NOTICE OF CLASS ACTION SETTLEMENT

Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.

Superior Court of California for the County of Sacramento, Case No. 25CV015840

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Mountain F. Enterprises, Inc.'s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the class action settlement, object to the class action settlement, and/or dispute the number of Workweeks and/or PAGA Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Plaintiffs Eric Schneekluth ("Plaintiff Schneekluth"), Miguel Guzman ("Plaintiff Guzman"), Gabriel Castellanos-Lopez ("Plaintiff Castellanos-Lopez") (collectively, "Plaintiffs") and Defendant Mountain F. Enterprises, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.*, Sacramento County Superior Court, Case No. 25CV015840 ("Action"), which may affect your legal rights. On August 14, 2026, the Court granted preliminary approval of the settlement and scheduled a hearing on January 29, 2027, at 9:00 a.m. ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"**Class**" or "**Class Member**" means all current and former hourly-paid or non-exempt employees of Defendant in California who worked during the Class Period.

"**Class Period**" means the period from August 31, 2016, through August 14, 2026.

"**Class Settlement**" means the settlement and resolution of all Released Class Claims (described in Section III.D below).

"**PAGA Employees**" means all current and former hourly-paid or non-exempt employees of Defendant in California who worked during the PAGA Period.

"**PAGA Settlement**" means the settlement and resolution of Released PAGA Claims (described in Section III.D below).

"**PAGA Period**" means the time period from August 26, 2019, through August 14, 2026.

II. BACKGROUND OF THE ACTION

On July 1, 2025, Plaintiff Schneekluth filed a Class Action Complaint for Damages in the Sacramento County Superior Court, Case No. 25CV015840. On January 13, 2026, Plaintiff Guzman provided written notice to the Labor and Workforce Development Agency ("LWDA") and Defendant of his intent to pursue civil penalties for alleged violations of the California Labor Code ("Guzman PAGA Notice"). On January 13, 2026, Plaintiff Castellanos-Lopez provided written notice to the LWDA and Defendant of his intent to pursue civil penalties for alleged violations of the California Labor Code ("Castellanos-Lopez PAGA Notice"). On April 8, 2026, Plaintiff Schneekluth filed a First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("First Amended Complaint") thereby adding Plaintiff Guzman and Plaintiff Castellanos-Lopez as additional plaintiffs and adding a claim for civil penalties pursuant to the Private Attorneys General Act, California Labor Code § 2698, *et seq*. ("PAGA"). On May 21, 2026, Plaintiffs filed a Second Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* ("Second Amended Complaint"), thereby incorporating additional provisions of the California Labor Code alleged to have been violated by Defendant into the claim for civil penalties pursuant to PAGA, on behalf of the State of California in connection with Plaintiff Guzman, Plaintiff Castellanos-Lopez and aggrieved employees.

Plaintiffs allege that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide compliant wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq*., and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release ("Agreement," "Settlement," or "Settlement Agreement").

On August 14, 2026, the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs Eric Schneekluth, Miguel Guzman, and Gabriel Castellanos-Lopez as representatives of the Class ("Class Representatives"), and the following counsel as counsel for the Class ("Class Counsel"):

Arby Aiwazian, Esq.
Yasmin Hosseini, Esq.
Ryan Slinger, Esq.
Alborz Javaheri, Esq.
Lawyers *for* Justice, PC
450 North Brand Boulevard, Suite 900
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

Counsel for Defendant is:

Michael Wertheim, Esq.
Bailey Hashim, Esq.
Connor McCoy, Esq.
GREENBERG TRAURIG, LLP
400 Capital Mall Suite 2400
Sacramento, CA 95814
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Bailey.Hashim@gtlaw.com
Connor.McCoy@gtlaw.com

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or PAGA Pay Periods credited to you, if you so choose, as explained more fully in Sections III and V below. If you are a PAGA Member, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. The Court has made no ruling on the merits of the claims asserted in the Action and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount to be paid by Defendant is $2,085,000.00 (the "Maximum Settlement Amount"). The portion of the Maximum Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount, less the following payments which are subject to approval by the Court: (1) attorneys' fees in an amount up to 35% of the Maximum Settlement Amount (i.e., $729,750.00 if the Maximum Settlement Amount remains $2,085,000.00) ("Attorneys' Fees") and reimbursement of litigation costs and expenses in an amount up to $20,000.00 ("Attorneys' Costs")(together with Attorneys' Fees, "Attorneys' Fees and Costs") to Class Counsel; (2) Enhancement Payments in an amount up to $10,000.00 to each Plaintiff; (3) Settlement Administration Costs in an amount up to $25,000.00 to the Settlement Administrator; and (4) the amount of $670,000 allocated toward civil penalties under PAGA ("PAGA Amount"). The PAGA Amount will be distributed 65% ($435,500.00) to the LWDA ("LWDA Payment") and the remaining 35% (i.e., $234,500.00) will be distributed to PAGA Employees ("PAGA Employee Amount").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period ("Workweeks"). The Settlement Administrator has divided the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to arrive at each Class Member's Individual Settlement Share that he or she may be eligible to receive under the Class Settlement (which is listed in

Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued payment of their final Individual Settlement Share, net of applicable taxes.

Each Individual Settlement Share will be allocated as 20% wages, which will be reported on an IRS Form W-2, and 80% penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099. Each Individual Settlement Share shall be subject to reduction for the employee's share of payroll taxes due on the wages portion of Individual Settlement Share. The employer's share of payroll taxes and contributions in connection with the wages portion of the Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Maximum Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment"), based on the number of pay periods of each PAGA Employee worked for Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period ("PAGA Pay Periods"). The Settlement Administrator has divided the PAGA Employee Amount, i.e., 35% of the PAGA Amount, by the total number of PAGA Pay Periods of all PAGA Employees during the PAGA Period to yield the "PAGA Pay Period Value," and multiplied each PAGA Employee's individual PAGA Pay Periods during the PAGA Period to arrive at each PAGA Employee's Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in Section III.C below).

Each Individual PAGA Payment will be allocated as 100% penalties, which will be reported on an IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must contact the Settlement Administrator as soon as possible and provide your corrected and/or updated mailing address to the Settlement Administrator; this will make it more likely that you will receive any payments or other notices that may be issued to you.**

B. Your Workweeks and/or PAGA Pay Periods Based on Defendant's Records

According to Defendant's records:

From August 31, 2016 through August 14, 2026 (i.e., Class Period), you are credited with <<MERGED_ClassWW>> Workweeks.

From August 26, 2019 through August 14, 2026 (i.e., PAGA Period), you are credited with <<MERGED_PAGAPP>> PAGA Pay Periods.

If you wish to dispute the Workweeks and/or PAGA Pay Periods credited to you, you must submit a written dispute ("Workweeks Dispute") that: (a) contains the case name and number of the Action (*Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.,* Sacramento Superior Court Case No. 25CV015840); (b) contains your full name, signature, address, telephone number, and last four digits of your Social Security number; (c) clearly states that you dispute the number of Workweeks and/or PAGA Pay Periods credited to you and what you contend is the correct number; (d) attach any documentation that you have in support thereof; and (e) is submitted to the Settlement Administrator by mail at the specified address listed in Section V.B below, postmarked **no later than November 23, 2026.**

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment is based on the number of Workweeks and/or PAGA Pay Periods credited to you. Under the terms of the Settlement:

Your Individual Settlement Share is estimated to be $<<MERGED_ClassAward>>. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

Your Individual PAGA Payment is estimated to be $<<MERGED_PAGAAward>>.

Payments under the Settlement will only be distributed if the Court approves the Settlement and after the Settlement goes into effect. The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Released Parties of any and all Released Class Claims.

Upon the Effective Date, Plaintiff Guzman, Plaintiff Castellanos-Lopez, the State of California, and PAGA Employees, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged Released Parties of any and all Released PAGA Claims.

"Released Class Claims" means all claims arising during the Class Period under state, federal, or local law, that were alleged or could have been alleged based on the factual allegations pleaded in the Action, under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, for: (1) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512, 1198; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 201, 202, 203; (6) failure to timely pay wages during employment under Labor Code Sec. 204, 210; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 221, 1198, 2800, 2802; (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200.

"Released PAGA Claims" means all claims arising during the PAGA Period for civil penalties under PAGA that were alleged or could have been alleged based on the factual allegations in the PAGA Notices and Operative Complaint in the Action, against the Released Parties, for violations of the California Labor Code, including, inter alia, sections 201, 202, 203, 204, 210, 221, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and applicable Industrial Welfare Commission Wage Orders.

"Released Parties" means Defendant Mountain F. Enterprises and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Employees as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.

E. Attorneys' Fees and Litigation Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty five percent (35%) of the Maximum Settlement Amount (i.e., an amount of up to $729,750.00 if the Maximum Settlement Amount is $2,085,000.00) ("Attorneys' Fees") and reimbursement of litigation costs and expenses in an amount of up to Twenty Thousand Dollars ($20,000.00) ("Attorneys' Costs") (together with Attorneys' Fees, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Ten Thousand Dollars ($10,000.00) each ("Enhancement Payments"), in recognition of their services in connection with the Action and their broader individual release and waiver of claims. The Enhancement Payments will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to any Individual Settlement Payment and/or Individual PAGA Payment that Plaintiffs may be entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Five Thousand Dollars ($25,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, written objections to the Class Settlement, and Workweeks Disputes, calculating and distributing payments, and preparing and issuing tax forms, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

IV. WHEN WILL SETTLEMENT PAYMENT BE DISTRIBUTED?

Barring unforeseen circumstances, if the Court grants final approval of the Settlement, Defendant is expected to fund the Maximum Settlement Amount and fund the amounts necessary to fully pay their Employer Taxes within thirty (30) calendar days of the Effective Date, and distributions of Individual Settlement Payments to Settlement Class Members and Individual PAGA Payments to PAGA Employees are expected to occur within seven (7) calendar days after the funding of the Maximum Settlement Amount.

"Effective Date" means the later of (a) the last day on which any appeal might be filed with respect to the Final Approval Order and Judgment, assuming no appeal is filed, or (b) the date of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment – including expiration of any time to seek reconsideration or further review.

V. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will

automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and PAGA Employees will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless they retain their own counsel, in which event they will be responsible for their own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request ("Request for Exclusion"), which must: (a) contain the case name and number of the Action (*Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.,* Sacramento County Superior Court, Case No. 25CV015840); (b) contain your full name, signature, address, telephone number, and last four digits of your Social Security number; (c) clearly state that you seek exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement Administrator, postmarked by **no later than November 23, 2026,** at the following address:

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Telephone: (888) 250-6810
Fax: (888) 845-6185
Email: info@ilymgroup.com

If the Court grants final approval of the Settlement, any Class Member who submits a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of Released Class Claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection to the Settlement Administrator. Alternatively, or in addition, you can present your objection orally at the Final Approval Hearing.

An objection must: (a) contain the case name and number of the Action (*Eric Schneekluth, et al. v. Mountain F. Enterprises, Inc.,* Sacramento County Superior Court, Case No. 25CV015840); (b) contain your full name, signature, address, telephone number, and last four digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail to the Settlement Administrator at the address listed in Section V.B above, postmarked **no later than November 23, 2026.**

VI. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 8B of the Sacramento County Superior Court, located at Tani G. Cantil-Sakauye Sacramento County Courthouse, 500 G Street, Sacramento, California 95814, on January 29, 2027, at 9:00 a.m. to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You may appear for the Final Approval Hearing in person or you may appear remotely. If you desire to appear remotely at the Final Approval Hearing, you may appear by joining Department 8B's Zoom link (https://saccourt-ca-gov.zoomgov.com/j/16184738886) or

by phone number (Telephone: (833) 568-8864 / ID: 16184738886).

Instructions are provided by the Court at: https://www.saccourt.ca.gov/divisions/civil/complex-civil-cases.

Please visit the Court's website for the most up-to-date information regarding the operations of the Court and any requirements that may apply for accessing Court facilities: https://www.saccourt.ca.gov/default.aspx.

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other imaged documents filed in the Action for a fee by visiting the Office of the Clerk of the Court, located at 500 G Street, Sacramento, California 95814, during business hours, or online by visiting the following website: https://www.saccourt.ca.gov/online-services/case-search, selecting "Civil Case Search", creating a new account by clicking "Create new account," or log in, selecting "Case Number Search," typing in the case number "25CV015840" and clicking "Search."

If the Court grants final approval of the Settlement, the Settlement Administrator will post the Court's order granting final approval of the settlement and judgment on its website: https://ilymgroup.com/MountainF.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: (888) 250-6810, OR YOU MAY ALSO CONTACT CLASS COUNSEL.