

**SECOND AMENDED JOINT STIPULATION OF CLASS ACTION AND PAGA ACTION
SETTLEMENT AND RELEASE**

This Joint Stipulation of Class Action and PAGA Action Settlement and Release (“Settlement” or “Settlement Agreement”) is made and entered into by and between Plaintiffs Christopher Moorhead, Monique Blackmon, and Dayana Navarro (together, “Plaintiffs” or “Class Representatives”), as individuals and on behalf of all others similarly situated, and Defendant Blackrock Logistics, Inc.¹ (“Defendant”) (collectively with Plaintiffs, the “Parties”).

I. DEFINITIONS

The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective:

1. “Action” jointly means the *Blackrock Logistics Wage and Hour Cases*, Judicial Council Coordination Proceeding No. 5100, venued in the Orange County Superior Court for the State of California, which consist of the following matters:

- a. “*Moorhead Class Action*” means the action entitled *Christopher Moorhead, individually and on behalf of all others similarly situated v. Blackrock Logistics, Inc., a California corporation; and DOES 1 through 50, inclusive*, Case No. 30-2019-01072494-CU-OE-CXC, filed on or about May 28, 2019, in the Orange County Superior Court for the State of California.

- b. “*Moorhead PAGA Action*” means the action entitled *Christopher Moorhead, on behalf of the general public as a private attorney general, v. Blackrock Logistics, Inc., a California corporation; and DOES 1 through 50, inclusive*, Case No. 30-2019-01100070-CU-OE-CXC, filed on or about September 24, 2019, in the Orange County Superior Court for the State of California.

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¹ Blackrock Logistics, Inc. legal changed its name to Red Rock Transportation, Inc. on or around August 3, 2021. The employees previously employed by Blackrock Logistics, Inc. are now employed by Red Rock Transportation, Inc. and were through the end of the Class Period.

- c. “*Navarro* PAGA Action” means the action entitled *Dayana Navarro, individually and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act v. Blackrock Logistics, Inc.; and DOES 1 through 100, inclusive*, Case No. RG19039142, filed on or about October 15, 2019 in the Alameda County Superior Court for the State of California.
- d. “*Blackmon* PAGA Action” means the action entitled *Monique Blackmon, individually, and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act v. Blackrock Logistics, Inc.; and DOES 1 through 100, inclusive*, Case No. CIVDS2002910, filed on or about January 29, 2020 in the San Bernardino County Superior Court for the State of California.
2. “Attorneys’ Fees and Costs” means attorneys’ fees agreed upon by the Parties and approved by the Court for Plaintiffs’ Counsels’ litigation and resolution of the Action, and all costs incurred and to be incurred by Plaintiffs’ Counsels in this Action, including, but not limited to, costs associated with documenting the Settlement, providing any notices required as part of the Settlement or Court Order (aside from Settlement Administrator Costs), securing the Court’s approval of the settlement, and expenses for any experts. Plaintiffs’ Counsels will request attorneys’ fees not in excess of one-third (1/3rd) of the Total Settlement Amount, or up to \$450,000.00. The Attorneys’ Fees and Costs will also mean and include the additional reimbursement of any reasonable costs and expenses associated with Plaintiffs’ Counsels’ litigation and settlement of the Action, expected not to exceed Fifty Thousand Dollars (\$50,000.00), subject to the Court’s approval.
3. “Class Counsel” or “Plaintiffs’ Counsel” means the following attorneys of record for the Action:
- a. James Hawkins, Esq. Gregory Mauro, Esq., and Michael Calvo, Esq. of James Hawkins APC, on behalf of Plaintiff Christopher Moorhead; and
- b. Arby Aiwarzian, Esq., Joanna Ghosh, Esq., and Vartan Madoyan, Esq. of Lawyers *for* Justice, PC, on behalf of Plaintiffs Monique Blackmon and Dayana Navarro.

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- 1 4. "Class List" means a complete list of all Class Members that Defendant will diligently and
2 in good faith compile from their records and provide to the Settlement Administrator within
3 fourteen (14) business days after Preliminary Approval of this Settlement. The Class List will
4 be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class
5 Member's full name, most recent mailing address and telephone number, Social Security
6 number, the Workweeks worked by each Class Member during the Class Period ("Individual
7 Workweeks"), the number of PAGA Pay Periods for each Class Member who qualifies as a
8 PAGA Employee, and the Workweeks during the period May 28, 2015 to August 14, 2022,
9 and any other relevant information needed to calculate settlement payments.
- 10 5. "Class Member(s)" or "Settlement Class" means: all current and former non-exempt, hourly-
11 paid employees who work for Defendant in California during the Class Period.
- 12 6. "Class Period" means the period between May 28, 2015 through the earlier date of either
13 December 31, 2022 or the date of Preliminary Approval, or if applicable, as provided under
14 Paragraph 43.
- 15 7. "Class Representative Enhancement Payments" means the amounts to be paid to Plaintiffs in
16 recognition of their effort and work in prosecuting the Action on behalf of Class Members,
17 and for their general release of claims. Subject to the Court granting final approval of this
18 Settlement Agreement and subject to exhaustion of any and all appeals, Plaintiffs will request
19 Court approval of the Class Representative Enhancement Payment not to exceed Seven
20 Thousand Five Hundred Dollars (\$7,500.00) each.
- 21 8. "Class Settlement" means the settlement and resolution of the Released Class Claims.
- 22 9. "Total Settlement Amount" means the maximum settlement amount of One Million Three
23 Hundred and Fifty Thousand Dollars and Zero Cents (\$1,350,000.00) to be paid by Defendant
24 in full satisfaction of all claims arising from the Action, which includes all Individual
25 Settlement Payments to Participating Class Members, the Class Representative Enhancement
26 Payments to Plaintiffs, Settlement Administrative Costs to the Settlement Administrator, the
27 PAGA Payment, and the Attorneys' Fees and Costs. Defendant will be separately responsible
28 for any employer payroll taxes required by law, including the employer FICA, FUTA, and

SDI contributions.

10. “Complaints” means collectively: the complaint filed in the *Moorhead* Class Action on May 28, 2019 (“Class Complaint”) and the complaints filed in the *Moorhead* PAGA Action on September 24, 2019, the *Navarro* PAGA Action on October 15, 2019, and the *Blackmon* PAGA Action on January 29, 2020 (together, “PAGA Complaints”).

11. “Court” means the Superior Court of the State of California, Orange County Complex Civil Center.

12. “Defendant” means RED ROCK TRANSPORTATION, INC. (formerly BLACKROCK LOGISTICS, INC. until approximately August 3, 2021.)

13. “Effective Date” means the date this Settlement is approved as provided herein and the Final Approval Order becomes final and is no longer appealable. For purposes of this Settlement, “becomes final and is no longer appealable” shall mean the later of: (a) the day after the last date by which a notice of appeal to the applicable Court of Appeal of the Final Approval Order may be timely filed and none is filed (*i.e.*, 61 days from notice of entry of judgment); (b) if an appeal is filed, and the appeal is finally disposed of by ruling, dismissal, denial, or in any other manner that confirms the validity of the order and judgment, the day after the last date for filing a request for further review of the Final Approval Order passes, and no further review is requested; or (c) if an appeal is filed and the order approving this Settlement is affirmed and further review of the order is requested, the day after the review is finally resolved and the Final Approval Order is affirmed. In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Effective Date does not occur for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their respective positions.

14. “Final Approval” means the Court entering an order granting final approval of the Settlement Agreement.

15. “Final Approval Order” means the order granting Final Approval of Class Action and PAGA Action Settlement Agreement and Judgment entered by the Court.

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- 1 16. “Final Approval Hearing” means the hearing at which the Court will determine whether the
2 Settlement is fair, reasonable, and adequate and whether to grant Final Approval of the
3 Settlement.
- 4 17. “Individual Settlement Payment” means each Class Member’s share of the Net Settlement
5 Amount, to be distributed to the Class Members who do not opt out of the Class Settlement.
- 6 18. “Individual PAGA Payment” means each PAGA Employee’s share of 25% of the PAGA
7 Payment.
- 8 19. “PAGA Payment” means the amount that the Parties have agreed to pay in connection with
9 the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*,
10 “PAGA”). The Parties have agreed that One Hundred and Thirty-Five Thousand Dollars
11 (\$135,000.00) of the Total Settlement Amount be allocated to the resolution of Class
12 Members’ Released Claims arising under PAGA. Pursuant to PAGA, Seventy-Five Percent
13 (75%), or One Hundred and One Thousand and Two Hundred and Fifty Dollars
14 (\$101,250.00) of the PAGA Payment will be paid to the LWDA (“LWDA Payment”), and
15 the remaining Twenty-Five Percent (25%), or Thirty-Three Thousand and Seven Hundred
16 and Fifty Dollars (\$33,750.00) of the PAGA Payment will be distributed to PAGA
17 Employees.
- 18 20. “Net Settlement Amount” means the portion of the Total Settlement Amount remaining after
19 deduction of the approved Class Representative Enhancement Payment, Settlement
20 Administration Costs, PAGA Payment, and the Attorneys’ Fees and Costs. The Net
21 Settlement Amount will be distributed to Participating Class Members.
- 22 21. “Notice of Class Action Settlement” means the document, substantially in the form attached
23 hereto as **Exhibit A**, that will be mailed to Class Members’ last known addresses and which
24 will provide Class Members with information regarding the Action and information regarding
25 the Class Settlement.
- 26 22. “Notice of Objection” means a Class Member’s written objection to the Class Settlement.
27 For the Notice of Objection to be valid, it must include: (a) a reference to the Action by case
28 name and/or case number; (b) the objector’s full name, signature, address, and telephone

number; (c) a written statement of all grounds for the objection accompanied by legal support, if any, for such objection; and (d) copies of any papers, briefs, or other documents upon which the objection is based.

23. “PAGA Employee” means all Class Members that worked during the PAGA Period, regardless of whether they opt out of the Class Settlement. Defendant represents there are 911 PAGA Employees through the PAGA periods.

24. “PAGA Notices” means each of the following: the May 14, 2019 Notice Letter of Christopher Moorhead on behalf of himself and aggrieved employees under California Labor Code Sections 2698, *et seq.*, the August 9, 2019 Notice Letter of Dayana Navarro on behalf of herself and aggrieved employees under California Labor Code Section 2698, *et seq.*, and the November 25, 2019 Notice Letter of Monique Blackmon on behalf of herself and aggrieved employees under California Labor Code Section 2698, *et seq.*, attached hereto as **Exhibit B**, **Exhibit C**, and **Exhibit D**, respectively.

25. “PAGA Period” means September 24, 2018 through the earlier date of either December 31, 2022 or the date of Preliminary Approval, or if applicable, as provided under Paragraph 43.

26. “PAGA Representatives” means Plaintiffs Moorhead, Navarro, and Blackmon.

27. “PAGA Pay Periods” means the number of pay periods each PAGA Employee worked during the PAGA Period. Defendant represents there are 33,674 PAGA Pay Periods in the PAGA Period.

28. “PAGA Pay Period Value” means the value of each compensable PAGA Pay Period, as determined by the formula set forth herein.

29. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims.

30. “Parties” means Plaintiffs and Defendant, collectively.

31. “Participating Class Members” means all Class Members who do not submit valid and timely Requests for Exclusion.

32. “Plaintiffs” means Christopher Moorhead, Dayana Navarro, and Monique Blackmon.

33. “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement Agreement.

1 34. “Related Entities” means Defendant BLACKROCK LOGISTICS, INC. (a Nevada
2 corporation that has changed its legal name to Red Rock Transportation, Inc. on or around
3 August 3, 2021) and the past and present parents, subsidiaries, affiliates, clients, divisions,
4 corporations in common control, predecessors, successors, and assigns, and as to each of
5 them all past and present officers, directors, employees, partners, shareholders, members,
6 agents, attorneys, insurers, successors, and assigns of Blackrock Logistics, Inc. and Red Rock
7 Transportation, Inc.

8 35. “Released Claims” means the following, collectively:

- 9 a. all claims, rights, demands, liabilities, and causes of action that were or could have
10 been pleaded based on or arising from the factual allegations and legal theories set
11 forth in the Complaint, arising within the Class Period, including, but not limited to,
12 claims for failure to pay all regular wages, minimum wages and overtime wages due;
13 failure to provide meal periods or compensation in lieu thereof; failure to provide rest
14 periods or compensation in lieu thereof; failure to reimburse necessary business
15 expenses; failure to provide complete, accurate wage statements; failure to timely pay
16 wages during employment and at the time of termination or resignation; failure to
17 maintain records; and unfair business practices under Business and Professions Code
18 section 17200, *et seq.* that could have been premised on the legal theories of relief
19 described above or pleaded in the Complaint; excluding all claims for vested benefits,
20 wrongful termination, unemployment insurance, disability, social security, workers’
21 compensation claims, and claims outside of the Class Period (together, “Released
22 Class Claims”); and
- 23 b. all claims for civil penalties arising within the PAGA Period under the California
24 Labor Code Private Attorneys General Act of 2004, California Labor Code section
25 2698, *et seq.* (“PAGA”) stated in the PAGA Notices, based upon the allegations stated
26 in the PAGA Notices and that could have been premised on the facts or legal theories
27 in the PAGA Notices or in the Complaint, including, but not limited to, failure to pay
28 all regular wages, minimum wages and overtime wages due; failure to provide meal

1 periods or compensation in lieu thereof; failure to provide rest periods or
2 compensation in lieu thereof; failure to reimburse necessary business expenses;
3 failure to provide complete, accurate wage statements; failure to timely pay wages
4 during employment and at the time of termination or resignation, and failure to
5 maintain records; excluding all claims for vested benefits, wrongful termination,
6 unemployment insurance, disability, social security, workers' compensation claims,
7 and claims outside of the PAGA Period (collectively, "Released PAGA Claims").

8 36. "Released Parties" means Defendant and Related Entities, and their officers and directors,
9 and any of their former and present parents, subsidiaries, affiliates, divisions, corporations in
10 common control, predecessors, successors, members, and assigns, as well as all past and
11 present officers, directors, employees, partners, shareholders and agents, attorneys, insurers,
12 and any other successors, assigns, or legal representatives, if any.

13 37. "Request for Exclusion" means a letter submitted by a Class Member indicating a request to
14 be excluded from the Class Settlement. The Request for Exclusion must: (a) include a
15 reference to the Action by case name and/or case number; (b) be signed by the Class Member;
16 (c) contain the name, address, telephone number and the last four digits of the Social Security
17 Number of the Class Member requesting exclusion; (d) clearly state that the Class Member
18 does not wish to be included in the Class Settlement; (e) be returned mail to the Settlement
19 Administrator at the specified address; and (e) be postmarked on or before the Response
20 Deadline. The date of the postmark on the return mailing envelope will be the exclusive
21 means to determine whether a Request for Exclusion has been timely submitted. Any Class
22 Member who does not request exclusion from the Class Settlement in accordance with the
23 requirements stated herein will be deemed a Class Member and will be bound by all terms of
24 the Class Settlement if the Settlement is granted Final Approval by the Court. A PAGA
25 Employee may not seek exclusion from the PAGA Settlement.

26 38. "Response Deadline" means the deadline by which the Class Members must submit Requests
27 for Exclusion, Notices of Objection, and/or dispute of Workweeks and/or PAGA Pay Periods
28 credited to them, to the Settlement Administrator. The Response Deadline will be sixty (60)

1 calendar days from the initial mailing of the Notice by the Settlement Administrator, unless
2 the 60th day falls on a Sunday or Federal holiday, in which case the Response Deadline will
3 be extended to the next day on which the U.S. Postal Service is open. The Response Deadline
4 for Requests for Exclusion or Notices of Objection will be the later of the original Response
5 Deadline as calculated at the time of initial mailing or an extension of up to forty-five (45)
6 calendar days from the date of re-mailing for any Class Member who is re-mailed a Notice
7 by the Settlement Administrator, unless the 45 th day falls on a Sunday or Federal holiday,
8 in which case the Response Deadline will be extended to the next day on which the U.S.
9 Postal Service is open. The Response Deadline may also be extended by express agreement
10 between Class Counsel and Defendant. Under no circumstances, however, will the Settlement
11 Administrator have the authority to unilaterally extend the deadline for Class Members to
12 submit a Request for Exclusion, dispute of Workweeks and/or PAGA Pay Periods credited
13 to them, or Notice of Objection.

14 39. "Settlement Administrator" means ILYM Group, Inc. which will be responsible for the
15 administration of payments under the Settlement and all related matters. The Parties each
16 represent that they do not have any financial interest in the Settlement Administrator or
17 otherwise have a relationship with the Settlement Administrator that could create a conflict
18 of interest.

19 40. "Settlement Administration Costs" means the costs payable from the Total Settlement
20 Amount to the Settlement Administrator for administering this Settlement, including, but not
21 limited to, printing, distributing, and tracking documents for this Settlement, calculating
22 estimated amounts per Class Member and PAGA Employee, tax reporting, distributing
23 payments under the Settlement, and providing necessary reports and declarations, and other
24 duties and responsibilities set forth herein to process this Settlement, and as requested by the
25 Parties. The Settlement Administration Costs will be paid from the Total Settlement Amount,
26 including, if necessary, any such costs in excess of the amount represented by the Settlement
27 Administrator as being the maximum costs necessary to administer the Settlement. The
28 Settlement Administration Costs are currently estimated not to exceed Thirty-Seven

Thousand Five Hundred Dollars (\$37,500.00). To the extent the actual Settlement Administration Costs are greater than Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), such excess amount will be deducted from the Total Settlement Amount.

41. "Settlement Payment Check" means the check that will include payment of the Individual Settlement Payment to Participating Class Members (who do not submit a valid Request for Exclusion from the Class Settlement) and payment of the Individual PAGA Payment to PAGA Employees pursuant to this Settlement Agreement; these payments may be combined into one check for those individuals who will be issued both payments. The back of the Settlement Payment Check shall state, immediately below the space where the check is to be endorsed by the payee: "By endorsing this check, I acknowledge that I read, understood, and agree to the terms set forth in the Notice of Class Action Settlement."

42. "Workweeks" means the number of weeks each Class Member worked during the Class Period, which will be calculated by the Defendant and included with the Class List to be provided to the Settlement Administrator. Defendant will calculate the Workweeks as follows: Any pay period where Defendant's pay records demonstrate that a Class Member worked, or received pay (including pay periods where a Class Member received paid time off, but excluding pay periods where a Class Member was on a leave of absence and did not work for Defendant) will count as a Workweek. Defendant represents there are approximately 74,976 Workweeks through August 14, 2022.

II. TERMS OF AGREEMENT

43. Workweeks Threshold. Defendant has represented that there were approximately 1,074 Class Members who collectively worked from May 28, 2015 to August 14, 2022 who worked approximately 74,976 Workweeks. The parties agreed that, if the number of Workweeks for the Class is more than 10% higher than 74,976 (i.e., more than 82,474 Workweeks), the Class Period and PAGA Period will close. As of the date of signing this agreement, Defendant represents that the total number of workweeks for the Class Period (through December 31, 2022) is 80,864.

1 44. Funding of the Total Settlement Amount. Defendant shall make the payment of the Total
2 Settlement Amount according to the following schedule:

3 (a) **First Installment**

4 Within fifteen (15) days after the Effective Date of the Settlement,
5 Defendant will make a deposit of at least fifty percent (50%) of the
6 Total Settlement Amount (which is estimated to be \$675,000.00), plus
7 the total amount of the Employer Share of Taxes ("First Installment").
8 Within ten (10) calendar days of receipt the First Installment, the
9 Settlement Administrator will issue payments to be distributed as
10 follows:

- 11 • 100% of Enhancement Payments to Plaintiffs (which is
12 contemplated to be up to \$22,500.00, subject to Court
13 approval);
- 14 • 25% of PAGA Penalties to PAGA Employees (which is
15 contemplated to be up to \$33,750.00, subject to Court
16 approval);
- 17 • 50% of Administration Costs (which is contemplated to be
18 approximately up to \$18,750.00, subject to Court approval);
19 and
- 20 • 100% of Net Settlement Amount to Participating Class
21 Members (which is contemplated to be approximately
22 \$655,000.00 (plus Employer Share of Taxes)).

23 Following this distribution, assuming the Court awards the above-
24 referenced payments in the amounts contemplated, it is estimated that
25 approximately \$35,000.00 will be the remaining balance in the QSF,
26 to be held by the administrator in trust until the distribution of the
27 Second Installment payments.

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1 **(b) Second Installment**

2 Within six (6) months after the Effective Date of the Settlement,
3 Defendant will make a deposit of twenty-five percent (25%) of the
4 Total Settlement Amount (which is estimated to be \$337,500.00)
5 ("Second Installment"). Within ten (10) calendar days of receipt the
6 Second Installment, the Settlement Administrator will issue payments
7 to be distributed as follows:

- 8 • 75 % of PAGA Penalties to the LWDA (which is contemplated
9 to be approximately \$101,250.00, subject to Court approval);
10 • 50 % of Administration Costs (which is contemplated to be
11 approximately up to \$18,750.00, subject to Court approval);
12 and
13 • 100% of Litigation Costs to Class Counsel (which is
14 contemplated to be approximately up to \$50,000.00, subject to
15 Court approval).

16 Following this distribution, assuming the Court awards the above-
17 referenced payments in the amounts contemplated, it is estimated that
18 approximately \$202,500.00 will be the remaining balance in the QSF,
19 to be held by the administrator in trust until the distribution of the
20 Third Installment payments.

21 **(c) Third Installment**

22 Within one (1) year after the Effective Date Defendant will make a
23 deposit of the final twenty-five percent (25%) of the Total Settlement
24 Amount (which is estimated to be \$337,500.00) ("Third Installment").
25 Within ten (10) calendar days of receipt the Third Installment, the
26 Settlement Administrator will issue payments to be distributed as
27 follows:
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- 100% of Attorneys' Fees to Class Counsel (which is contemplated to be approximately up to \$450,000.00, subject to Court approval)

Each installment of the Total Settlement Amount shall be paid into an interest-bearing Qualified Settlement Account ("QSF") to be established by the Settlement Administrator until the distributions are made as set forth above.

45. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Plaintiffs' Counsels for attorneys' fees of not more than one-third (1/3rd) of the Total Settlement Amount (which is estimated to be \$450,000.00) in fees and not more than \$50,000.00 in costs, both of which will be paid from the Total Settlement Amount subject to Court approval.

46. Non-Reversionary. No amount of the Total Settlement Amount shall revert to Defendant.

47. No Claims Process. The settlement shall not be on a claims-made basis. Class Members shall be deemed to be participants in the Class Settlement and bound by its terms if they do not opt-out within the time period for opting out of the Class Settlement as defined in the Settlement Agreement and communicated through the Notice.

48. Class Representative Enhancement Payments. In exchange for a general release, and in recognition of their efforts and work in prosecuting the Action on behalf of Class Members, Defendant agrees not to oppose or impede any application or motion for Class Representative Enhancement Payments of up to \$7,500.00 to each named Plaintiff for their services on behalf of the Class. The Class Representative Enhancement Payments will be paid from the Total Settlement Amount, subject to Court approval, reported on an IRS Form 1099, and will be in addition to Plaintiffs' individual settlement payments paid pursuant to the Settlement. Plaintiffs will be solely and legally responsible to pay any and all applicable taxes on the payments made pursuant to this paragraph and will indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

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1 49. Settlement Administration Costs. The Settlement Administrator will be paid for the
2 reasonable costs of administration of the Settlement and distribution of payments from the
3 Total Settlement Amount, which are currently estimated to be not more than \$37,500.00.
4 These costs, which will be paid from the Total Settlement Amount, subject to Court approval,
5 will include, *inter alia*, the required tax reporting on the Individual Settlement Payments, the
6 issuing of 1099 and W-2 IRS Forms, distributing the Notice, calculating and distributing
7 payments, and providing necessary reports and declarations.

8 50. Acknowledgment of Potential Settlement Administration Costs Increases. The Parties hereby
9 acknowledge that the Settlement Administration Costs may increase above the current
10 estimate of not more than \$37,500.00 and that any such additional Class Administration Costs
11 that are approved by counsel for the Parties shall be taken out of the Total Settlement Amount,
12 subject to Court approval.

13 51. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual
14 Settlement Payments to Participating Class Members for the Class Settlement in accordance
15 with the terms of this Settlement.

16 52. Calculation of Payments to Participating Class Members and PAGA Employees. Individual
17 Settlement Payments will be calculated and apportioned from the Net Settlement Amount
18 based on the number of Workweeks a Participating Class Member worked during the Class
19 Period and Individual PAGA Payments will be calculated and apportioned from 25% of the
20 PAGA Payment based on the number of PAGA Pay Periods a PAGA Employee worked
21 during the PAGA Period. Specific calculations of these payments will be made as follows:

- 22 a. The Settlement Administrator will initially determine the total number of weeks
23 worked by each Participating Class Member (“Individual Workweeks”) and the total
24 number of Workweeks worked by all Participating Class Members (“Class
25 Workweeks”) during the Class Period based on the Class List provided by Defendant.
26 b. To determine each Participating Class Member’s Individual Settlement Payment, the
27 Settlement Administrator will use the following formula: Individual Settlement
28 Payment = (Individual Workweeks ÷ Total Workweeks of Participating Class

Members) \times Net Settlement Amount.

- c. The Settlement Administrator will calculate the total number of PAGA Pay Periods for each Aggrieved Employee ("PAGA Pay Periods") and the total number of PAGA Pay Periods of all PAGA Employee ("Total PAGA Pay Periods") during the PAGA Period.
- d. To determine each PAGA Employee's Individual PAGA Payment, the Settlement Administrator will use the following formula: Individual PAGA Payment = (Individual PAGA Pay Periods \div Total PAGA Pay Periods of all PAGA Employee) \times 25% of PAGA Payment.
- e. If any Class Member requests to be excluded from the Class settlement his or her pro rata share of the Net Settlement Amount that he or she would have been issued if he or she had not opted out of the Class Settlement, shall remain part of the Net Settlement Amount and shall proportionally increase each Participating Class Member's final Individual Settlement Payment. A Request for Exclusion does not exclude a PAGA Employee from the PAGA Settlement and the PAGA Employee will be bound to the PAGA Settlement and issued their Individual PAGA Payment even if they submit a valid Request for Exclusion.
- f. The Individual Settlement Payments shall be allocated as follows: 1/3 to wages to be reported on IRS Form W-2; and the remaining 2/3 split equally between penalties and interest (to be reported on IRS Form 1099 (if applicable)). The Individual PAGA Payments shall be allocated as 100% penalties to be reported on IRS Form 1099 (if applicable).

53. No Credit Toward Benefit Plans. The payments made to Plaintiffs, Participating Class Members, and PAGA Employees under this Settlement, as well as any other payments made pursuant to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which any Plaintiffs, Participating Class Members, or PAGA Employees may be eligible, including, but not limited to profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.

1 Rather, it is the Parties' intention that this Settlement Agreement will not affect any rights,
2 contributions, or amounts to which any Plaintiffs, Participating Class Members, or PAGA
3 Employees may be entitled under any benefit plans.

4 54. Settlement Administration Process. The Parties agree to cooperate in the administration of
5 the Settlement and to make all reasonable efforts to control and minimize the costs and
6 expenses incurred in administration of the Settlement. The Settlement Administrator will
7 provide the following services:

- 8 a. Establish and maintain an interest-bearing Qualified Settlement Account. Any
9 interest earned in the QSA will be distributed to a to a *cy pres* recipient as set forth in
10 paragraph 65.
- 11 b. Calculate the estimated Individual Settlement Payment each Class Member is eligible
12 to receive and the estimated Individual PAGA Payment each PAGA Employee is
13 eligible to receive.
- 14 c. Print and mail the Notice.
- 15 d. Translate the Notice from English to Spanish.
- 16 e. Establish and maintain a toll-free information telephone support line to assist Class
17 Members who have questions regarding the Notice.
- 18 f. Conduct additional address searches for mailed Notice that are returned as
19 undeliverable.
- 20 g. Process Requests for Exclusion and Notices of Objection, calculate Participating
21 Class Members' Individual Settlement Payments and PAGA Employees' Individual
22 PAGA Payments, and field inquiries from Class Members. This service will include
23 settlement proceed calculation, printing and issuance of Settlement Payment Checks,
24 and preparation of IRS W2 and 1099 Tax Forms. Basic accounting for and payment
25 of employee tax withholdings will also be included as part of this service.
- 26 h. Inform Defendant of its employer-side tax liability for the wages portion of Individual
27 Settlement Payments ("Employer Share of Taxes"), which will be funded by
28 Defendant in addition to the Total Settlement Amount.

i. Provide declarations and/or other information to this Court as requested by the Parties and/or the Court.

j. Provide weekly status reports to counsel for the Parties.

k. Posting operative complaints, the Settlement Agreement, Order of Preliminary Approval, and a notice of judgment online at Settlement Administrator's website.

55. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator.

56. Notice by First-Class U.S. Mail. Within fourteen (14) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified based on the Class List.

57. Confirmation of Contact Information in the Class List. Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notices returned to the Settlement Administrator as non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace, or other search using the name, address and/or Social Security number of the Class Member involved, and will then perform a single re-mailing. Those Class Members who receive a re-mailed Notice, whether by skip-trace or by request, will have between the later of (a) an additional forty-five (45) calendar days from the date of re-mailing, or (b) the original Response Deadline to postmark a Request for Exclusion or submit a Notice of Objection to the Class Settlement.

58. Notice of Class Action Settlement. All Class Members will be mailed a Notice. Each Notice will provide: (a) information regarding the nature of the Action; (b) a summary of the Settlement's principal terms; (c) the Class definition; (d) the total number of Workweeks credited to the Class Member and, if applicable, total number of PAGA Pay Periods credited

1 to the Class Member if he or she is a PAGA Employee; (e) each Class Member's estimated
2 Individual Settlement Payment, and if applicable, estimated Individual PAGA Payments; (f)
3 the formula for calculating Individual Settlement Payments and Individual PAGA Payments;
4 (g) the deadlines by which the Class Member must submit Requests for Exclusion or Notices
5 of Objection to the Class Settlement; (h) the release of Released Class Claims and Released
6 PAGA Claims, as set forth herein; and (j) the date for the Final Approval Hearing.

7 59. Disputing Workweeks and PAGA Pay Periods. Class Members will have an opportunity to
8 dispute the number of Workweeks and/or PAGA Pay Periods to which they have been
9 credited, and may produce evidence to the Settlement Administrator showing that such
10 information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's
11 records will be presumed determinative. However, if a Class Member produces evidence to
12 the contrary, the Settlement Administrator will evaluate the evidence submitted by the Class
13 Member and will make the final decision as to the number of eligible Workweeks and/or
14 PAGA Pay Periods that should be credited. Disputes must be submitted by the initial
15 Response Deadline, or as otherwise possibly extended due to re-mailing or agreement of the
16 Parties. All such disputes are to be resolved not later than forty-five (45) calendar days after
17 the Response Deadline.

18 60. Defective Submissions. If a Class Member's Request for Exclusion is defective as to the
19 requirements listed herein, that Class Member will be given an opportunity to cure the
20 defect(s). The Settlement Administrator will mail the Class Member a cure letter within three
21 (3) business days of receiving the defective submission to advise the Class Member that his
22 or her submission is defective and that the defect must be cured to render the Request for
23 Exclusion valid. The Class Member will have until the later of (a) the Response Deadline or
24 (b) fourteen (14) calendar days from the date of the cure letter, whichever date is later, to
25 postmark, e-mail or fax a revised Request for Exclusion. If a Class Member responds to a
26 cure letter by filing a defective Request for Exclusion, then the Settlement Administrator will
27 have no further obligation to give notice of a need to cure. If the revised Request for
28 Exclusion is not postmarked or received by that period, it will be deemed untimely.

1 61. Request for Exclusion Procedures. Any Class Member wishing to opt out from the Class
2 Settlement must sign and postmark a written Request for Exclusion to the Settlement
3 Administrator within the Response Deadline. The date of the postmark on the return mailing
4 envelope will be the exclusive means to determine whether a Request for Exclusion has been
5 timely submitted. All Requests for Exclusion will be submitted to the Settlement
6 Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the
7 Requests for Exclusion that were timely submitted. The Request for Exclusion does not apply
8 to the PAGA Settlement and the release of the Released PAGA Claims. PAGA Employees
9 who submit a valid Request for Exclusion will still be issued their Individual PAGA Payment
10 and bound to the PAGA Settlement.

11 Defendant's Right to Rescind. If Class Members representing ten percent (10%) or more of
12 the Workweeks elect not to participate in the Class Settlement, Defendant may, at its election,
13 rescind the Settlement Agreement and all actions taken in furtherance of it will be thereby
14 null and void. Defendant must exercise this right of rescissions, in writing, to Class Counsel
15 within fourteen (14) business days after the Settlement Administrator notifies the Parties of
16 the total number of Requests for Exclusion. If Defendant exercises its right to rescind, then
17 Defendant will be responsible for all Settlement Administration Costs incurred to the date of
18 rescission.

19 62. Release by Participating Class Members, PAGA Employees, and the State of California.

- 20 a. Upon the Effective Date and full funding of the Total Settlement Amount, and except
21 as to such rights or claims as may be created by this Settlement Agreement, all Class
22 Members who do not affirmatively opt out of the Class Settlement by submitting a
23 timely and valid Request for Exclusion will fully release and discharge the Released
24 Parties of Released Class Claims.
- 25 b. Upon the Effective Date and full funding of the Total Settlement Amount, and except
26 as to such rights or claims as may be created by this Settlement Agreement, all PAGA
27 Employees, regardless of whether they submit a timely and valid Requests for
28 Exclusion from the Class Settlement, will fully release and discharge the Released

1 PAGA Claims, and the State of California and the LWDA will release the Released
2 Claims, with respect to the PAGA Employees' employment by Defendant within the
3 PAGA Period.

4 63. Objection Procedures. Objections to the Class Settlement can be submitted in person,
5 through an attorney, or in writing to the Settlement Administrator, with no pre-requisite to
6 being heard. To object to the Class Settlement in writing, a Class Member must postmark a
7 Notice of Objection to the Settlement Administrator not later than forty-five (45) days after
8 the Response Deadline . The Notice of Objection must be signed by the Class Member and
9 contain all information required by this Settlement Agreement. The postmark date will be
10 deemed the exclusive means for determining that the Notice of Objection is timely.
11 Nevertheless, Class Members who fail to object in the specific and technical manner specified
12 above may still be heard by the Court at the Final Approval Hearing. At no time will any of
13 the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit
14 written objections to the Settlement Agreement or appeal from the Final Approval Order and
15 Judgment. Class Counsel and Defendant's Counsel will not represent any Class Members
16 with respect to any such objections to this Settlement.

17 64. Certification Reports Regarding Settlement Payment Calculations. The Settlement
18 Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
19 certifies: (a) the number of Class Members who have submitted valid and timely Requests
20 for Exclusion; (b) the number of Notices of Objection received; and (c) whether any Class
21 Member has submitted a dispute of Workweeks and/or PAGA Pay Periods credited to them.
22 Additionally, the Settlement Administrator will provide counsel for both Parties with any
23 updated reports regarding the administration of the Settlement Agreement as needed or
24 requested.

25 65. Uncashed Settlement Checks. Any checks issued by the Settlement Administrator to
26 Participating Class Members and PAGA Employees will be negotiable for at least three
27 hundred (300) calendar days from initial issuance. Thereafter, all such checks shall be
28 canceled and funds associated with said canceled checks, along with any interest earned in

1 the QSA, shall be distributed in accordance with California Code of Civil Procedure section
2 384 to a *cy pres* agreed to by the Parties as required by California Code of Civil Procedure
3 section 384 or any other method of distribution consistent with Code of Civil Procedure
4 section 384. The Parties have agreed to designate and seek the Court's approval of Alliance
5 for Children's Rights as the *cy pres* recipient, or other mutually agreeable *cy pres* recipient
6 should the Court not approve the Parties' proposed beneficiary and/or as otherwise consistent
7 with California Code of Civil Procedure section 384. Parties and their counsel represent that
8 they have no affiliation or other relationship with the proposed *cy pres* recipient that could
9 create a conflict of interest or the appearance of a conflict of interest. The Parties agree that
10 this disposition results in no "unpaid residue" under California Civil Procedure Code section
11 384. There is no obligation for Defendant to pay any interest on such amounts.

12 66. Certification of Completion. Upon completion of administration of the Settlement, the
13 Settlement Administrator will provide a written declaration under oath to certify such
14 completion to the Court and counsel for all Parties.

15 67. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will
16 be responsible for issuing to Plaintiffs, Participating Class Members, PAGA Employees, and
17 Plaintiffs' Counsels any W-2, 1099, or other tax forms as may be required by law for all
18 amounts paid pursuant to this Settlement. The Settlement Administrator will also be
19 responsible for forwarding all payroll taxes and penalties to the appropriate government
20 authorities.

21 68. Tax Liability. Defendant makes no representation as to the tax treatment or legal effect of
22 the payments called for hereunder, and Plaintiffs, Participating Class Members and PAGA
23 Employees are not relying on any statement, representation, or calculation by Defendant or
24 by the Settlement Administrator in this regard. Plaintiffs, Participating Class Members and
25 PAGA Employees understand and agree that except for Defendant's payment of the
26 employer's portion of any payroll taxes, they will be solely responsible for the payment of
27 any taxes and penalties assessed on the payments described herein.

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69. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

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

5 71. Release of Additional Claims & Rights by Plaintiffs. Upon the Effective Date and full
6 funding of the Total Settlement Amount, and except as to such rights or claims as may be
7 created by this Settlement Agreement, in consideration of Defendant's promises and
8 agreements as set forth herein, and payment of the Class Representative Enhancement
9 Payments, Plaintiffs shall fully release and discharge the Released Parties from any and all
10 Released Class Claims and Release PAGA Claims and also generally release and discharge
11 the Released Parties from any and all claims, demands, obligations, causes of action, rights,
12 or liabilities of any kind which have been or could have been asserted against the Released
13 Parties arising out of or relating to Plaintiffs' employment by Defendant or termination
14 thereof, including but not limited to claims for wages, restitution, penalties, defamation, or
15 wrongful termination of employment. This release specifically includes any and all claims,
16 demands, obligations and/or causes of action for damages, restitution, penalties, interest, and
17 attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any
18 way connected with the matters referred to herein, whether or not known or suspected to
19 exist, and whether or not specifically or particularly described herein. Specifically, Plaintiffs
20 waive all rights and benefits afforded by California Civil Code section 1542, which provides:

21 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
22 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
23 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE,
24 AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
25 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED
26 PARTY.

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1 72. Nullification of Settlement Agreement. In the event that: (a) the Court does not finally
2 approve the material terms of the Settlement as provided herein; or (b) the Court strikes or
3 does not approve any material term of this Settlement Agreement; then this Settlement
4 Agreement, and any documents generated to bring it into effect, will be null and void, all
5 amounts deposited into the QSF will be returned to Defendant, and the Parties shall be
6 returned to their original respective positions prior to the execution of the Agreement. Any
7 order or judgment entered by the Court in furtherance of this Settlement Agreement will
8 likewise be treated as void from the beginning.

9 73. Preliminary Approval Hearing. Plaintiffs have obtained a hearing date before the Court to
10 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
11 Approval Order for: (a) conditional certification of the Settlement Class for settlement
12 purposes only, (b) Preliminary Approval of the Settlement Agreement, and (c) setting a date
13 for a Final Approval Hearing. The Preliminary Approval Order will provide for the Notice
14 to be sent to all Class Members as specified herein. In conjunction with the Preliminary
15 Approval hearing, Plaintiffs will submit this Settlement Agreement, which sets forth the
16 terms of this Settlement, and will include the proposed Notice; *i.e.*, the proposed Notice of
17 Class Action Settlement, attached as **Exhibit A**. Class Counsel will be responsible for
18 drafting all documents necessary to obtain Preliminary Approval. Any failure by the Court
19 to fully and completely approve the Settlement Agreement as to all of the Action, or the entry
20 of any order by another Court with regard to any of the cases included in the Action which
21 has the effect of preventing the full and complete approval of the Settlement Agreement as
22 written and agreed to by the Parties, will result in this Settlement Agreement entered into by
23 the Parties, and all obligations under this Settlement Agreement being nullified and voided
24 at the Parties' election.

25 74. Final Approval Hearing and Entry of Judgment. Upon expiration of the Response Deadline
26 and Defendant's deadline to rescind the Settlement, and with the Court's permission, a Final
27 Approval Hearing will be conducted to determine the Final Approval of the Settlement
28 Agreement along with the amounts properly payable for: (a) Individual Settlement Payments;

(b) Individual PAGA Payments, (c) the LWDA Payment; (d) the Attorneys' Fees and Costs; (e) the Class Representative Enhancement Payments; and (f) the Settlement Administration Costs. Class Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Class Counsel will also be responsible for drafting the attorneys' fees and costs application to be heard at the Final Approval Hearing. Any failure by the Court to fully and completely approve the material terms of the Settlement Agreement as to all of the Action, or the entry of any order by another Court with regard to any of the cases included in the Action which has the effect of preventing the full and complete approval of the Settlement Agreement as written and agreed to by the Parties, will result in this Settlement Agreement and the Memorandum of Understanding entered into by the Parties, and all obligations under this Settlement Agreement and the Memorandum of Understanding being nullified and voided at the Parties' election.

75. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the Court or after the Final Approval Hearing, the Parties will present the Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing jurisdiction pursuant to CCP section 664.6 and CRC 3.769(h) solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Settlement.

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

77. Entire Agreement. This Settlement Agreement and any attached Exhibits constitute the entirety of the Parties' settlement terms in connection with the release of claims as set forth herein. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties in connection with the release of claims as set forth herein.

78. Amendment or Modification. This Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest.

1 79. Authorization to Enter Into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this
3 Settlement Agreement and to take all appropriate action required or permitted to be taken by
4 such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any
5 other documents required to effectuate the terms of this Settlement Agreement. The Parties
6 and their counsel will cooperate with each other and use their best efforts to affect the
7 implementation of the Settlement. If the Parties are unable to reach agreement on the form or
8 content of any document needed to implement the Settlement, or on any supplemental
9 provisions that may become necessary to effectuate the terms of this Settlement, the Parties
10 may seek the assistance of the Court to resolve such disagreement.

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

13 81. California Law Governs. All terms of this Settlement Agreement and Exhibits hereto will be
14 governed by and interpreted according to the laws of the State of California.

15 82. Execution and Counterparts. This Settlement Agreement is subject only to the execution of
16 all Parties. However, the Settlement Agreement may be executed in one or more
17 counterparts. All executed counterparts and each of them, including electronic, facsimile,
18 and scanned copies of the signature page, will be deemed to be one and the same instrument
19 provided that counsel for the Parties will exchange among themselves original signed
20 counterparts. Any executed counterpart will be admissible in evidence to prove the existence
21 and contents of this Agreement.

22 83. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
23 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have
24 arrived at this Settlement after arm's-length negotiations and in the context of adversarial
25 litigation, taking into account all relevant factors, present and potential. The Parties further
26 acknowledge that they are each represented by competent counsel and that they have had an
27 opportunity to consult with their counsel regarding the fairness and reasonableness of this
28 Settlement. In addition, the Mediator may execute a declaration supporting the Settlement

1 and the reasonableness of the Settlement and the Court may, in its discretion, contact the
2 Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and
3 reasonable.

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

8 85. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
9 certification for purposes of this Settlement only; except, however, that either party may
10 appeal any court order that materially alters the Settlement Agreement's terms.

11 86. Class Action Certification for Settlement Purposes Only. The Parties agree to stipulate to
12 class action certification only for purposes of the Settlement. If, for any reason, the
13 Settlement is not approved, the stipulation to certification will be void at the election of the
14 Parties. The Parties further agree that certification for purposes of the Settlement is not an
15 admission that class action certification is proper under the standards applied to contested
16 certification motions and that this Settlement Agreement will not be admissible in this or any
17 other proceeding as evidence that either: (a) a class action should be certified, or (b)
18 Defendant are liable to Plaintiffs, any Class Member or any PAGA Employee, other than
19 according to the Settlement's terms.

20 87. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the
21 dispute that has arisen between them and to avoid the burden, expense and risk of continued
22 litigation. In entering into this Settlement Agreement, Defendant does not admit, and
23 specifically denies, it has violated any federal, state, or local law; violated any regulations or
24 guidelines promulgated pursuant to any statute or any other applicable laws, regulations or
25 legal requirements; breached any contract; violated or breached any duty; engaged in any
26 misrepresentation or deception; or engaged in any other unlawful conduct with respect to its
27 employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of
28 the negotiations connected with it, shall be construed as an admission or concession by

Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local or other applicable law.

88. Captions. The captions and section numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the provisions of this Settlement Agreement.

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

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

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

92. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel

1 and reviewed in full. Further, Plaintiffs and Class Counsel warrant and represent that there
2 are no liens on the Settlement Agreement.

3 93. All Terms Subject to Final Court Approval. All amounts and procedures described in this
4 Settlement Agreement herein will be subject to final Court approval.

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

8 95. Confidentiality. Plaintiffs, Plaintiffs' Counsels, Defendant and its counsel agree that they
9 will not issue any press releases, initiate any contact with the press, respond to any press
10 inquiry or have any communication with the press about the fact, amount or terms of the
11 Settlement Agreement prior to Preliminary Approval. Plaintiffs and their Counsel agree that
12 they will not advertise or promote this Settlement, through social media or their website, and
13 will limit public statements on the settlement to those made in Court. Nothing in this
14 Settlement Agreement shall limit Defendant's ability to fulfill disclosure obligations
15 reasonably required by law or in furtherance of business purposes, including the fulfillment
16 of obligations stated in this Settlement Agreement. Nothing in this Settlement Agreement
17 shall limit Plaintiffs' ability to fulfill disclosure obligations required by the PAGA statute
18 (including, and not limited to, submission of this Settlement Agreement and contemplated
19 settlement-related orders and judgment to the LWDA). Plaintiffs' Counsel shall not be
20 precluded by this provision from communicating with Class Members about this Settlement,
21 to the fullest extent necessary to satisfy their obligations as Class Counsel.

22 96. Binding Agreement. The Parties warrant that they understand and have full authority to enter
23 into this Settlement, and further intend that this Settlement Agreement will be fully
24 enforceable and binding on all Parties, and agree that it will be admissible and subject to
25 disclosure in any proceeding to enforce its terms, notwithstanding any mediation
26 confidentiality provisions that otherwise might apply under federal or state law.

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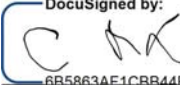
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SIGNATURES

READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED:

Dated: 6/14/2024	PLAINTIFF <div>DocuSigned by:  6B5863AF1CBB44B</div> Plaintiff CHRISTOPHER MOORHEAD
Dated:	PLAINTIFF Plaintiff DAYANA NAVARRO
Dated:	PLAINTIFF Plaintiff MONIQUE BLACKMON

Dated:	DEFENDANT Defendant RED ROCK TRANSPORTATION, INC. (formerly BLACKROCK LOGISTICS, INC.) Please Print Name of Authorized Signatory Its:
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SIGNATURES

READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED:

Dated: _____	PLAINTIFF _____ Plaintiff CHRISTOPHER MOORHEAD
Dated: 06/13/2024	PLAINTIFF <div>Electronically Signed: 2024-06-13 23:29:01 UTC - 45-49-100-1 <i>Dayana Navarro</i> Hinter Assurance GmbH 7da3d705-9630-408f-a5d6-b18e07a6333d</div> _____ Plaintiff DAYANA NAVARRO
Dated: _____	PLAINTIFF _____ Plaintiff MONIQUE BLACKMON

Dated: _____

DEFENDANT

Defendant RED ROCK
TRANSPORTATION, INC. (formerly
BLACKROCK LOGISTICS, INC.)

Please Print Name of Authorized Signatory

Its: _____

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SIGNATURES

READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED:

Dated: _____	PLAINTIFF _____ Plaintiff CHRISTOPHER MOORHEAD
Dated: _____	PLAINTIFF _____ Plaintiff DAYANA NAVARRO
Dated: 06/18/2024	PLAINTIFF <div>Electronically Signed: 2024-06-18 19:03:48 UTC - 99.159.252.249 Monique Blackmon VeriSign AssureSign® 899e73be-1946-4672-9070-b18a917ad574</div> Plaintiff MONIQUE BLACKMON

Dated: _____

DEFENDANT

Defendant RED ROCK
TRANSPORTATION, INC. (formerly
BLACKROCK LOGISTICS, INC.)

Please Print Name of Authorized Signatory

Its: _____

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SIGNATURES

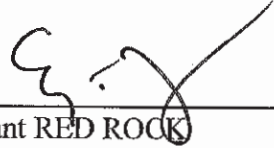
READ CAREFULLY BEFORE SIGNING

IT IS SO AGREED:

Dated: _____	PLAINTIFF
	Plaintiff CHRISTOPHER MOORHEAD
Dated: _____	PLAINTIFF
	Plaintiff DAYANA NAVARRO
Dated: _____	PLAINTIFF
	Plaintiff MONIQUE BLACKMON

Dated: 6-14-24

DEFENDANT


Defendant RED ROCK
TRANSPORTATION, INC. (formerly
BLACKROCK LOGISTICS, INC.)

Harry T James
Please Print Name of Authorized Signatory

Its: Managing Director

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APPROVED AS TO FORM:

Dated: 6/14/2024

JAMES HAWKINS APC

By: 
James Hawkins
Michael Calvo
Attorneys for Plaintiff Christopher Moorhead

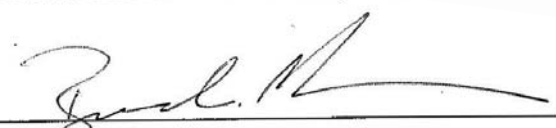
Dated: _____

LAWYERS FOR JUSTICE, PC

By: _____
Arby Aiwarzian
Joanna Ghosh
Vartan Madoyan
Attorneys for Plaintiffs Dayana Navarro and
Monique Blackmon

Dated: 6/24/2024

LITTLER MENDELSON, P.C.

By: 
Keith Jacoby
Brad Schwan
Alyssa Gjedsted
Attorneys for Defendant Red Rock
Transportation, Inc. (formerly Blackrock
Logistics, Inc.)

1 **APPROVED AS TO FORM:**


2 Dated: _____

JAMES HAWKINS APC

3
4 By: _____
5 James Hawkins
6 Michael Calvo
7 Attorneys for Plaintiff Christopher Moorhead

8 Dated: June 14, 2024

LAWYERS *FOR* JUSTICE, PC

9
10 By:  _____
11 Arby Aiwarzian
12 Joanna Ghosh
13 Vartan Madoyan
14 Attorneys for Plaintiffs Dayana Navarro and
15 Monique Blackmon

16 Dated: _____

LITTLER MENDELSON, P.C.

17 By: _____
18 Keith Jacoby
19 Brad Schwan
20 Alyssa Gjedsted
21 Attorneys for Defendant Red Rock
22 Transportation, Inc. (formerly Blackrock
23 Logistics, Inc.)
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1
2 **PROOF OF SERVICE, COUNTY OF ORANGE**

3 I am a resident of the State of California, County of Orange. I am over the age of eighteen years
4 and not a party to the within action. My business address is 9880 Research Drive., Suite 200,
5 Irvine, California 92618.

6 On June 18, 2024, I served on the interested parties in this action the following
7 document(s) entitled:

8 **THIRD SUPPLEMENTAL DECLARATION OF JAMES HAWKINS IN SUPPORT OF**
9 **MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT;**
10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 [XX] BY ELECTRONIC SERVICE: Based on a court Order or an agreement by the parties to
12 accept service by e-mail or electronic transmission, I caused the document(s) to be sent from
13 the email address Alma@jameshawkinsaplc.com to the persons at the e-mail addresses
14 listed in the Service List below. I did not receive, within a reasonable time after the
15 transmission, any electronic message or other indication that the transmission was
16 unsuccessful.

17 **SERVICE LIST**

18 *See Attached service list*

19 [XX] STATE: I declare under penalty of perjury, under the laws of the State of
20 California, that the above is true and correct.

21 Executed on June 18, 2024, at Irvine, California

22 *Alma Chavarin*
23 Alma Chavarin
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<p>EDWIN AIWAZIAN, Bar No. 232943 LAWYERS FOR JUSTICE, PC 410 West Arden Avenue, Suite 203 Glendale, CA 91203</p> <p>Edwin@calljustice.com Joanna@calljustice.com vartan@calljustice.com ss@calljustice.com Lindsey@calljustice.com deven@calljustice.com Elizabeth@calljustice.com</p> <p>Attorneys for Plaintiffs MONIQUE BLACKMON and DAYANA NAVARRO</p>	<p>KEITH A. JACOBY, Bar No. 150233 BRADLEY E. SCHWAN, Bar No. 246457 JAMIE B. LAURENT, Bar No. 261926 LITTLER MENDELSON, P.C. 2049 Century Park E, 5th Floor Los Angeles, CA 90067</p> <p>ALYSSA GJEDSTED, Bar No. 284588 MERI DICHIGRIKIAN, Bar No. 328586 LITTLER MENDELSON, P.C. 633 West 5th Street, 63rd Floor Los Angeles, CA 90071</p> <p>AGjedsted@littler.com BSchwan@littler.com MDichigrikian@littler.com KJacoby@littler.com</p> <p>Attorneys for Defendant BLACKROCK LOGISTICS, INC.</p>
PROOF OF SERVICE	