claims based on constitutional, statutory, common law, or regulatory
25 grounds as well as any other claims based on theories of wrongful or constructive discharge, breach of
26 contract or implied contract, fraud, misrepresentation, promissory estoppel, or intentional infliction of
27 emotional distress, negligent infliction of emotional distress, or damages under any other federal, state,
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1 or local statutes, ordinances, regulations, rules, or laws. This release is for any and all relief, no matter
2 how denominated, including, but not limited to, back pay, front pay, vacation pay, bonuses,
3 compensatory damages, tortious damages, liquidated damages, punitive damages, damages for pain
4 and suffering, and attorney fees and costs, and Plaintiff hereby forever releases, discharges and agrees
5 to hold harmless Defendant and the Released Parties from any and all claims for attorney fees and costs
6 arising out of the matters released in this Settlement Agreement.

7 Plaintiff specifically acknowledges that he is aware of and familiar with the provisions of
8 California Civil Code section 1542, which provides as follows:

9 *“A general release does not extend to claims that the creditor or releasing party does*
10 *not know or suspect to exist in his or her favor at the time of executing the release*
11 *and that, if known by him or her, would have materially affected his or her settlement*
12 *with the debtor or released party.”*
13

14 Plaintiff, being aware of California Civil Code section 1542, hereby expressly waives and
15 relinquishes all rights and benefits he may have under section 1542 as well as any other statutes or
16 common law principles of a similar effect. Plaintiff may hereafter discover facts in addition to or
17 different from those which he now knows or believes to be true with respect to the subject matter of all
18 the claims referenced herein, but agrees that, upon the Effective Date, Plaintiff shall and hereby does
19 fully, finally, and forever settle and release any and all claims against the Released Parties, known or
20 unknown, suspected or unsuspected, contingent or non-contingent, that were asserted or could have
21 been asserted upon any theory of law or equity without regard to the subsequent discovery of existence
22 of such different or additional facts.

23 **11.4. CIRCULAR 230 DISCLAIMER**

24 Each party to this Settlement Agreement (for purposes of this section, the “Acknowledging
25 Party”; and each party to this Agreement other than the Acknowledging Party, an “Other Party”)
26 acknowledges and agrees that (1) no provision of this Settlement Agreement, and no written
27 communication or disclosure between or among the parties or their attorneys and other advisers, is or
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1 was intended to be, nor shall any such communication or disclosure constitute or be construed or be
2 relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31
3 C.F.R. Part 10); (2) the Acknowledging Party (a) has relied exclusively upon his or its own independent
4 legal and tax advisers for advice (including tax advice) in connection with this Settlement Agreement,
5 (b) has not entered into this Settlement Agreement based upon the recommendation of any other party
6 or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or
7 disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed
8 on the Acknowledging Party; and (3) no attorney or advisor to any other party has imposed any
9 limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless
10 of whether such limitation is legally binding) upon disclosure by the Acknowledging Party of the tax
11 treatment or tax structure of any transaction, including any transaction contemplated by this Settlement
12 Agreement.

13 **12. DUTIES OF THE PARTIES**

14 **12.1. MUTUAL FULL COOPERATION**

15 The Parties agree to cooperate fully with one another to accomplish and implement the terms
16 of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such
17 other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms
18 of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
19 by this Settlement Agreement and any other efforts that may become necessary by court order or
20 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
21 after execution of this Settlement Agreement, Class & PAGA Counsel, with the cooperation of
22 Defendant and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's
23 final approval of this Settlement Agreement.

24 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

25 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to
26 support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any
27 legal challenge, whether by appeal or collateral attack.
28

1 **12.3. DUTIES PRIOR TO COURT APPROVAL**

2 Class & PAGA Counsel shall promptly submit this Settlement Agreement to the Court for
3 preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness.
4 Promptly upon execution of this Settlement Agreement, Class & PAGA Counsel shall apply to the
5 Court for the entry of a preliminary order scheduling a hearing on the question of whether the proposed
6 Class Settlement should be approved as fair, reasonable, and adequate as to the Class Members,
7 approving as to form and content the proposed Class Notice and Share Form attached hereto as **Exhibit**
8 **1** and **Exhibit 2**, respectively, and directing the mailing of the Class Notice to Class Members. The
9 Parties shall use their best efforts, to effectuate and implement this Agreement and its terms. In the
10 event the Parties are unable to reach agreement on the form or content of any document needed to
11 implement the Agreement, or on any supplemental provisions that may become necessary to effectuate
12 the terms of the Agreement, the Parties agree to seek the assistance of the Court.

13 **13. MISCELLANEOUS PROVISIONS**

14 **13.1. DIFFERENT FACTS**

15 The Parties acknowledge that, except for matters expressly represented herein, the facts in
16 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
17 to be different from the facts now known by each party and/or its counsel, or believed by such Party or
18 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
19 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
20 and binding despite such difference.

21 **13.2. NO PRIOR ASSIGNMENTS**

22 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
23 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
24 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
25 except as set forth herein.
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13.3. NON-ADMISSION

Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing toward each other or any other person. Each of the Parties has entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by Defendant regarding the merits of the Claims in this Action, including but not limited to claims for unpaid wages or violations under California or federal law. Nothing herein shall constitute an admission by Defendant that the Action was properly brought as a class or representative action other than for settlement purposes. To the contrary, Defendant has denied and continues to deny each and every material factual allegation and all Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance of this Settlement Agreement or the Class Settlement are not, shall not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on the part of Defendant or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the part of Defendant in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal.

13.4. NON-EVIDENTIARY USE

Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any individual who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendant and

1 the Released Parties to prove or defend against any claim released herein by any Class Member in any
2 judicial, quasi-judicial, administrative, or governmental proceeding.

3 **13.5. NO PUBLIC COMMENT**

4 Except as set forth in this paragraph or with the consent of all Parties, the Parties and their
5 counsel agree that they will not, unless required by law, communicate or publicize the existence of or
6 set forth the terms of the settlement in a public manner, including without limitation by communicating
7 or publicizing the existence of or the terms of the settlement to members of the press, or to publish such
8 information on any website or social media forum (including through organizations that publicize
9 verdicts and settlements and on websites operated by or for counsel). Nothing herein shall be
10 interpreted as preventing any good-faith communications by any Counsel for the Parties and/or any
11 Parties with the Court, Class Members, or the Settlement Administrator for the purpose of facilitating
12 the settlement of the Action. Nothing herein shall prevent the Parties from filing documents and
13 communicating with the Court and other counsel in connection with the Action. Nothing shall prevent
14 Defendant from communicating with its employees, ownership, and lender concerning the Settlement.
15 Defendant promises not to encourage or solicit Class Members to opt-out of the settlement.
16 Notwithstanding the above, Class & PAGA Counsel may list public information about the Action in
17 their declarations listing their qualifications to act as counsel in other cases.

18 **13.6. NON-RETALIATION**

19 Defendant understands and acknowledges that it has a legal obligation to not retaliate against
20 any Class Member who elects to participate in the Class Settlement or elects to opt-out of the Class
21 Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement
22 Administrator or Class & PAGA Counsel and will not discourage Class Members who are employees,
23 directly or indirectly, from making claims, opting out, or objecting to the Class Settlement.

24 **13.7. CONSTRUCTION**

25 The Parties agree that the terms and conditions of this Settlement Agreement are the result of
26 lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
27 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
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1 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
2 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
3 next business day.

4 **13.8. GOVERNING LAW**

5 This Settlement Agreement is intended to and shall be governed by the laws of the State of
6 California, without regard to conflict of law principles, in all respects, including execution,
7 interpretation, performance, and enforcement.

8 **13.9. NOTICES**

9 Except for Class Member notices required to be made by the Settlement Administrator, all
10 notices or other communications required or permitted under this Settlement Agreement shall be in
11 writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S.
12 certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the
13 party appearing in this Settlement Agreement.

14 **13.10. CAPTIONS AND INTERPRETATIONS**

15 Section titles or captions contained herein are inserted as a matter of convenience and for
16 reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement
17 or any provision thereof.

18 **13.11. MODIFICATION**

19 This Settlement Agreement may not be changed, altered, or modified, except in writing signed
20 by the Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement
21 Agreement has been granted by the Court, then any such amendments or modifications to this
22 Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be
23 discharged except by performance in accordance with its terms or by a writing signed by the Parties.

24 **13.12. INTEGRATION CLAUSE**

25 This Settlement Agreement contains the entire agreement between the Parties relating to the
26 Class Settlement of the Action and the transactions contemplated thereby, and all prior or
27 contemporaneous agreements, understandings, representations, and statements, whether oral or written,
28

1 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this
2 Settlement Agreement may be waived except in writing as provided above.

3 **13.13. SUCCESSORS AND ASSIGNS**

4 This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class
5 Members (excluding only persons who timely Opt-Out and are not members of the PAGA Group) and
6 their respective present and former heirs, trustees, executors, administrators, representatives, officers,
7 directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors,
8 consultants, pension plans, welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates,
9 related companies, joint ventures, predecessors, successors, and assigns.

10 **13.14. CORPORATE SIGNATORIES**

11 Any person executing this Settlement Agreement or any such related document on behalf of a
12 corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all
13 Parties hereto, that such person has been duly authorized by such corporation or partnership to execute
14 this Settlement Agreement or any such related document.

15 **13.15. EXECUTION IN COUNTERPARTS**

16 This Settlement Agreement shall become effective upon its execution by all of the undersigned.
17 The Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
18 have the same force and effect as if all Settling Parties had signed the same instrument.

19 **13.16. ATTORNEY FEES, COSTS, AND EXPENSES**

20 Except as otherwise specifically provided for herein, each party shall bear her or its own
21 attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action
22 and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

23 **13.17. ACTION TO ENFORCE AGREEMENT**

24 In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be
25 entitled to recover her or its attorney fees and costs.
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1 **14. EXECUTION**

2 The Parties and their counsel have executed this Settlement Agreement on the date below their
3 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
4 date of the latest signature.

5 **APPROVAL AND EXECUTION BY PARTIES**

6 **CLASS REPRESENTATIVE:**

7 Dated: 3/7/2024

DocuSigned by:
AARON VANDERPOOL
4C78E19000164C6...
Aaron Vanderpool
Plaintiff and Class Representative

10 **DEFENDANT:**

11 Dated: March 12, 2024

Searles Valley Minerals Inc.

12 Matthew J. Dowd
13 By: Matthew J. Dowd
14 Title: Corporate Secretary

15 **APPROVED AS TO FORM BY COUNSEL**

16 **CLASS & PAGA COUNSEL:**

17 Dated: March 7, 2024

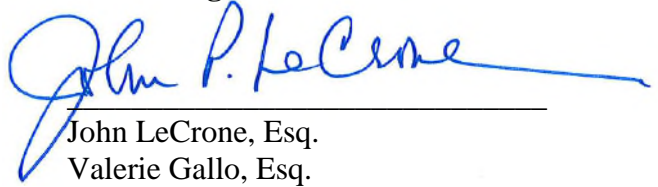
Melmed Law Group P.C.

22 [Signature]
23 Jonathan Melmed
24 Attorneys for Plaintiff

25 **DEFENDANT'S COUNSEL:**

1 Dated: March 12, 2024

Davis Wright Tremaine LLP

2 

3 John LeCrone, Esq.

4 Valerie Gallo, Esq.

5 Stephen Franz, Esq.

6 Attorneys for Defendant

EXHIBIT 1

Notice of Proposed Class Action Settlement

1
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4
5 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
6 **FOR THE COUNTY OF SAN BERNARDINO**

7 AARON VANDERPOOL, an individual, on
8 behalf of himself, the State of California, as a
9 private attorney general, and on behalf of all
others similarly situated,

10 Plaintiff,

11 v.

12 SEARLES VALLEY MINERALS INC., a
13 Delaware corporation; and DOES 1 TO 50,
14

15 Defendants.

Case No.: CIVSB2200817

Notice of Proposed Class Action Settlement

16 *The Superior Court for the State of California authorized this notice. You may be eligible to receive*
17 *a settlement payment. Please read this notice carefully. It is not junk mail, spam, an advertisement,*
18 *or solicitation by a lawyer. You are not being sued.*
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The proposed Settlement has two main parts: (1) a class settlement requiring Defendant to fund Individual Settlement Amounts, and (2) a PAGA settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT: If you are a Class Member (as defined above) and received this notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described below.

Plaintiff, individually and in his representative capacity on behalf of the Class Members, and as a private attorney general on behalf of the State of California, is pursuing the Action against Defendant in the Superior Court of the State of California for the County of San Bernardino in the matter of *Aaron Vanderpool v. Searles Valley Minerals Inc.*, case number **CIVSB2200817**. The

1 Action seeks recovery for Defendant's alleged: **(1)** failure to pay minimum wage for all hours worked
2 in violation of Labor Code sections 1194 and 1194.2, and the Applicable Wage Orders; **(2)** failure to
3 pay proper overtime wages in violation of Labor Code sections 510, 1197, and 1198, and the Applicable
4 Wage Orders; **(3)** failure to provide compliant rest periods and pay missed rest break premiums in
5 violation of Labor Code section 226.7 and the Applicable Wage Orders; **(4)** failure to provide
6 compliant meal periods and pay missed meal period premiums in violation of Labor Code sections
7 226.7 and 512, and the Applicable Wage Orders; **(5)** failure to maintain accurate employment records
8 in violation of Labor Code section 1174; **(6)** failure to pay timely wages during employment in
9 violation of Labor Code sections 204, 210; **(7)** failure to pay all wages due and owing at separation in
10 violation of Labor Code sections 201, 202, and 203; **(8)** failure to provide complete and accurate wage
11 statements in violation of Labor Code sections 226 and 226.3; **(9)** deceptive, fraudulent, or otherwise
12 unlawful business practices based on the foregoing in violation of California's Unfair Competition Law
13 (Bus. & Prof. Code, §§ 17200–17210); **(10)** violation of the Fair Credit Reporting Act (15 U.S.C. §
14 1681B(B)(2)(A)); **(11)** violation of the Investigative Consumer Reporting Agencies Act (Civil Code §
15 1786 *et seq.*); **(12)** violation of the Consumer Credit Reporting Agencies Act (Civil Code § 1785 *et*
16 *seq.*); and **(13)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698–
17 2699.6).

18 **Defendant denies all liability, denies all allegations in the Action, and has raised various**
19 **defenses to the claims.** Defendant strongly denies violating any laws or failing to pay any wages,
20 asserts that it fully complied with all applicable wage and hour laws, and contends that civil penalties
21 under PAGA are not warranted. Defendant also denies that the Action is suitable for class certification.
22 Defendant has entered into the Settlement solely for purposes of resolving this dispute to avoid costly,
23 disruptive, and time-consuming litigation and does not admit to any wrongdoing or liability.

24 The Court has not ruled on the merits in the Action. By approving the Settlement and issuing
25 this notice, the Court is *not* suggesting which side would win or lose the case if it went to trial or
26 whether the claims are suitable for class certification. To avoid the additional expense, inconvenience,
27 and risk of continued litigation, however, Plaintiff and Defendant (the “Parties”) have concluded that
28 it is in their respective best interests and the interests of the Class Members to settle the Action on the

1 terms summarized in this notice. The Settlement was reached after Defendant provided extensive
2 information and documents to Plaintiff’s counsel, and after lengthy arms-length non-collusive
3 negotiations between the Parties, including mediation with an experienced and well-respected mediator
4 in California. In these negotiations, both sides recognized the substantial risk of the Court deciding
5 against them at trial and determined that the Settlement was a fair, reasonable, and adequate way to
6 resolve the disputed claims. By entering a lengthy written Settlement Agreement and agreeing to
7 jointly ask the Court to enter a judgment ending the Action and enforcing the Settlement, Plaintiff and
8 Defendant have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both
9 Parties agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle,
10 Defendant does not admit any violations or concede the merit of any claims.

11 Plaintiff and Plaintiff’s counsel—Jonathan Melmed and Laura Supanich of Melmed Law Group
12 P.C. (“Class & PAGA Counsel”)—support the Settlement. Among the reasons for support are the
13 defenses to liability potentially available to Defendant, the risk of denial of class certification, the
14 inherent risk of trial on the merits, and the delays and uncertainties associated with litigation. Plaintiff
15 and Class & PAGA Counsel believe that the settlement described in this notice is fair, adequate,
16 reasonable, and in the best interests of Plaintiff and the Class Members.

17 Under the Settlement, the following settlement class will be certified under California law: all
18 current and former non-exempt, hourly-paid employees employed by Defendant in California at any
19 time during the Class Period. The “Class Period” is defined as the period from January 12, 2018,
20 through December 31, 2023. The Settlement provides for a gross settlement amount of \$1,000,000.00,
21 into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross
22 Settlement to pay the Individual Settlement Amounts, Individual PAGA Payments, Class
23 Representative Incentive Award, Class & PAGA Counsel’s attorney’s fees and expenses, the
24 Administrator’s expenses, and penalties to be paid to the LWDA. In exchange for their share of the
25 settlement amount, all participating Class Members will be deemed to have released Defendant from
26 liability on the terms described in this notice.

27 On [date of preliminary approval], the Court preliminarily approved the Settlement and
28 conditionally certified the settlement class. This notice is being sent to you because Defendant’s records

1 indicate that you worked for Defendant during the Class Period and that you meet the definition
2 required to be treated as a Class Member.

3 **2. IF YOU ARE STILL EMPLOYED BY DEFENDANT, THIS SETTLEMENT WILL**
4 **NOT AFFECT YOUR EMPLOYMENT.**

5 California law strictly prohibits retaliation. Further, Defendant is prohibited by law from taking
6 any adverse action against or otherwise target, retaliate, or discriminate against any Class Member
7 because of the Class Member's participation or decision not to participate in the Settlement.

8 **3. TERMS OF THE SETTLEMENT**

9 Defendant has agreed to pay \$1,000,000.00 (the "Gross Settlement Amount") to resolve the
10 claims in the Action. The Parties agreed to the following payments from the Gross Settlement Amount:

- 11 1. **Settlement Administration Costs.** The Court has approved ILYM Group, Inc. to act
12 as the "Settlement Administrator," who is sending this notice to you and will perform
13 many other duties relating to the Settlement. Under the Settlement, up to \$25,000.00
14 will be paid from the Gross Settlement Amount to pay the Settlement Administration
15 Costs.
- 16 2. **Attorneys' Fees and Expenses.** Class & PAGA Counsel have been prosecuting the
17 Action on behalf of the Class Members on a contingency fee basis (that is, without being
18 paid any money to date) and have been paying all litigation costs and expenses. To date,
19 the Parties have aggressively litigated many aspects of the case including investigation,
20 settlement efforts, and a full-day mediation session. The Court will determine the actual
21 amount awarded to Class & PAGA Counsel as attorneys' fees, which will be paid from
22 the Gross Settlement Amount. Class Members are not personally responsible for any of
23 Class & PAGA Counsel's attorneys' fees or expenses. Class & PAGA Counsel will ask
24 for fees of one-third of the Gross Settlement Amount (i.e., \$333,333.33) as reasonable
25 compensation for the work Class & PAGA Counsel performed and will continue to
26 perform in the Action. Class & PAGA Counsel also will ask for reimbursement of up
27 to \$15,000.00 for the costs Class & PAGA Counsel incurred in connection with the
28 Action.

1 3. **Incentive Award to Class Representative.** Class & PAGA Counsel will ask the Court
2 to provide a service payment to Plaintiff in the amount of \$7,500.00 for Aaron
3 Vanderpool to compensate him for his efforts on behalf of the Class Members in the
4 Action, including assisting in the investigation and consulting with Class & PAGA
5 Counsel and providing crucial documents to Class & PAGA Counsel. Plaintiff also may
6 receive a share of the Settlement as a Class Member.

7 4. **PAGA Payment.** The Parties have agreed on a reasonable sum to be paid in settlement
8 of the PAGA claims included in the Action, which is \$100,000.00. The PAGA Payment
9 is to be approved by the Court pursuant to Labor Code section 2699 and is to be
10 distributed as follows: seventy-five percent (75%) (i.e., \$75,000.00) to the LWDA and
11 twenty-five percent (25%) (i.e., \$25,000.00) to the individuals who come within the
12 definition of an “aggrieved employee” for the purposes of the Settlement (i.e., the
13 PAGA Group).

14 After deducting the amounts above, the balance of the settlement amount will form the “Net
15 Settlement Amount” for distribution to the Class Members.

16 **4. DISTRIBUTION OF THE NET SETTLEMENT AMOUNT TO THE CLASS**
17 **MEMBERS**

18 Each eligible Class Member who does not request exclusion from the Settlement will be deemed
19 a “Class Participant” and will receive an Individual Settlement Amount, which is a share from the Net
20 Settlement Amount distributed pro rata based on the proportional number of weeks worked by each
21 Class Member during the Class Period (the “Individual Settlement Amount”). If any Class Member
22 requests exclusion from the Settlement, his or her share will be distributed to the remaining Class
23 Participants.

24 Fifteen percent (15%) of each Individual Settlement Amount will constitute payment in the
25 form of wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him
26 or her), and Eighty-Five percent (85%) of each Individual Settlement Amount will constitute penalties
27 and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or
28 her).

1 Defendant, or its proxies, shall take all usual and customary deductions from the Individual
2 Settlement Amount payments that are distributed as wages, including, but not limited to, state and
3 federal tax withholding, disability premiums, and unemployment insurance premiums. There will be
4 no deduction taken from the interest or penalty distribution—it will, however, be reported on IRS Form
5 1099 as income. Class Participants are responsible for the proper income tax treatment of their
6 Individual Settlement Amount. The Settlement Administrator, Defendant and its counsel, and Class &
7 PAGA Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax
8 advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

9 The Administrator will calculate Individual PAGA Payments by (a) dividing \$25,000 by the
10 total number of pay periods worked during the PAGA Period by the PAGA Group, and (b) multiplying
11 the result by the number of pay periods worked during the PAGA Period by each individual member
12 of the PAGA Group.

13 The workweeks you worked for Defendant during the Class Period and PAGA Period will be
14 calculated based on Defendant's records. If you feel that you were not credited with the correct number
15 of workweeks worked during the Class Period or PAGA Period, you may submit evidence to the
16 Settlement Administrator on or before [Response Deadline] with documentation to establish the
17 number of workweeks you claim to have actually worked during the Class Period or PAGA Period.

18 **Documentation sent to the Settlement Administrator will not be returned or preserved, so do not**
19 **send originals.** The Parties and the Settlement Administrator will promptly evaluate the evidence
20 submitted and discuss in good faith how many workweeks should be credited. The Settlement
21 Administrator will make the final decision as to how many weeks are credited and report the outcome
22 to the requestor. If you are unsatisfied with the decision, you may submit an objection, which is
23 explained below.

24 Settlement checks will be mailed to the PAGA Group and/or all Class Participants after the
25 Court grants final approval of the Settlement and judgment is entered.
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1 **5. THE RELEASE OF CLAIMS**

2 If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind
3 all Class Participants. The Class Participants will then be barred from bringing any “Released Claims”
4 against the “Released Parties” as those terms are defined below.

5 The “Released Parties” are Defendant, and all affiliated predecessor and successor entities, and
6 each such entity’s respective present and former subsidiaries, affiliates, parents, agents, employees,
7 members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives,
8 predecessors, successors and assigns.

9 The “Released Claims” are any and all claims directly related to or arising out of the factual
10 allegations pled in the operative pleading in the Lawsuit, including all claims that have been or could
11 have been pled as wage and hour violations and related penalties and interest under California law,
12 including all claims made and that could have been made in such pleading directly related to or arising
13 out of the factual allegations therein during the Class Period. The Released Claims include but are not
14 limited to claims for **(1)** failure to pay minimum wage for all hours worked in violation of Labor Code
15 sections 1194 and 1194.2, and the applicable IWC Wage Order(s); **(2)** failure to pay proper overtime
16 wages in violation of Labor Code sections 510, 1197, and 1198, and the applicable IWC Wage Order(s);
17 **(3)** failure to provide compliant rest periods and pay missed rest break premiums in violation of Labor
18 Code section 226.7 and the applicable IWC Wage Order(s); **(4)** failure to provide compliant meal
19 periods and pay missed meal period premiums in violation of Labor Code sections 226.7 and 512, and
20 the applicable IWC Wage Order(s); **(5)** failure to maintain accurate employment records in violation
21 of Labor Code section 1174; **(6)** failure to pay timely wages during employment in violation of Labor
22 Code sections 204, 210; **(7)** failure to pay all wages due and owing at separation in violation of Labor
23 Code sections 201, 202, and 203; **(8)** failure to provide complete and accurate wage statements in
24 violation of Labor Code sections 226 and 226.3; **(9)** deceptive, fraudulent, or otherwise unlawful
25 business practices based on the foregoing in violation of California’s Unfair Competition Law (Bus. &
26 Prof. Code, §§ 17200–17210); **(10)** statutory penalties based on the foregoing pursuant to PAGA (Lab.
27 Code, §§ 2698-2699.6); **(11)** violation of the Fair Credit Reporting Act (15 U.S.C. § 1681B(B)(2)(A));
28 **(12)** violation of the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 *et seq.*); **(13)**

1 violation of the Consumer Credit Reporting Agencies Act (Civil Code § 1785 *et seq.*); and **(14)** all
2 claims for liquidated damages, penalties, interest, fees, costs based on the foregoing.

3 No other claims are released other than those claims specifically plead in the Complaint or
4 otherwise specifically identified herein.

5 The Settlement does *not* release Defendant or any person, party, or entity from claims, if any,
6 by Class Members for workers compensation, unemployment, or disability benefits of any nature. Nor
7 does it release any claims, actions, or causes of action which may be possessed by Class Members
8 under state or federal discrimination statutes, including, without limitation, the California Fair
9 Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code,
10 § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, *et seq.*);
11 the Americans with Disabilities Act (42 U.S.C. § 12101, *et seq.*); the Employee Retirement Income
12 Security Act of 1974 (29 U.S.C. § 1001 *et seq.*); and all of their implementing regulations and
13 interpretive guidelines.

14 Class Members who do not request exclusion from the Settlement will be deemed to have
15 acknowledged and agreed that their claims for wages and penalties in the Action are disputed, and that
16 the Settlement payments constitute payment of all sums allegedly due to them. Class Members will be
17 deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable
18 to the Settlement payments. That section provides in pertinent part as follows:

19 “An employer shall not require the execution of a release of a claim or right on account
20 of wages due, or to become due, or made as an advance on wages to be earned, unless
21 payment of those wages has been made.”
22

23 If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind
24 the PAGA Group. The PAGA Group will then be barred from bringing the following “PAGA Released
25 Claims” against the Released Parties: any and all claims that are pled in the Action under PAGA, or
26 which could have been pursued in the Action under PAGA, which occurred during the PAGA Period
27 based on the factual allegations in the Action alleged in the Complaint, including but not limited to:
28 failure to pay minimum wages for all hours worked, failure to pay overtime wages, failure to provide

1 paid rest breaks and pay missed rest break premiums, failure to provide meal periods and pay missed
2 meal period premiums, failure to pay wages timely during employment, failure to pay timely wages at
3 separation, failure to provide accurate and itemized wage statements, and recordkeeping violations,
4 pursuant to Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 510, 512, 1174, 1174.5,
5 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199. The PAGA Group will be legally barred from
6 asserting PAGA Released Claim against the Defendant, whether or not they exclude themselves from
7 the Settlement.

8 **6. YOUR OPTIONS**

9 **6.1. DO NOTHING AND RECEIVE YOUR PORTION OF THE SETTLEMENT**

10 If you do nothing, you will be automatically included as a Class Participant in the Settlement
11 and will receive a settlement payment. You do *not* have to take any further action to receive your
12 settlement payment. It is, however, the responsibility of all Class Members to ensure that the Settlement
13 Administrator has your current address on file, or you may not receive important information or a
14 settlement payment. The estimated amount of your settlement payment if you do nothing is included
15 on the attached *Class Action Settlement Share Form*.

16 **6.2. REQUEST EXCLUSION FROM THE CLASS AND THE SETTLEMENT**

17 If you do *not* wish to take part in the class action portion of the Settlement (the “Class
18 Settlement”), you may exclude yourself (i.e., opt out of the Class Settlement) by sending the Settlement
19 Administrator a letter or card postmarked no later than [Response Deadline] by mail, email, or fax, that
20 specifically requests exclusion from the Class Settlement in this case. The request for exclusion must
21 include your name, address, telephone number, and signature, and it should state:

22 “I wish to be excluded from the settlement class in the case of *Aaron Vanderpool v.*
23 *Searles Valley Minerals Inc.*. I understand that if I ask to be excluded from the
24 settlement class, I will not receive any money from the settlement of this lawsuit and
25 will not be releasing any claims I might have.”

26
27 Send the request for exclusion directly to the Settlement Administrator at the following address
28 by no later than [Response Deadline]:

1 ILYM Group, Inc.
2 14751 Plaza Drive, Suite J
3 Tustin, California 92780
4 [email]
5 [fax]

6 Any person who submits a timely request for exclusion from the Class Settlement shall, upon
7 receipt, no longer be a Class Member, shall be barred from participating in the Class Settlement, and
8 shall receive no benefits from the class action portion of the Settlement. If you want confirmation of
9 receipt of your request for exclusion, please send it by United States certified mail, return receipt
10 requested, or contact the Settlement Administrator.

11 **Importantly**, Class Members who timely and validly request exclusion from the Class
12 Settlement will *not* be excluded from their share, if any, of the PAGA Payment. Requesting exclusion
13 from the Class Settlement applies solely to the Class Members' entitlement to the class action portion
14 of the Settlement and not their entitlement to the PAGA Payment. If you request exclusion from the
15 Class Settlement you will still be entitled to your share, if any, of the PAGA Payment.

16 **6.3. OBJECT TO THE SETTLEMENT**

17 You have the right to object to the terms of the Settlement if you do not request exclusion. If,
18 however, the Court rejects your objection, you will still be bound by the terms of the Settlement. If you
19 wish to object to the Settlement, or any portion of it, you may file with the Settlement Administrator
20 and the Court a written objection stating your name, address, telephone number, dates of employment
21 with Defendant, the case name and number, each specific reason in support of your objection, and any
22 legal support for each objection. Objections in writing must be mailed, email, or faxed to the Settlement
23 Administrator—ILYM Group, Inc., 14751 Plaza Drive, Suite J, Tustin, California 92780; [email];
24 [fax]—by no later than [Response Deadline] to be considered. **Objections that do not include all
25 required information, or that are not timely submitted, might not be considered by the court.**

26 If you choose to object to the Settlement, you may also appear to speak at the final approval
27 and fairness hearing scheduled for [Final Approval Hearing Date], at [Final Approval Hearing Time]
28 in Department [Court Department] of the Superior Court of the State of California for the County of

San Bernardino, located at [Court Location]. You have the right to appear either in person or through your own attorney at this hearing.

If you object to the Settlement, you will remain a Class Member, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise.

The Court may, at the time of the final approval and fairness hearing, have certain social distancing requirements or procedures for attendance at hearings. If you wish to object to the Settlement by speaking at the final approval and fairness hearing, you may contact Class & PAGA Counsel, whose information is provided below, for more information about the Court's current social distancing procedures. You may also review the Court's website for the most current information.

7. HOW TO UPDATE OR CHANGE YOUR ADDRESS

If you move after receiving this notice or if it was misaddressed, please contact the Settlement Administrator, ILYM Group, Inc., at (888) 250-6810 or by email at claims@ilymgroupclassaction.com, as soon as possible. This is important to ensure that future notices and/or the Settlement payment reach you.

8. NOTICE OF FINAL JUDGMENT IF THE SETTLEMENT IS APPROVED

Within seven (7) days after the Court has held a final and fairness approval hearing and entered a final order approving the Settlement, if it chooses to do so, the Settlement Administrator will post a copy of that order and final judgment on its website at the following website address:

[Case-Specific Settlement URL (to be added by Settlement Administrator)]

9. IF THE SETTLEMENT IS NOT APPROVED

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the Settlement may be voided, in which case no money will be paid, and the case will return to litigation. If that happens, there is no assurance: (1) that the class will be certified by the Court; (2) that any decision at trial would be in favor of Class Members; (3) that a trial decision, if any, would be as

1 favorable to the Class Members as the Settlement; or (4) that any favorable trial decision would be
2 upheld if an appeal was filed.

3 **10. QUESTIONS OR COMMENTS**

4 **PLEASE DO NOT CALL OR CONTACT THE COURT.** If you have any questions about
5 the settlement, you may contact the Settlement Administrator at: **(888) 250-6810** or by e-mail at
6 **claims@ilymgroupclassaction.com**. You may also contact Class & PAGA Counsel at the addresses
7 or phone numbers listed below.

8
9 **Lawyers Representing Plaintiff and the Class Members**

10 **MELMED LAW GROUP P.C.**

11 Jonathan Melmed

12 jm@melmedlaw.com

13 Laura Supanich

14 lms@melmedlaw.com

15 Michiko Vartanian

16 mv@melmedlaw.com

17 1801 Century Park East, Suite 850

18 Los Angeles, California 90067

19 Phone: (310) 824-3828

20 Fax: (310) 862-6851

EXHIBIT 2

Class Action Settlement Share Form

CLASS ACTION SETTLEMENT SHARE FORM

Aaron Vanderpool v. Searles Valley Minerals Inc.

Case Number CIVSB2200817

Superior Court of the State of California for the County of San Bernardino

The proposed class action settlement agreement (the “Settlement”) described in the accompanying *Notice of Proposed Class Action Settlement* resolves disputed claims against Defendant Searles Valley Minerals Inc. (“Defendant”) arising out of its compensation practices during the period from January 12, 2018, through December 31, 2023 (the “Class Period”) as applied to all current and former non-exempt, hourly-paid employees employed by Defendant in California at any time during the Class Period (“Class Members”).

You are receiving this form because you are believed to be a Class Member. **According to Defendant’s records, you worked [REDACTED] workweeks for Defendant during the Class Period. Accordingly, your share of the Settlement is currently estimated to be \$[REDACTED]**, which is an estimate of your allocated portion the Net Settlement Amount, as that term is defined in the accompanying *Notice of Proposed Class Action Settlement*. Your estimated share of the Settlement may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement.

You do not need to do anything to receive money under the Settlement.

If you believe the information provided above as to the number of your workweeks is incorrect and wish to dispute it, please contact the Settlement Administrator no later than **[Response Deadline]** at:

ILYM Group, Inc.
claims@ilymgrouppclassaction.com
(888) 250-6810
14751 Plaza Drive, Suite J
Tustin, California 92780

If you dispute the information stated above, the information Defendant provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation, must be postmarked no later than **[Response Deadline]**.

Do not send originals; documentation sent to the claims administrator will not be returned or preserved.