CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Settlement Agreement" or "Agreement) is made by and between Plaintiff Cory Hollands ("Plaintiff") and Defendant Enviro Tech Chemical Services, Inc. ("Defendant"). The Agreement refers to Plaintiff and Defendant as "Parties," or individually as "Party".

A. DEFINITIONS.

1. "Action" means both (a) the claims and causes of action alleged in the original and First Amended Complaint alleging wage and hour violations against Defendant captioned *Hollands v. Enviro Tech Chemical Services, Inc.* initiated by Plaintiff on July 2, 2024, as amended, and pending in the Superior Court of the State of California, County of Stanislaus (Case No. CV-24-005247); and (b) the claims alleged in the PAGA Notice.

2. "Administrator" means ILYM Group, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.

3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

4. "Aggrieved Employee" means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period.

5. "Class" means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period.

6. "Class Counsel" means Justice Law Corporation.

7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

8. "Class Data" means Class Members' identifying information in Defendant's possession, including the Class Member's: (a) full name; (b) last-known mailing address; (c) Social Security Number; and (d) number of Workweeks and PAGA Pay Periods.

9. "Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

10. "Class Member Address Search" means the Administrator's investigation and search for current Class Members' mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address Database ("NCOA"), skip traces, and direct contact by the Administrator with Class Members.

11. “Class Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Agreement.

12. “Class Period” means the period from July 2, 2020, through April 2, 2025.

13. “Class Representative” means the named plaintiff in the operative complaint in the Action seeking Court approval to serve as the Class Representative.

14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

15. “Court” means the Superior Court of California, County of Stanislaus.

16. “Defendant” means Enviro Tech Chemical Services, Inc., the named defendant of the Action.

17. “Defense Counsel” means Ogletree, Deakins, Nash, Smoak & Stewart, P.C.

18. “Effective Date” means the later of the following dates: (a) if no objection to the settlement is made, then no later than twenty-one (21) calendar days after entry of the order granting final approval; (b) if an objection is made but no appeal filed, then no later than twenty-one (21) calendar days after the running of the appeal period; or (c) if an appeal is filed, then no later than twenty-one (21) calendar days after the final judgment becomes final and is no longer subject to appeal.

19. “Final Approval” means the Court’s order granting final approval of the Settlement.

20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

21. “Gross Settlement Amount” means $915,000 which is the total amount Defendant agrees to pay under the Settlement. The Gross Settlement Amount will be used to pay the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, Individual PAGA Payments, LWDA PAGA Payment, and Individual Class Payments.

22. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

23. “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of thirty-five percent (35%) of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

24. “Judgment” means the judgment entered by the Court based upon the Final Approval.

25. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to receive a portion of the PAGA Penalties under Labor Code section 2699, subdivision (m).

26. "LWDA PAGA Payment" means sixty-five percent (65%) of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (m).

27. "Net Settlement Amount" means the Gross Settlement Amount less the following payments in the amounts approved by the Court: (a) Class Counsel Fees Payment; (b) Class Counsel Litigation Expenses Payment; (c) Class Representative Service Payment; (d) Administration Expenses Payment; (e) Individual PAGA Payments; and (f) LWDA PAGA Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

28. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

29. "PAGA" means the Private Attorneys General Act of 2004 (Labor Code section 2698, *et seq*.).

30. "PAGA Notice" means the written notice sent to the LWDA and Defendant dated May 7, 2025 providing notice pursuant to Labor Code section 2699.3, subdivision (a).

31. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one (1) day during the PAGA Period.

32. "PAGA Period" means the period from July 2, 2023, through April 2, 2025.

33. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated sixty-five percent (65%) to the LWDA and thirty-five percent (35%) to the Aggrieved Employees in settlement of PAGA claims.

34. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

35. "Plaintiff" means Cory Hollands, the named plaintiff in the Action.

36. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

37. "Preliminary Approval Hearing" means the Court's hearing on the Motion for Preliminary Approval of the Settlement.

38. "Released Class Claims" means the claims being released as described in Section E.2. below.

39. "Released PAGA Claims" means the claims being released as described in Section E.3. below.

40. "Released Parties" means Defendant and its past, present and/or future, direct and/or indirect parents, shareholders, members, predecessors, successors, all affiliates, subsidiaries, officers, directors, members, agents (including any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present, or future officers, directors, and employees), employees, and stockholders.

41. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class portion of the Settlement signed by the Class Member.

42. "Response Deadline" means forty-five (45) calendar days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement; or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

43. "Settlement" means the disposition of the Action effected by this Settlement Agreement and Judgment.

44. "Workweek" means any week during which a Class Member worked for Defendant for at least one (1) day during the Class Period.

B. RECITALS.

1. On July 2, 2024, Plaintiff filed a wage-and-hour class action lawsuit in the Superior Court of California, County of Stanislaus, alleging violations of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (c) Labor Code section 226.7 (unpaid rest period premiums); (d) Labor Code sections 1194 and 1197 (unpaid minimum wages); (e) Labor Code sections 201 and 202 (final wages not timely paid); (f) Labor Code section 226(a) (non-compliant wage statements); (g) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (h) Business & Professions Code section 17200, *et seq*.

2. After engaging in discovery, investigations, and negotiation, the Parties attended mediation with the mediator Doug Leach on January 16, 2025 and April 2, 2025 that eventually resulted in a tentative settlement via a mediator's proposal, subject to the Court's approval.

3. In line with the settlement, on May 7, 2025, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions.

4. Plaintiff then filed a First Amended Complaint that adjusted the "class" definition and added a cause of action for violation of Labor Code section 2698, *et seq*. (PAGA) ("Operative Complaint").

5. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

6. The Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Defendant produced documents relating to the policies, practices, and procedures regarding reimbursement of business expenses, paying non-exempt employees for all hours worked, and meal and rest breaks along with payroll, timekeeping, and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of Workweeks and PAGA Pay Periods. Plaintiff also located and interviewed Class Members who worked for Defendant throughout the Class Period. The investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130.

7. The Court has not granted class certification.

8. The Parties, Class Counsel, and Defense Counsel represent they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement Agreement.

9. Other than the instant Action, Plaintiff, and Class Counsel represent that they do not currently represent any other current or former employees of the Defendant in connection with any actual or planned claims, charges, complaints or other matters against Defendant or any of the Released Parties.

C. MONETARY TERMS.

1. <u>Gross Settlement Amount</u>. Defendant promises to pay $915,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any employer payroll taxes) prior to the deadline stated in Section D of this Settlement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

2. <u>Payments from the Gross Settlement Amount</u>. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

    a. <u>Class Counsel</u>. Class Counsel Fees Payment of $320,250 (35% of the Gross Settlement Amount) and Class Counsel Litigation Expenses Payment of $30,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Class Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator may purchase an annuity to utilize U.S. treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment using one or more IRS Form 1099. Class Counsel assume full responsibility and liability for taxes owed on the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, hold Defendant harmless, and indemnify Defendant from any dispute or controversy regarding any division or sharing of any of these payments.

b. <u>Plaintiff</u>. Class Representative Service Payment of $10,000 to Plaintiff. Defendant will not oppose the request for the Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payment no later than sixteen (16) court days prior to the Final Approval Hearing. If the Court approves the Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

c. <u>Administrator</u>. Administration Expenses Payment of $10,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses Payment is less or the Court approves payment less than $10,000, the Administrator will retain the remainder in the Net Settlement Amount.

d. <u>LWDA and Aggrieved Employees</u>. PAGA Penalties of $60,000 to be paid from the Gross Settlement Amount, sixty-five percent (65%) of which ($39,000) will be allocated to the LWDA as the LWDA PAGA Payment and thirty-five percent (35%) of which ($21,000) will be allocated to the Aggrieved Employees as their Individual PAGA Payments.

    i. An Individual PAGA Payment is calculated by: (a) dividing the amount of the Aggrieved Employees' thirty-five percent (35%) share of PAGA Penalties ($21,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

ii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. In addition, the Administrator will report the Individual PAGA Payments on IRS Form 1099.

e. Participating Class Members. An Individual Class Payment is calculated by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Workweeks during the Class Period.

i. Twenty percent (20%) of Individual Class Payment will be allocated to the settlement of wage claims ("Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on IRS Form W-2. Eighty percent (80%) of Individual Class Payment will be allocated to the settlement of claims for interest and penalties ("Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS Form 1099. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payments.

ii. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Workweeks and PAGA Pay Periods. Based on a review of its records to date, Defendant estimates there are 145 Class Members who worked a total of 21,700 Workweeks, and 79 Aggrieved Employees who worked a total of 2,671 PAGA Pay Periods.

2. Funding of Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator no later than January 26, 2026 or the Effective Date, whichever date is later.

3. Payments from the Gross Settlement Amount. Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the Administrator will mail checks for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses Payment, Individual Class Payments, Individual PAGA Payments, and LWDA PAGA Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

a. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via first-class United States Postal Service ("USPS") mail, postage prepaid. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments and Individual PAGA Payments to all Participating Class Members and Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees, respectively (including those for whom Class Notices were returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the NCOA.

b. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check, the Administrator will remail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator shall send a replacement check to any Class Member whose original check was lost or misplaced if requested by the Class Member prior to the void date.

c. For any Class Member whose check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subd. (b).

d. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Settlement.

E. RELEASES OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

1. <u>Plaintiff's Release</u>. Plaintiff and his former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally release and discharge the Released Parties from all known and unknown claims against the Released Parties. This includes: (a) claims under Business & Professions Code section 17200; (b) claims under the Labor Code, including, but not limited to, claims under PAGA; (c) claims under the Fair Labor Standards Act; and (d) claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of 1964, Family and Medical Leave Act,

Americans with Disabilities Act, Fair Credit Reporting Act, Employee Retirement Income Security Act of 1974, and all of their implementing regulations and interpretive guidelines, as well as the common law, including laws related to discrimination, harassment, or retaliation, whether known or unknown, and whether anticipated or unanticipated, arising from or relating to Plaintiff's relationship, or termination of relationship, with any Released Party through the date of Final Approval for any type of relief. Plaintiff further covenants that he will not become a member of any other legal actions against the Released Parties asserting any of claims released by the Participating Class Members, and will opt out of any such actions if necessary. For the avoidance of doubt, this is a complete and general release of all claims to the maximum extent permitted by law.

Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time. Plaintiff acknowledges that he may discover facts or law different from, or in addition to, the facts or law Plaintiff now knows or believes to be true but agrees that Plaintiff's Release shall remain effective in all respects, notwithstanding such different or additional facts or the discovery of them.

a. Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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

2. <u>Release by Participating Class Members</u>. All Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims under any state or local law that were alleged, or could have been alleged, based on the facts, allegations, claims, and causes of action contained in the Action and that occurred during the Class Period. This includes claims based on the following alleged violations of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7 and 512(a) (unpaid meal and rest break premiums); (c) Labor Code sections 1194 and 1197 (unpaid minimum wages); (d) Labor Code section 201 and 202 (final wages not timely paid); (e) Labor Code section 226(a) (noncompliant wage statements); (f) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (g) Business & Professions Code section 17200, *et seq*. Moreover, all the federal claims that are predicated on the state counterparts shall be released and barred by virtue of res judicata in accordance with *Rangel v. PLS Check Cashers* of Cal., Inc. (9th Cir. 2018) 899 F.3d 1106.

a. Except as set forth in Sections E.1 and E.3. of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

3. Release by Aggrieved Employees. All Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed to release, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts, allegations, claims, and causes of action contained in the Operative Complaint and PAGA Notice and that occurred during the PAGA Period. This includes the following alleged violations:

   a. Labor Code sections 201, 202, 203, 204, 218.5, 221, and 229 (failure to pay all wages earned and unpaid at the time of discharge or resignation; failure to pay all wages due within the time periods specified by law; willful failure to pay wages, resulting in waiting time penalties; and failure to pay all wages earned in the correct pay periods);

   b. Labor Code sections 510, 1194, 1197, 1197.1, and 1198 (failure to pay at least minimum wage for all hours worked; failure to pay overtime (time-and-a-half or double-time) for hours worked in excess of 8 hours per day or 40 hours per week; unlawful work hours without proper overtime compensation; and payment of less than the minimum wage fixed by law);

   c. Labor Code sections 226.7 and 512(a) (failure to provide compliant meal and rest breaks; requiring employees to take on-duty meal and rest breaks; and failing to pay premium wages for missed or noncompliant meal and rest breaks);

   d. Labor Code section 246(l) (failure to pay paid sick leave at the regular rate of pay or as calculated by dividing total wages (excluding overtime) by total hours worked in the prior 90 days; and payment of sick leave only at the base hourly rate, not the required regular rate);

   e. Labor Code sections 226(a) and 226.3 (failure to provide complete and accurate itemized wage statements; wage statements missing required information such as gross wages, total hours worked, deductions, net wages, and applicable hourly rates);

   f. Labor Code sections 1174(d) and 1174.5 (failure to keep accurate and complete payroll records showing daily hours worked and wages paid);

   g. Labor Code sections 2800 and 2802 (failure to reimburse employees for necessary business expenses, including without limitation the use of personal vehicles and cell phones for work purposes);

h. Labor Code sections 1194, 1197, and 1197.1 (failure to pay minimum wage for off-the-clock work and work performed during meal and rest breaks);

i. Labor Code section 558 (subject to civil penalties for violations of wage and hour laws, including underpayment of wages); and

j. Failure to comply with IWC Wage Orders regulating hours, wages, and working conditions.

F. MOTION FOR PRELIMINARY APPROVAL. Class Counsel will prepare and file a motion for preliminary approval ("Motion for Preliminary Approval").

1. Plaintiff's Responsibilities. Plaintiff will move for an order: (a) conditionally certifying the Class for settlement purposes only; (b) seeking Preliminary Approval of the Settlement; (c) setting a date for the Final Approval Hearing; and (d) approving the Class Notice.

    a. Before or at the Preliminary Approval Hearing, Plaintiff will submit an order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representatives, Class Counsel, and Administrator; approving the Class Notice; and setting the Final Approval Hearing.

    b. The amounts of Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall be determined by the Court, and the Court's determination on these amounts shall be final and binding. The Court's approval or denial of any amount requested for these items are not material conditions of this Agreement and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Agreement. Any order or proceeding relating to an application for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment shall not operate to terminate or cancel this Agreement.

    c. If the Court declines to conditionally certify the Class or to Preliminarily Approve all material aspects of the Agreement with prejudice, the Agreement will be null and void, and the Parties will have no further obligations under the Agreement.

    d. Defendant agrees that it will not oppose the Motion for Preliminary Approval of the Settlement Agreement so long as the motion is consistent with the terms of the Settlement Agreement.

2. Responsibilities of Counsel. Class Counsel are responsible for: (a) expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) calendar days after the full execution of this Agreement; (b) obtaining a prompt hearing date for the Motion for Preliminary Approval; and (c) appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel are responsible for delivering the Court's Preliminary Approval to the Administrator.

3. Duty to Cooperate. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Settlement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone or email, and in good faith, to modify the Settlement and otherwise satisfy the Court's concerns.

G. SETTLEMENT ADMINISTRATION.

1. Selection of Administrator. The Parties have jointly selected ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses Payment. The Parties and their counsel represent they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.

3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.

4. Notice to Class Members.

    a. No later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers the Class Data omitted Class Members' identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use their best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

    b. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

c. Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail.

d. No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and remail the Class Notice to the most current address obtained.

e. If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe that they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone or email, and in good faith, to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement no later than fourteen (14) calendar days after receipt of Class Notice or deadline dates in the Class Notice, whichever date is later.

5. Requests for Exclusion.

a. Class Members who wish to exclude themselves from the Class portion of the Settlement must send the Administrator by fax, email, or mail a signed written Request for Exclusion no later than the Response Deadline.

b. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's: (i) full name; (ii) present address; (iii) email address or telephone number; and (iv) simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

c. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or susceptible to challenge.

d. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits, and bound by all terms and conditions of the Settlement, including the releases under Section E.2. and Section E.3. of this Agreement regardless of whether they receive the Class Notice or object to the Settlement.

e. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Section E.3. of this Agreement and are eligible for an Individual PAGA Payment.

6. <u>Challenges to Calculation of Workweeks and PAGA Pay Periods</u>.

a. Each Class Member shall have until the Response Deadline to challenge the number of Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice.

b. The Class Member may challenge the allocation of Workweeks and PAGA Pay Periods (if any) by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and PAGA Pay Periods shall be final and not appealable or susceptible to challenge.

c. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and PAGA Pay Periods to Defense Counsel and Class Counsel along with the Administrator's determination of the challenges.

7. <u>Objections to Settlement</u>.

a. A Participating Class Member who elects to send a written objection to the Administrator must do so no later than the Response Deadline.

b. Participating Class Members may send signed written objections to the Administrator by fax, email, or mail. The written objection must: (i) indicate what the Class Member is objecting to; (ii) explain why the Class Member is objecting; (iii) include any facts that support the objection; and (iv) include the Class Member's full name, present address, and email address or telephone number.

c. Only Participating Class Members may object to the class action components of the Settlement and/or this Settlement Agreement, including contesting the fairness of the Settlement Agreement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or Class Representative Service Payment.

d. Participating Class Members may choose to appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing.

8. Administrator's Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

a. The Administrator will establish and maintain and use a website to post information of interest to Class Members. This information includes the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, Preliminary Approval, Class Notice, Motion for Final Approval, Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment, Final Approval, and Judgment. The Administrator will also maintain and monitor an email address and toll-free telephone number to receive Class Member calls, faxes, and emails.

b. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: (i) Class Notices mailed or remailed; (ii) Class Notices returned undelivered; (iii) Requests for Exclusion (whether valid or invalid) received; (iv) objections received; and (v) challenges to Workweeks and/or PAGA Pay Periods received and/or resolved ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion.

c. The Administrator has the authority to address and make final decisions consistent with the terms of this Settlement on all Class Member challenges over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge. The Administrator will promptly review on a rolling basis the Requests for Exclusion to ascertain their validity.

d. No later than sixteen (16) court days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to: (i) mailing of Class Notice; (ii) Class Notices returned as undelivered; (iii) remailing of Class Notices; (iv) attempts to locate Class Members; (v) total number of Requests for Exclusion received (both valid or invalid); and (vi) total number of written objections received. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel are responsible for filing the Administrator's declaration(s) in Court.

e. Within ten (10) calendar days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel are responsible for filing the Administrator's declaration in Court.

H. ESCALATOR CLAUSE. If it is determined that the number of Workweeks through the Class Period exceeds five percent (5%) or more of 21,700 (*i.e.*, more than 22,785 Workweeks), then the Gross Settlement Amount shall increase proportionally over the five percent (5%) increase (*i.e.*, if the number of Workweeks increases by 7%, the Gross Settlement Amount will increase by 2%).

I. DEFENDANT'S RIGHT TO WITHDRAW. If more than ten percent (10%) of the Class Members opt out of the Settlement, Defendant shall have the option to cancel the Settlement, subject to paying the class administrator their reasonable expenses incurred up to the date of cancellation. Defendant will confer with Class Counsel before any cancellation. The Parties agree to cooperate to obtain preliminary and final approval of the settlement. Defendant will have fourteen (14) calendar days after the administrator sends out the final weekly report to decide whether or not to withdraw. A late election will have no effect.

J. MOTION FOR FINAL APPROVAL. No later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (s), Final Approval Order, and Judgment.

1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement, the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and/or Administration Expenses Payment shall not constitute a material modification to the Settlement within the meaning of this section and shall remain binding on Plaintiff, Class Counsel, and the Class. If the Court does not grant Final Approval of the Agreement, or if the Court's Final Approval is reversed or materially modified on appellate review, then the Parties will make a good faith effort to revise the terms of the Agreement. If that process fails, the Parties agree to attend mediation again,

either before the same mediator or another mutually agreed upon mediator experienced in California wage and hour class actions, to reach a settlement that will be approved by the Court. The Parties will split the costs of the mediator for any such time incurred by the mediator in reaching such resolution, and the Parties will bear their own attorneys' fees and other costs incurred. If, even after the second mediation, the Agreement is ultimately not approved by the Court, then the settlement will be null and void, and the Parties will be restored to their respective positions as if they had not entered into the Agreement. In such event, the Parties reserve their rights with respect to the prosecution and defense of the Action. Any disputes arising out of or relating to this Agreement will be submitted to the mediator for resolution.

3. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, the Parties, their counsel, and all Participating Class Members who did not object to the Settlement as provided in this Settlement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs, or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Settlement will be suspended until such time as the appeal is finally resolved and Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

4. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement, this Agreement shall be null and void. The Parties shall expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing any additional settlement administration costs reasonably incurred after remittitur on a 50-50 basis. An appellate decision to vacate, reverse, or modify the Court's award of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, or Class Representative Service Payment shall not constitute a material modification of the Judgment within the meaning of this section if the Gross Settlement Amount remains unchanged.

5. Continuing Jurisdiction of the Court. The Parties agree that after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and Settlement solely for purposes of: (a) enforcing this Agreement and/or Judgment; (b) addressing settlement administration matters; and (c) addressing such post-Judgment matters as are permitted by law.

K. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together to jointly submit an amended judgment.

L. ADDITIONAL PROVISIONS.

1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted. Nothing in this Agreement can be used

as the basis to claim subsequent violation penalty rates for any subsequent PAGA action against the Defendant. Moreover, nothing in this Agreement should be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Agreement only. If the Court does not grant Preliminary Approval or Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. This Agreement and the Parties' willingness to settle will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate this Agreement).

2. Confidentiality. Defendant may disclose this Agreement as required under their legal obligations. Plaintiff and Class Counsel agree not to disclose or publicize the settlement, fact of the Settlement, its terms or contents, and negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means that Plaintiff and Class Counsel will not issue press releases, communicate with or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, or for purposes of seeking court approval of comparable wage and hour settlements, Class Counsel may disclose information available in the public venue about the Action and Settlement.

3. Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. No later than ninety (90) calendar days after the date when the Court discharges the Administrator's obligation to provide a declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

4. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement Agreement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court. If the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement Agreement, or on any modification of the Settlement Agreement that may become

necessary to implement the Settlement Agreement, the Parties will seek the assistance of the mediator and/or the Court for resolution.

5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent they are authorized by Plaintiff and Defendant to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement, including any amendments to this Agreement.

6. No Solicitation. The Parties separately agree that they and their counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this section shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to the Class.

7. No Prior Assignments. The Parties separately represent and warrant they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

8. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit shall constitute the entire agreement between the Parties relating to the Agreement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

9. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

10. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. If any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.

12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis the Party was the drafter or participated in the drafting.

13. Applicable Law. All terms and conditions of this Agreement and its exhibit will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

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

16. Headings. The descriptive heading of any section of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

17. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

18. Notice. All notices, demands, or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by U.S. mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Douglas Han
Shunt Tatavos-Gharajeh
Lily Short
Justice Law Corporation
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
(Tel) (818) 230-7502
(Fax) (818) 230-7259
dhan@JusticeLawCorp.com
statavos@JusticeLawCorp.com
lshort@JusticeLawCorp.com

To Defendant:

Michael J. Nader
George J. Theofanis
Spencer S. Turpen
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
400 Capitol Mall, Suite 2800
Sacramento, California 95814
(Tel) (916) 840-3150
(Fax) (916) 840-3159
Michael.Nader@ogletreedeakins.com
George.Theofanis@ogletree.com
spencer.turpen@ogletree.com

19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (*e.g.*, DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 06/13/2025

Cory Hollands

By: Cory Hollands

Dated: June 13, 2025

Justice Law Corporation [Approving as to Form Only]

By: Lily Short

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Lily Short, Esq.
Attorneys for Plaintiff

Dated: ____________________

Enviro Tech Chemical Services, Inc.

By: ____________________

On behalf of Enviro Tech Chemical Services, Inc.

Dated: ____________________

Ogletree, Deakins, Nash, Smoak & Stewart, P.C. [Approving as to Form Only]

By: ____________________

Michael J. Nader, Esq.
George J. Theofanis, Esq.
Spencer S. Turpen, Esq.
Attorneys for Defendant

Dated: ________________

Cory Hollands

By:____

Dated: __________________

Justice Law Corporation [Approving as to Form Only]

By:____
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Lily Short, Esq.
Attorneys for Plaintiff

Dated: 6/11/2025

Enviro Tech Chemical Services, Inc.

By: Shannon French
On behalf of Enviro Tech Chemical Services, Inc.

Dated: 6/11/25

Ogletree, Deakins, Nash, Smoak & Stewart, P.C. [Approving as to Form Only]

By:____
Michael J. Nader, Esq.
George J. Theofanis, Esq.
Spencer S. Turpen, Esq.
Attorneys for Defendant