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11 MEJIA *et al.*

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20 Attorneys for Defendants
21 GST TRANSPORT, INC.; AMERICAN
22 CHUNG NAM TRANSPORTATION, LLC; and
23 AMERICA CHUNG NAM, LLC

24 SUPERIOR COURT OF THE STATE OF CALIFORNIA
25 COUNTY OF LOS ANGELES

26 HUGO YAN; EFRAIN VARGAS;
27 SALOMON MEJIA; AND ON BEHALF OF
28 ALL UNNAMED PLAINTIFFS SIMILARLY
SITUATED,

Plaintiffs,

v.

GST TRANSPORT, INC., a California
Corporation; AMERICA CHUNG NAM
TRANSPORTATION, LLC, a California
Limited Liability Company; AMERICA
CHUNG NAM, LLC, a California
Limited Liability Company; and DOES
1 through 50, inclusive,

Defendants.

Case No. 19STCV40976
Judge Hon. David S. Cunningham
Dept. 11

**STIPULATION AND SETTLEMENT OF
CLASS, COLLECTIVE, AND
REPRESENTATIVE CLAIMS**

Complaint Filed: November 14, 2019
Trial Date: None Set

1 Subject to final approval by the Court, which counsel and the Parties agree to diligently
2 pursue and recommend in good faith, Plaintiffs HUGO YAN, EFRAIN VARGAS, and SALOMON
3 MEJIA (collectively “Named Plaintiffs” or “Plaintiffs”), individually and on behalf of all others
4 similarly situated Drivers (“Drivers”), on the one hand; and Defendants GST TRANSPORT, INC.,
5 AMERICA CHUNG NAM TRANSPORTATION, LLC, and AMERICA CHUNG NAM, LLC (“Defendants”), on the other hand (collectively, the “Parties” and individually, a “Party”), hereby
6 agree to the following binding settlement of the class, collective, and representative action
7 designated Hugo Yan, et al. v. GST Transport, Inc, et al. Superior Court of the State of California,
8 County of Los Angeles, Case No. 19STCV40976 (the “Action”), pursuant to the terms and
9 conditions set forth below (the “Settlement,” “Settlement Agreement” or “Agreement”).

11 **I. Defined Terms**

12 As used herein, the following terms are defined as:

13 **A. “Action.”**

14 Hugo Yan, et al. v. GST Transport, Inc, et al. Superior Court of the State of California,
15 County of Los Angeles, Case No. 19STCV40976

16 **B. “Agreement,” “Settlement,” “Settlement Agreement,” or “Stipulation.”**

17 This Stipulation and Settlement of Class, Collective, and Representative Claims.

18 **C. “Attorneys’ Fees and Cost Award” or “Attorneys’ Fees Award.”**

19 The amount authorized by the Court to be paid to Class Counsel for the services they have
20 rendered and expenses they have incurred in prosecuting the Action. Class Counsel shall request,
21 and Defendants will not oppose, a gross Attorneys’ Fees Award of up to \$263,333.33, in addition
22 to verified costs not to exceed \$15,000.00 to be supported by a Declaration from Class Counsel.

23 **D. “Claims Administrator.”**

24 Phoenix Class Action Administration Solutions shall be the third-party class action
25 settlement claims administrator as agreed to by the Parties and approved by the Court for the
26 purposes of administering this Settlement. The Parties each represent that they do not have any
27 financial interest in the Claims Administrator or otherwise have a relationship with the Claims
28 Administrator that could create a conflict of interest.

1 **E. “Claims Administration Costs.”**

2 The costs payable from the Class Settlement Amount to the Claims Administrator for
3 administering this Settlement, including, but not limited to, printing, distributing, and tracking
4 documents for this Settlement, calculating estimated amounts per Class Member, tax reporting,
5 distributing the Class Settlement Amounts, and providing necessary reports and declarations, and
6 other duties and responsibilities set forth herein to process this Settlement Agreement, and as
7 requested by the Parties. The Claims Administration Costs will be paid from the Gross Settlement
8 Amount, including, if necessary, any such costs in excess of the amount represented by the Claims
9 Administrator as being the maximum costs necessary to administer the Settlement. The Claims
10 Administration Costs are currently estimated to be \$7,100.00. To the extent actual Claims
11 Administration Costs are greater than \$7,100.00, such excess amount will be deducted from the
12 Class Settlement Amount, subject to the Court’s approval. The Claims Administration Costs
13 pursuant to the Payment Schedule.

14 **F. “Class” and “Class Members.”**

15 The Class is composed of all Drivers who contracted directly with GST as independent
16 contractors, from November 15, 2015 through the date upon which the Court grants Preliminary
17 Approval of this Settlement. The estimated class size is 36 class members. This Class definition is
18 inclusive of the Aggrieved Employees pursuant to the Private Attorney General Act.

19 **G. “Aggrieved Employees”**

20 Aggrieved Employees are the Drivers who contracted directly with GST as independent
21 contractors, from November 15, 2015, through the date upon which the Court grants Preliminary
22 Approval of this Settlement. The estimated number of Aggrieved Employees is 36 drivers.

23 **H. “Class Counsel.”**

24 Alvin M. Gomez, Boris Smyslov, and Stephen Noel Ilg of the Gomez Law Group.

25 **I. “Class List and Data Report.”**

26 An Excel spreadsheet of the names, current mailing addresses and telephone numbers, last
27 four digits of social security numbers, dates Drivers contracted with GST during the Settlement
28 Class Period, and the respective number of Qualifying Workweeks of each Class Member during

1 the Settlement Class Period.

2 **J. “Settlement Class Period.”**

3 The period from November 15, 2015 through the date upon which the Court grants
4 Preliminary Approval of this Settlement. Settlement Class period is corresponding and inclusive of
5 the PAGA Period.

6 **K. “Court.”**

7 The Superior Court for the State of California for the County of Los Angeles.

8 **L. “Defendant” Or collectively, “Defendants.”**

9 GST Transport, Inc., American Chung Nam Transportation, LLC, and America Chung
10 Nam, LLC., as well as their affiliated entities, including subsidiaries and parents.

11 **M. “Defendants’ Counsel.”**

12 Richard Q. Liu and Sijiu Ren of Innovative Legal Services, P.C.

13 **N. “Effective Date.”**

14 The date on which the Court’s Judgment becomes final. For the purposes of this paragraph,
15 the Court’s Judgment “becomes final” upon the latter of: (i) if there are no objections to the
16 settlement, then the date of final approval by the Court; (ii) if there are objections to the settlement,
17 and if an appeal, review or writ is not sought from the order granting final approval of the settlement,
18 the 61st day after service of notice of entry of the order granting final approval; or (iii) if an appeal,
19 review or writ is sought from the order granting final approval, the day after the order is affirmed or
20 the appeal, review or writ is dismissed or denied, and the order is no longer subject to further judicial
21 review.

22 **O. “Final Approval Hearing.”**

23 The hearing at which the Court considers whether to finally approve the Settlement and to
24 enter the Judgment. In Plaintiff’s motion for final approval, Plaintiff shall provide the Court with
25 the [Proposed] Order Granting Motion for Final Approval attached hereto as **Exhibit D**.

26 **P. “General Release.”**

27 The release set forth in the Section III.B of this Agreement wherein the Named Plaintiffs,
28 with respect to their individual claims only, agree to release the Released Parties from any and all

1 claims as specified herein, including entering into a 1542 Waiver. In consideration for the 1542
2 waiver, the Named Plaintiffs will each receive \$1,000.00.

3 **Q. “Gross Individual Settlement Payment.”**

4 The Settlement amounts for each individual Class Member resulting from the calculations
5 set forth herein.

6 **R. “Gross Settlement Amount.”**

7 The total gross amount to be paid by Defendants pursuant to the Settlement, which under no
8 circumstances may exceed Seven Hundred Ninety Thousands Dollars (\$790,000.00), inclusive of
9 all payments to Class Members, attorneys’ fees, costs and expenses directly related to the Action,
10 which includes all such fees and costs incurred to date, as well as all such fees and costs incurred in
11 documenting the Settlement, administering the Settlement (including the Claims Administrator’s
12 fees and expenses), the Service Awards to the Named Plaintiffs, and payment to the State of
13 California Labor and Workforce Development Agency(the “LWDA”).

14 **S. “Individual Settlement Payment.”**

15 The amount of each Participating Class Member’s Gross Individual Settlement Payment.

16 **T. “Named Plaintiffs.”**

17 Plaintiffs HUGO YAN, EFRAIN VARGAS, and SALOMON MEJIAS.

18 **U. “Net Settlement Fund.”**

19 The funds available to be distributed to Participating Class Members under this Stipulation
20 after payment of any Attorneys’ Fees and Cost Award, Service Awards, Claims Administration
21 Costs, and the Private Attorneys General Act (“PAGA”) Payment to the Labor and Workforce
22 Development Agency (“LWDA”) (i.e., 75% of PAGA civil penalties).

23 **V. “Notice.”**

24 The Notice(s) of Pendency of Class Action Settlement which describe(s) the procedure and
25 time period for Class Members to opt out of or object to the Settlement, and the date set for the Final
26 Approval Hearing (substantially in the form attached hereto as **Exhibit A**). This Notice will also
27 advise the Class Members may consult the website set up by the parties and the Claims
28 Administrator to receive notice of any changes in time and/or location of the Final Approval

1 Hearing. Enclosed with the Class Notice in a form substantially similar to Exhibit B will be the
2 Class Member Individual Workweek Report which will include the workweeks attributed to each
3 Class Member which will be used to calculate Individual Settlement Payments.

4 **W. “Notice Packet.”**

5 The packet that will be sent via first-class regular U.S. mail to all Class Members and shall
6 include the Notice in English, Spanish and Mandarin.

7 **X. “Notice Response Deadline” and “Opt-Out/Objection Deadline Date.”**

8 The date forty-five (45) calendar days after all Notice Packets are mailed to Class Members
9 by the Claims Administrator.

10 **Y. “PAGA Payment.”**

11 Defendants’ payment of \$5,000.00, with 25%, or \$1,250.00, allocated to Class Members and
12 75%, or \$3,750.00, to be paid to the LWDA, all to be paid from the Gross Settlement Amount. This
13 PAGA Payment is made pursuant to California Labor Code §2699(i). The Parties agree notice of
14 the Settlement shall be sent to the LWDA concurrently with their Motion for Preliminary Approval.
15 Class Counsel shall provide a copy of this notice to Defendants’ counsel.

16 **Z. “PAGA Period”**

17 “PAGA Period” means the period from November 15, 2015 through the date upon which
18 the Court grants Preliminary Approval of this Settlement and is fully corresponding and included
19 with the Settlement Class Period.

20 **AA. “PAGA”**

21 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

22 **BB. “PAGA Notice”**

23 “PAGA Notice” means Plaintiffs’ November 12, 2019, letter to Defendants and LWDA
24 providing notice pursuant to Labor Code section 2699.3, subd. (a).

25 **CC. “Participating Class Member.”**

26 A Class Member who does not submit a valid Request for Exclusion and is entitled to receive
27 his/her share of the Net Settlement Fund. Participating Class Members will release all Released
28 Parties from the Released Claims as of the Effective Date.

DD. “Parties.”

Defendants, the Named Plaintiffs, and the Class Members who do not opt-out of the Settlement.

EE. “Payment Schedule.”

The Gross Settlement will be distributed to Class Members, Named Plaintiffs as Service Awards, Class Counsel (for fees and costs), the LWDA, and the Claims Administrator according to the following Payment Schedule:

	Date	Settlement Fund to Class Members ¹	Gross to all Named Plaintiffs as Service Awards	Class Counsel ²	LWDA	Claims Administrator
Payment by GST of \$790k	Within 15 days of the Effective Date	\$485,816.67	\$15,000.00	\$263,333.33 + \$15,000.00	\$3,750.00	\$7,100.00

Within fifteen (15) days of receipt of the Gross Settlement Payment, the Claims Administrator will transmit payments to Class Members and Class Counsel.

FF. “Preliminary Approval Order.”

The Order issued by the Court preliminarily approving the terms of the Settlement. As part of Plaintiff’s motion for preliminary approval, Plaintiff shall provide the Court with the [Proposed] Order Granting Preliminary Approval as set forth in **Exhibit B**.

GG. “Qualified Settlement Fund.”

The fund established by the Claims Administrator at a FDIC insured bank, with at least one branch located in Los Angeles County, pursuant to Internal Revenue Code Section 1.468B-1, and funded by Defendants pursuant to the Qualified Settlement Fund Deposit Schedule.

¹Settlement payments to Class Members are inclusive of any and all disputed wage claims pursued in this Action and settled as part of the Released Claims.

² Inclusive of Class Counsel’s fees and costs.

HH. “Qualified Settlement Fund Deposit Schedule.”

Date	Amount
Within five (5) days of the Judgment	Claims Administrator shall establish the Qualified Settlement Fund Account
Within fifteen (15) days of the Effective Date.	Defendants shall deposit funds into the Qualified Settlement Fund pursuant to the following schedule: \$790,000.00
Within fifteen (15) days of receipt of Gross Settlement Amount,	Claims Administrator will transmit payments to Class Members and Class Counsel

II. “Qualifying Week(s).”

The seven-day period(s) commencing on Sunday at 12:00 a.m. and ending on a Saturday at 11:59 p.m. in which a Class Member contracted as a Driver with Defendants in California during the Settlement Class Period. Based on Defendants’ records, the total amount of Qualifying Weeks is estimated as 8,312.2.

JJ. “Released Claims.”

As of the Effective Date, all Class Members (other than those who submit a timely and valid Request for Exclusion) shall fully and finally release the Released Parties from any and all Released Claims. The Released Claims include any and all claims plead in the Action (including but not limited to claims in the First Amended Complaint), and claims that could have been plead based on the facts asserted, including claims based on local, state, and/or federal wage and hour claims (including all claims under the California Labor Code and the Fair Labor Standards Act) for unpaid wages, unreimbursed business expenses, minimum wage, overtime, off-the-clock work, meal periods, rest periods, wage statement violations, wage theft, the Wage Orders of the Industrial Welfare Commission, Hours of Service violations, interest, penalties, and attorneys’ fees, waiting time penalties, withholding from wages and the related provisions of the California Labor Code including but limited to Labor Code Sections (and all relevant subsections) 201-204, 210, 216, 218.6, 221, 224, 226, 226.3, 226.7, 510, 512, 516, 558, 621, 1171.5, 1174, 1194, 1198, 2698, 2750.3, 2802, and 3351, derivative claims under California Business & Professions Code Sections 17200 *et seq.* and all claims under any California Industrial Welfare Commission Wage Order, the Fair Labor Standards Act 29 U.S.C. § 201 *et seq.*, and the Private Attorneys General Act of 2004, Labor Code section 2698 *et seq.* (“PAGA”); and any and all claims that were or could have been asserted based

1 on the facts pleaded in the Lawsuit or any amendments thereto for any purported violation of any
2 local, state, or federal wage and hour laws, regulations, and/or ordinances, including such laws,
3 regulations, and/or ordinances related to the non-payment of wages, minimum wages, overtime
4 wages, misclassification, or any other wage-related or recordkeeping-related claims,; liquidated
5 damages; attorneys’ fees, costs and expenses; pre- and post-judgment interest; or damages or relief
6 of any kind arising from the allegation that the Class Members were misclassified and not properly
7 compensated for all time worked on a daily or weekly basis, under state or federal law, at any time
8 through Preliminary Approval.

9 This Release is expressly conditioned and occurs only after Defendants fully fund the Gross
10 Settlement Amount.

11 **KK. “Released PAGA Claims by Non-Participating Class Members Who Are**
12 **Aggrieved Employees”**

13 All Non-Participating Class Members who are Aggrieved Employees are deemed to release,
14 on behalf of themselves and their respective former and present representatives, agents, attorneys,
15 heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA
16 penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts
17 stated in the Operative Complaint, and the PAGA Notice..

18 This Release is expressly conditioned and occurs only after Defendants fully fund the Gross
19 Settlement Amount.

20 **LL. “Released Parties.”**

21 Defendants and their parents, predecessors, successors, subsidiaries, affiliates, related
22 companies, brother and/or sister companies, divisions, joint venturers, assigns, any entities deemed
23 a client employer or labor contractor of Defendants under Labor Code section 2810.3, service
24 providers, insurers, consultants, subcontractors, any individual or entity deemed a statutory
25 employer or joint employers (under any legal theory of joint employment) and all respective agents,
26 employees, officers, directors, stockholders, shareholders, owners, fiduciaries, insurers, consultants,
27 subcontractors, and attorneys thereof.

28

1 This Release is expressly conditioned and occurs only after Defendants fully fund the Gross
2 Settlement Amount.

3 **MM. “Service Award.”**

4 The amount that the Court authorizes to be paid to the Named Plaintiffs over and above their
5 Individual Settlement Payments in recognition of their efforts in assisting with the prosecution of
6 the Action on behalf of the Class Members and in return for executing a General Release of all
7 Claims and other promises as set forth in this Agreement. The Named Plaintiffs will request a
8 Service Award up to \$5,000.00 gross per Named Plaintiffs (which includes \$1,000.00 compensation
9 for execution of the release), which Defendants will not oppose. The Named Plaintiffs will be issued
10 an IRS Form 1099 in connection with their Service Award.

11 **NN. “Confidentiality”**

12 There are no confidentiality provisions in this settlement.

13 **II. RECITALS**

14 **A. Investigation of the Action.**

15 The Parties have conducted significant investigation of the facts and law during the
16 prosecution of the Action. Such discovery and investigation includes, among other things, (a) the
17 exchange and review of information subject to the mediation privilege, (b) the inspection and
18 analysis of records relating to the claims of the Named Plaintiffs and putative class members, (c)
19 extensive written discovery, (d) analysis of potential class-wide damages, and (e) analysis of
20 Defendants’ financial situation.

21 Counsel for the Parties engaged in extensive discussions about the strengths and weaknesses
22 of the claims and defenses and Defendants’ financial condition. The Parties participated in one full-
23 day mediation session before the Hon. Carl J. West, Ret., an experienced and well-regarded mediator
24 and retired Judge of the Los Angeles Superior Court, on October 26, 2021. After the mediation
25 parties continued discussions on potential settlement for almost 8 months, until the agreement was
26 reached.

27 **B. Benefits of Settlement to Class Members.**

28 Named Plaintiffs and Class Counsel recognize the expense and length of continued

1 proceedings necessary to litigate the disputes through trial and through any possible appeals. Named
2 Plaintiffs have also taken into account the uncertainty and risk of the outcome of further litigation,
3 the uncertain merits of the claims, and the difficulties and delays inherent in such litigation. Named
4 Plaintiffs and Class Counsel are also aware of the burdens of proof necessary to establish liability
5 for the claims asserted in the Action, both generally and in response to Defendants' defenses thereto.
6 Named Plaintiffs and Class Counsel have also taken into account Defendants' agreement to enter
7 into a Settlement that confers substantial relief upon the Class Members and that currently
8 Defendants ceased all of its business activities. Based on the foregoing, Named Plaintiffs and Class
9 Counsel have determined that the Settlement set forth in this Agreement is a fair, adequate and
10 reasonable Settlement, and is in the best interests of the Class.

11 **C. Defendants' Reasons for Settlement.**

12 Defendants have concluded that any further defense of this litigation would be protracted
13 and expensive. Defendants have already expended substantial amounts of time, energy, and
14 resources, and unless this Settlement is approved, Defendants will be forced to continue litigating
15 this dispute, through summary judgment and possibly trial and appeals. Defendants have also taken
16 into account the risks of further litigation in reaching its decision to enter into this Settlement,
17 including, but not limited to the expense and delay of continued lengthy proceedings necessary to
18 defend the Action through trial and through appeals, the uncertain outcome of the litigation, the risk
19 of continued litigation in complex actions, the difficulties and delays inherent in such litigation, and
20 the current uncertainties surrounding the preemptive effect of the Federal Aviation Administration
21 Authorization Act of 1994 as applied to the Drivers. Because Defendants believe strongly in the
22 legality of its business model, Defendants will not be "reclassifying" its former Drivers as employees
23 and because Defendants ceased all of its business activities, the issue about changing its business
24 model prospectively is moot. Defendants are confident that Drivers have always been properly
25 classified as independent contractors. Defendants have, therefore, agreed to settle in the manner
26 and upon the terms set forth in this Agreement to put to rest the Claims as set forth in the Action.

27 As to the Released Claims, Defendants vehemently deny and continues to deny each of those
28 claims. Defendants have repeatedly asserted and continues to assert defenses thereto, and have

1 expressly denied and continues to deny any wrongdoing or legal liability arising out of any of the
2 facts or conduct alleged in the Action.

3 **D. Defendant Ceased Its Operations**

4 On or about October 26, 2021, GST ceased its business operations and is no longer in
5 business. If GST is forced to continue litigation, it will only result in additional expenses of GST's
6 limited funds and result in reduction of Drivers' potential recovery, if any.

7 **E. Intent of the Settlement.**

8 The Settlement set forth herein intends to achieve the following: (1) entry of an order
9 approving the Settlement; (2) entry of judgment of the Action, and (3) discharge of Released Parties
10 from liability for any and all of the Released Claims.

11 **III. STIPULATION AND AGREEMENT**

12 ***NOW, THEREFORE, IT IS HEREBY STIPULATED***, by Named Plaintiffs on behalf of
13 the Class Members on the one hand, and Defendants on the other hand, and subject to the approval
14 of the Court, that the Action is hereby being compromised and settled pursuant to the terms and
15 conditions set forth in this Agreement and that 120 calendar days after the Court's Final Judgment,
16 and the payment by Defendants of the Gross Settlement Fund, the Claims Administrator shall file a
17 Declaration with the Court regarding distribution of funds, subject to the continuing jurisdiction of
18 the Superior Court as set forth below, and subject to the following terms and conditions:

19 **A. Release as to All Class Members.**

20 As of the Effective Date, all Participating Class Members (other than those who submit a
21 timely and valid Request for Exclusion), including the Named Plaintiffs, release the Released Parties
22 from the Released Claims. The Participating Class Members agree not to sue or otherwise make a
23 claim against any of the Released Parties for the Released Claims. This Release is expressly
24 conditioned and occurs only after Defendants fully fund the Gross Settlement Amount.

25 **B. General Release by Named Plaintiffs.**

26 In addition to the releases made by the Class Members as set forth herein, Named Plaintiffs,
27 in their individual capacity and with respect to their individual claims only, agree to release the
28 Released Parties from any and all claims, known and unknown, under federal, state and/or local

1 law, statute, ordinance, regulation, common law, or other source of law, including but not limited
2 to claims arising from or related to their alleged employment with Defendants and their
3 compensation while performing services for Defendants (“Named Plaintiffs’ Released Claims”).
4 Named Plaintiffs’ Released Claims are not limited to claims arising from or related to the Action.
5 Named Plaintiffs’ Released Claims include all statutory and common law claims for unpaid wages,
6 including, but not limited to, failure to pay minimum wage, overtime compensation, and interest;
7 penalties for missed meal periods and rest periods; payment for all hours worked, including off-
8 the-clock work; failure to reimburse for necessary business expenses; inaccurate wage statements;
9 failure to keep accurate records; unfair business practices; penalties, including, but not limited to,
10 wage statement penalties, minimum-wage penalties, and waiting time penalties; and attorneys’ fees
11 and costs. Named Plaintiffs’ Released Claims include all claims arising under the California Labor
12 Code (including, but not limited to, sections 201, 202, 203, 204, 210, 218.6, 221, 225.5, 226, 226.7,
13 510, 511, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1197.2, 1198, 2698 *et seq.*, and 2802); the
14 Wage Orders of the California Industrial Welfare Commission; California Business and Professions
15 Code section 17200 *et seq.*; the California common law of contract; the California Government
16 Code, the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; and federal common law; as well as
17 any other claims relating to, or arising out of Class Members’ working relationship with the
18 Defendants or Released Parties during the Settlement Class Period, whether under federal, state, or
19 local laws or regulations.

20 Named Plaintiffs’ Released Claims include all claims, whether known or unknown. Even
21 if the Named Plaintiffs discover facts in addition to or different from those that they now know or
22 believe to be true with respect to the subject matter of Named Plaintiffs’ Released Claims, those
23 claims will remain released and forever barred. Thus, the Named Plaintiffs expressly waive the
24 benefits of section 1542 of the California Civil Code, which reads:

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

1 This Release is expressly conditioned and occurs only after Defendants fully fund the Gross
2 Settlement Amount.

3 **C. Service Award to Named Plaintiffs.**

4 Subject to Court approval, for Named Plaintiffs' time and effort in bringing and prosecuting
5 this matter and in exchange for the Named Plaintiffs' Released Claims and other obligations in this
6 Agreement, the Named Plaintiffs shall be paid up to \$5,000.00 each, or such other amount as the
7 Court may order. This payment is expressly made in return for the releases described above. The
8 Service Awards shall be paid to each of the Named Plaintiffs by the Claims Administrator consistent
9 with the Payment Schedule. The Service Awards shall be made solely from the Qualified Settlement
10 Funds. The Parties agree that a decision by the Court to award Named Plaintiffs an amount less
11 than the amount stated above shall not be a basis for either Named Plaintiffs and/or Class Counsel
12 to void this Agreement. The Claims Administrator shall issue a Form 1099 – MISC, Box 3 to each
13 of the Named Plaintiffs for the Service Award. Plaintiffs agree to provide the Claims Administrator
14 with an executed Form W-9 before the Service Award is issued. Any amounts awarded for Service
15 Awards to Named Plaintiffs less than the amount listed above will result in the non-awarded funds
16 being part of the Net Settlement Fund available for distribution to the Class Members. Named
17 Plaintiffs shall be solely and legally responsible to pay any and all applicable taxes on these
18 payments and shall hold Defendants harmless from any claim or liability for taxes, penalties or
19 interest arising as a result of the payments. These Service Awards shall be in addition to Named
20 Plaintiffs' individual share of the Net Settlement Fund as Class Members.

21 Defendants make no representations as to the tax treatment or legal effect of the payments
22 called for herein, and Named Plaintiffs are not relying on any representation by Defendants in this
23 regard. Named Plaintiffs understand and agree that they will be solely responsible for the payment
24 of any taxes and penalties assessed on the payment to them described herein.

25 **D. Creation of the Qualified Settlement Fund and Administration of the**
26 **Settlement.**

27 Within five calendar days after the Court's Judgment, the Claims Administrator shall
28 establish the Qualified Settlement Fund. Within fifteen (15) days of the Effective Date, Defendants

1 shall deposit the Gross Settlement Amount (i.e., \$790,000.00) as required by this Stipulation and as
2 set forth in the Qualified Settlement Fund Deposit Schedule into the Qualified Settlement Fund
3 created by the Claims Administrator. All payments Defendants are required to make pursuant to
4 the Qualified Settlement Fund Deposit Schedule shall be made from the Qualified Settlement Fund.
5 Payments from the Qualified Settlement Fund shall be made for: (1) the Service Awards to the
6 Named Plaintiffs; (2) Attorneys' Fees and Cost Award paid to Class Counsel; (3) the Claims
7 Administration Costs; and (4) the amount allocated to the LWDA for its 75% share of the PAGA
8 Payment. The balance remaining shall constitute the Net Settlement Fund from which Gross
9 Individual Settlement Payments are available to be made to the Participating Class Members as set
10 forth in the Agreement.

11 **E. Attorneys' Fees and Cost Award.**

12 Defendants agree not to oppose any application or motion by Class Counsel for an
13 Attorneys' Fees and Cost Award that consists of attorneys' fees up to \$263,333.33, in addition to
14 verified costs not to exceed \$15,000.00, to be supported by a declaration from Class Counsel.
15 Attorneys' Fees are calculated as 33.33% of the Gross Settlement Amount with a lodestar cross-
16 check. Any amount awarded to Class Counsel for attorneys' fees and/or costs less than the amounts
17 sought will result in the non-awarded amounts to be part of the Net Settlement Fund, available for
18 distribution to Participating Class Members. The Parties agree that a decision by the Court to award
19 Class Counsel fees and/or costs in an amount less than the amount stated above shall not be a basis
20 for either Named Plaintiffs and/or Class Counsel to void this Agreement. As of the Effective Date,
21 Class Counsel shall be paid their Attorneys' Fees and Cost Award as set forth in the Payment
22 Schedule. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the
23 payment made pursuant to this Paragraph. A Form 1099 – MISC, Box 14 shall be provided to Class
24 Counsel for the payment made pursuant to this Paragraph.

25 **F. Claims Administrator.**

26 The Claims Administrator shall be paid for the costs of administration of the Settlement from
27 the Gross Settlement Amount. The estimate of such costs of administration for the disbursement of
28 the Gross Settlement Amount is \$7,100.00. Any amount awarded for costs of administration to the

1 Claims Administrator less than this amount will result in the non-awarded amount being made part
2 of the Net Settlement Fund, available for distribution to Participating Class Members. This estimate
3 includes the required tax reporting on the Gross Settlement amounts, including the issuing of 1099
4 Forms (if any). Ten business days prior to the Final Approval Hearing, the Claims Administrator
5 shall provide to counsel for the Parties with a statement detailing the costs of administration of the
6 Gross Settlement Amount to date, and a not-to-exceed budget of the Claims Administrator's costs
7 during the administration of this Settlement. A Form 1099 – MISC, Box 7 shall be issued to the
8 Claims Administrator.

9 **G. Preliminary Approval Hearing.**

10 As part of this Settlement, the Parties agree to the following procedures for obtaining
11 preliminary Court approval of the Settlement:

12 1. Named Plaintiffs shall request a hearing before the Court to request preliminary
13 approval of the Settlement and to request the entry of the Preliminary Approval Order.

14 2. Simultaneous with the filing of the Stipulation and Settlement of Class Action
15 Agreement, and solely for purposes of this Settlement, Named Plaintiffs will request the Court enter
16 the Preliminary Approval Order, preliminarily approving and conditionally certifying the class for
17 Settlement purposes only, and setting a date for a Final Approval Hearing.

18 3. In conjunction with this hearing, Named Plaintiffs will submit this Stipulation
19 and Settlement of Class Action Agreement, which sets forth the terms of this Settlement Agreement,
20 and will include proposed forms of all notices and other documents, as attached hereto, necessary
21 to implement the Settlement. Defendants shall have no less than ten (10) business days to review
22 and propose revisions prior to such submission. The Order shall provide for Notice of the Settlement
23 and related matters to be sent to Class Members as specified herein.

24 4. Simultaneous with the filing of the Stipulation and Settlement of Class Action
25 Agreement, and solely for the purposes of this Settlement, Named Plaintiffs will submit this
26 Settlement Agreement to the LWDA pursuant to Labor Code section 2699(1)(2).

27 **H. Settlement Administration/Management.**

28 The Individual Settlement Payments shall be managed and administered as follows:

1 1. Defendants shall have no obligation to segregate the funds to be used for the Gross
2 Settlement Amount from other assets. Defendants will retain exclusive authority over, and
3 responsibility for, the funds comprising the Gross Settlement Amount until such time as each of the
4 three deposits must be made as described in the Qualified Settlement Fund Deposit Schedule. The
5 Claims Administrator shall not receive any payment until Defendants are obligated to fund the
6 Qualified Settlement Fund pursuant to the Qualified Settlement Fund Deposit Schedule.

7 2. Phoenix Class Action Administrator Solutions shall be retained to serve as Claims
8 Administrator, subject to Court approval. The Parties represent that they do not have any financial
9 interest in the Claims Administrator or otherwise have a relationship with the Claims Administrator
10 that could create a conflict of interest.

11 3. Defendants shall provide the Claims Administrator with the Class List and Data
12 Report within thirty (30) days after entry of the Preliminary Approval Order. Class Counsel shall
13 not be entitled to review or receive the Class List and Data Report.

14 4. Within fifteen (15) calendar days of receipt of the Class List and Data Report, the
15 Claims Administrator shall mail the Notice Packet to each Class Member in accordance with the
16 procedures set forth herein.

17 5. Ten (10) calendar days after the Opt-out/Objection Deadline Date, the Claims
18 Administrator shall provide Defendants' Counsel and Class Counsel a report showing: (i) the names
19 and number of Class Members who have objected to the Settlement; (ii) the names of Class
20 Members opting out of the Settlement (i.e., Class Members who submitted a Request for Exclusion);
21 (iii) the name and amount owed to each Participating Class Member in total over the three year
22 period; and (iv) a statement estimating and detailing the Claims Administration Costs.

23 6. The Parties agree to cooperate in the Settlement administration process and to make
24 all reasonable efforts to control and minimize the costs and expenses incurred.

25 7. The Claims Administrator shall be responsible for: translating the Notice Package
26 from English into Spanish and Mandarin, printing and mailing the Notice Package (in English,
27 Spanish, and Mandarin); receiving and reporting the Request for Exclusions and objections
28 submitted by Class Members; mailing Individual Settlement Payments to Participating Class

1 Members as set forth in the Payment Schedule; and other tasks as the Parties mutually agree or the
2 Court orders the Claims Administrator to perform. The Claims Administrator shall keep
3 Defendants' Counsel and Class Counsel timely apprised of the performance of all Claims
4 Administrator responsibilities.

5 8. The Claims Administrator, on Defendants' behalf, shall have the authority and
6 obligation to make payments, credits and disbursements, including payments and credits in the
7 manner set forth herein, to Participating Class Members calculated in accordance with the
8 methodology set out in this Agreement and Orders of the Court.

9 9. Any tax return filing required by this Agreement shall be made by the Claims
10 Administrator. Any expenses incurred in connection with such filing shall be a cost of
11 administration of the Settlement and are included as part of the Claims Administration Costs.

12 10. No person shall have any claim against Defendants or Defendants' Counsel, the
13 Named Plaintiffs, Class Members, the Class, Class Counsel or the Claims Administrator based on
14 distributions and payments made in accordance with this Agreement.

15 11. No person shall have any claim against Defendants or Defendants' Counsel, Named
16 Plaintiffs, Class Members, the Class, Class Counsel or the Claims Administrator based on failure to
17 become a Participating Class Member, for any reason.

18 **I. Calculation of Individual Settlement Payments.**

19 The Gross Individual Settlement Payment for each Participating Class Member shall be
20 determined as follows:

21 1. The total number of Qualifying Weeks that all Class Members contracted with GST
22 as a Driver during the applicable Settlement Class Period(s) ("Total Workweeks") is estimated based
23 on the Defendants' records as 8,312.2. The value of each Qualifying Week is determined by
24 dividing the Net Settlement Proceeds by the total number of Qualifying Weeks available to the Class
25 Members during the Settlement Class Period ("Week Point Value") and is about \$58.45 per
26 Qualifying Week, inclusive of the distribution of PAGA Payments of approximately \$0.15 per
27 Qualifying Week. The Settlement amount for each driver ranges from \$292.25 to \$18,135.86 based
28 on the number of Qualifying Weeks worked during the Class Period as set forth in the **Exhibit E**.

1 2. To determine the Gross Individual Settlement Payment for each Class Member over
2 the entire three (3) year administration period, the Claims Administrator will multiply the
3 individual's Total Qualifying Weeks by the Workweek Point Value.

4 3. This is a "non-claims made" settlement, which means Class Members will not be
5 required to submit a claim to the Claims Administrator in order to receive settlement funds. As
6 such, the Claims Administrator will send every Class Member notice of the settlement, apprising
7 the Class Member of the terms and conditions of the settlement (in a form to be drafted jointly by
8 the Parties and approved by the Court), explaining that each Class Member may (1) participate in
9 the settlement (but need not submit a claim thereby becoming Class Members), (2) opt-out of the
10 settlement (and not be bound by the release nor receive any funds), or (3) object at the Final
11 Approval Hearing or file a formal objection to the settlement.

12 4. All Gross Individual Settlement Payments will be allocated as follows: 50% to
13 settlement of claims for reimbursable business expenses and interest; and 50% to settlement of
14 claims for statutory penalties. The payments shall be reported on an IRS Form 1099. Named
15 Plaintiffs and Class Members shall assume full responsibility and liability for the payment of taxes
16 due on such settlement payments.

17 5. No withholding shall be made from the Gross Individual Settlement Payment. The
18 Claims Administrator will issue an IRS Form 1099 for the Gross Individual Settlement Payment.

19 6. Each Participating Class Member shall be sent one check which will be treated as a
20 non-wage payment and reported as an IRS Form 1099.

21 7. The Parties agree to settle this Action for the Gross Settlement Amount of \$790,000.
22 In negotiating the Gross Settlement Amount Parties took into consideration that Defendants will not
23 pay taxes for providing this amount, particularly, because the Gross Settlement Amount does not
24 include wages and because Defendants ceased their operation and generate no income anymore.
25 There shall be no reversion to Defendants. The Gross Settlement Amount and other actions and
26 forbearances taken by Defendants shall constitute adequate consideration for the Class Settlement
27 and will be made in full and final settlement of: (a) the Released Claims, (b) Attorneys' Fees and
28 Cost Award, (c) the PAGA Payment, and (d) any other obligation of Defendants under this

1 Stipulation. The payments are not being made for any other purpose and shall not be construed as
2 compensation for purposes of determining eligibility for any health and welfare benefits or
3 unemployment compensation.

4 8. Any money from uncashed checks will be donated to a nonprofit proposed by Class
5 Counsel, Casa Cornelia Law Center and approved by the Court as the designated *cy pres*. Casa
6 Cornelia Law Center is a 501(c)(3) public interest law firm providing quality legal services to
7 victims of human and civil rights violations. Casa Cornelia has a primary commitment to indigent
8 persons within the immigrant community in Southern California. It seeks to educate others regarding
9 the impact of immigration law and policy on the community and the public good. These goals serve
10 to promote justice for all Californians and deemed to be an appropriate *cy press* by the Parties.
11 (Gomez Decl. ¶35)

12 **IV. Notice to Class Members.**

13 Notice of the Settlement shall be provided to all Class Members as follows:

14 **A. Notice by First-Class Mail.**

15 Within 15 calendar days after receipt of the Class List and Data, the Claims Administrator
16 shall mail the Notice Packet (in English, Spanish and Mandarin) to the Class Members via first-
17 class regular U.S. mail. Prior to mailing, the Claims Administrator will perform a search based on
18 the National Change of Address Database to update and correct for any known or identifiable
19 address changes. If a new address is obtained by way of a returned Notice Packet, then the Claims
20 Administrator shall promptly forward the original Notice Packet to the updated address via first-
21 class regular U.S. mail indicating on the original Notice Packet the date of such re-mailing. Upon
22 re-mailing, Class Members will be given an additional seven days to respond.

23 **B. Opt-Out/Objection Deadline Date.**

24 Class Members will have 45 calendar days from the mailing of the Notice Packet to “opt
25 out” of the Settlement or object to the Settlement, unless the Class Member attends the Final
26 Approval Hearing and makes an objection in person at the Final Approval Hearing. The Court will
27 hear from any Class Member who attends the Final Approval Hearing and asks to speak regarding
28 his or her objection.

1 **C. Procedure for Undeliverable Notices.**

2 With respect to any Notices returned to the Claims Administrator as non-delivered on or
3 before the Deadline Date, the Claims Administrator shall perform a single re-mailing by forwarding
4 the original Notice to the forwarding address affixed thereto within 15 calendar days. Upon re-
5 mailing, Class Members will be given an additional seven days to respond. If no forwarding address
6 is provided, then the Claims Administrator shall promptly attempt to determine a correct address
7 using a single skip-trace, computer or other search using the name, address and/or Social Security
8 number of the individual involved, and shall then perform a single re-mailing within 15 calendar
9 days. Upon re-mailing, Class Members will be given an additional seven days to respond. In the
10 event the procedures in this paragraph are followed and the intended recipient of a Notice Packet
11 still does not receive the Notice Packet, the Class Member shall be bound by all terms of the
12 Settlement and any Judgement entered by the Court if the Settlement is approved by the Court.

13 **D. Procedure for Objecting to the Class Action Settlement.**

14 The Notice shall provide that those Class Members who wish to object to the Settlement
15 may attend the Final Approval Hearing, and object in person at the Final Approval Hearing, may
16 file an objection with the Court, or mail a written statement of objection (“Notice of Objection”) to
17 the Claims Administrator no later than the Opt-Out/Objection Deadline Date. The Claims
18 Administrator shall provide counsel for the Parties with complete copies of all objections received,
19 including the postmark dates for each objection, within five business days of receipt. Class Counsel
20 will provide copies of any objections and supporting documents to the Court concurrently with the
21 notice of motion for final approval. Any attorney who intends to represent an individual objecting
22 to the Settlement must file a notice of appearance with the Court and serve counsel for all parties,
23 at least ten calendar days before the Final Approval Hearing.

24 **E. Procedure for Opting Out/Requesting Exclusion.**

25 The Notice shall provide that those Class Members who wish to request exclusion from the
26 Settlement must: (a) set forth the name, address, and telephone number of the Class Member
27 requesting exclusion, (b) state “I wish to be excluded from the settlement class in the Hugo Yan, et
28 al. v. GST Transport, Inc, et al. Superior Court of the State of California, County of Los Angeles,

1 Case No. 19STCV40976,” or words substantially to that effect; (c) be signed by the Class Member;
2 (d) be returned by mail, addressed to the Claims Administrator at the specified address indicated in
3 the Notice Packet; and (e) be postmarked on or before the Request for Exclusion/Objection Deadline
4 Date, to be valid. The date of the postmark on the return mailing envelope shall be the exclusive
5 means to determine whether a Request for Exclusion has been timely submitted. Any Class Member
6 who submits a valid and timely Request for Exclusion shall no longer be a member of the Class,
7 shall be barred from participating in this Settlement, shall be barred from objecting to this Settlement
8 and shall receive no benefit from this Settlement. Any Class Member who does not submit a valid
9 and timely Request for Exclusion shall be bound by the terms and conditions of this Settlement, to
10 include the Released Claims. Class Counsel will provide copies of Request for Exclusion to the
11 Court at least ten days before the Final Approval Hearing.

12 **F. No Solicitation of Settlement Objections or Opt-Outs.**

13 The Parties agree to use their best efforts to carry out the terms of this Settlement. At no
14 time shall any of the Parties or their counsel seek to solicit or otherwise advise, encourage or
15 influence Class Members to submit written objections to the Settlement, to opt-out of the Settlement
16 or to appeal from the Judgment.

17 **G. Procedure for Payment to Participating Class Members.**

18 The procedure for payment to Class Members of Individual Settlement Payments is as
19 follows:

20 a. There is no claim form. Class Members will receive their Individual Settlement
21 Payments as described herein, unless they timely opt-out of the Settlement.

22 b. Each Class Member’s Qualifying Week(s) and estimated Gross Individual
23 Settlement Payment will be set forth on the Class Member Individual Workweek Report.

24 c. If a Class Member disputes the Gross Individual Settlement Payment or the dates
25 he/she contracted with Defendants as a Driver as listed on a Class Member Individual Workweek
26 Report, the Class Member may produce evidence to the Claims Administrator indicating the dates
27 he/she contends to have contracted with Defendants during the applicable Settlement Class Period.
28 Defendants’ records will be presumed determinative, absent evidence to rebut Defendants’ records,

1 but the Claims Administrator will evaluate the evidence submitted by the Class Member and make
2 the final decision as to which dates should be applied. The deadline to dispute the Gross Individual
3 Settlement Payment or the dates a Class Member contracted with Defendants as a Driver as listed
4 on a Class Member Individual Workweek Report will be within the 45-day Opt-Out/Objection
5 Deadline Date.

6 d. Individual Settlement Payments for Participating Class Members shall will be in the
7 form of a check with a note that the Class Member releases FLSA claims by cashing the check, and
8 will contain words (in English, Spanish and Mandarin) to the following effect: “*My endorsing,*
9 *cashing, or depositing of this check constitutes my consent to join the lawsuit entitled Hugo Yan, et*
10 *al. v. GST Transport, Inc, et al. Superior Court of the State of California, County of Los Angeles,*
11 *Case No. 19STCV40976, and my release of claims therein pursuant to the Settlement of the lawsuit*
12 *and provisions of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. Section 216(b).” Participating*
13 Class Members shall have 180 days from the date of issuance to cash their settlement checks.

14 e. Should any question arise regarding the determination of eligibility for, or the
15 amounts of, any Individual Settlement Payment under the terms of this Agreement, Class Counsel
16 and Defendants’ Counsel shall meet and confer in an attempt to reach agreement. If they cannot
17 agree, the Claims Administrator shall make the final determination, and that determination shall be
18 conclusive, final and binding on all Parties, including all Class Members.

19 f. Any checks issued by the Claims Administrator to Class Members shall be negotiable
20 for 180 days from issuance, at which time the funds representing the money from the “uncashed
21 checks” shall be paid to a nonprofit proposed by Class Counsel, Casa Cornelia Law Center and
22 approved by the Court.

23 g. Non-Participating Class Members shall receive no Individual Settlement Payment,
24 and their request not to participate will reduce neither the Gross Settlement Amount nor the Net
25 Settlement Fund.

26 **H. Final Approval Hearing and Entry of Judgment.**

27 Upon expiration of the Opt-Out/Objection Deadline Date, with the Court’s permission the
28 Final Approval Hearing shall be conducted to determine final approval of the Settlement along with

1 the amount properly payable for: (i) reasonable Attorneys' Fees and Costs Award; (ii) any Service
2 Award; and (iii) reasonable Claim Administration Costs. The Final Approval Hearing shall not be
3 held earlier than 30 calendar days from the Opt-Out/Objection Deadline Date. Class Members will
4 be apprised of the Final Approval Hearing and any changes in time or location to the Final Approval
5 Hearing via the website set up by the parties and the Administrator. Upon final approval of the
6 Settlement by the Court, the Parties shall present the Judgment to the Court for its approval. After
7 entry of the Judgment, the Court shall have continuing jurisdiction solely for purposes of addressing:
8 (i) the interpretation and enforcement of the terms of the Settlement; (ii) Settlement administration
9 matters; and (iii) such post- Judgment matters as may be appropriate under court rules or as set forth
10 in this Agreement.

11 **I. Certification by Claims Administrator**

12 No later than eighty (80) days after Payments are distributed from the Qualified Settlement
13 Fund, the Claims Administrator shall file a Declaration of Distribution attesting that funds were
14 distributed in accordance with the Court-approved Settlement Agreement, provided the Settlement
15 is effective.

16 **J. Final Report by Claims Administrator to the Court**

17 Within thirty (30) days after the expiration date of checks from the final disbursement of all
18 funds from the Gross Settlement Amount (i.e., after the Payments are made), the Claims
19 Administrator will serve on the Parties and file with the Court a declaration providing a final report
20 on the disbursement of all funds from the Gross Settlement Amount including donation of money
21 to the *cy pres* of money from uncashed checks, if any.

22 **V. Additional Provisions.**

23 **A. Tolerance.**

24 If the Class Members to whom aggregate of 5% or more of the Qualified Work Weeks are
25 attributed, elect to opt out of the Settlement, Defendants may, at its election, rescind the Settlement
26 and all actions taken in its furtherance of it will be thereby null and void. In the event of an opt
27 out(s), the opt out Qualified Work Weeks times the average workweek payout of \$58.30 (exclusive
28 of \$0.15 allocated for PAGA Payment) will be deducted from the total settlement. The determination

1 of the number of opted out Qualified Work Weeks is subject to verification by Defendants. If,
2 however, the issue of verification cannot be resolved, any dispute will be submitted for resolution
3 by the mediator, Hon. Carl. J. West (Ret.).

4 Defendants must exercise this right of rescission, in writing, to Class Counsel, within fifteen
5 (15) calendar days after the Claims Administrator notifies the Parties of the total number of opt-
6 outs. If the option to rescind is exercised, then Defendants shall be solely responsible for all costs
7 of the claims administration accrued to that point.

8 **B. Nullification of Settlement Agreement.**

9 In the event: (i) the Court does not enter the Order specified herein; (ii) the Court does not
10 finally approve the Settlement as provided herein; (iii) the LWDA objects to the Settlement; (iv) the
11 Court does not enter a Judgment as provided herein; (v) Defendants exercise its option to nullify the
12 Agreement; or (vi) the Settlement does not become final for any other reason; this Settlement
13 Agreement shall be null and void. Any order or judgment entered by the Court in furtherance of
14 this Settlement shall be treated as void from the beginning, and the Stipulations and Recitals
15 contained herein shall be of no force or effect, and shall not be treated as an admission by the Parties
16 or their Counsel. In such a case, the Parties and any funds to be awarded under this Settlement shall
17 be returned to their respective statuses as of the date and time immediately prior to the execution of
18 this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not
19 been executed, except that any fees already incurred by the Claims Administrator shall be paid by
20 Defendants.

21 **C. Publicity/Non-Disclosure.**

22 The Parties and their counsel agree that they will not issue any press releases, initiate any
23 contact with the press, respond to any press inquiry or have any communication with the press about
24 the fact, amount or terms of the Settlement. Class Counsel may respond to press inquiries by stating
25 the matter has been resolved and refer the press to court filings. In addition, the Parties and their
26 counsel agree that they will not engage in any advertising or distribute any marketing materials
27 specifying any material terms relating to the Settlement of this case, including but not limited to any
28 postings on any websites maintained by Class Counsel. To the extent counsel for either Party wish

1 to advertise this settlement, such advertising will be limited to a statement that a matter was settled.
2 The Claims Administrator shall not create nor maintain any website regarding this Settlement at any
3 time. Any communication about the Settlement to Class Members prior to the Court-approved
4 mailing will be limited to a statement that a settlement has been reached and the details will be
5 communicated in a forthcoming Court-approved notice. Prior to preliminary approval, Named
6 Plaintiffs are prohibited from discussing the terms or the fact of the settlement with third parties
7 other than (1) their immediate family members, (2) their accountants or lawyers as necessary for tax
8 purposes; or (3) other Class Members. At all times, the Named Plaintiffs are prohibited from
9 communicating about the terms or the fact of the settlement on any form of social media (“Social
10 Media Bar”). In the event of a proven breach of the Social Media Bar, Named Plaintiffs shall forfeit
11 one-half of their respective class representative enhancement payment, as a form of liquidated
12 damages.

13 **D. Exhibits and Headings.**

14 The terms of this Agreement include the terms set forth in any attached exhibits, which are
15 incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are
16 an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this
17 Agreement are inserted for convenience only and do not constitute a part of this Agreement.

18 **E. Amendment or Modification.**

19 This Agreement may be amended or modified only by a written instrument signed by counsel
20 for all Parties or their successors-in-interest.

21 **F. Entire Agreement.**

22 This Agreement and any attached exhibits constitute the entire agreement among these
23 Parties, and no oral or written representations, warranties or inducements have been made to any
24 Party concerning this Agreement or its exhibits other than the representations, warranties and
25 covenants contained and memorialized in such documents.

26 **G. Authorization to Enter into Settlement Agreement.**

27 Counsel for all Parties warrant and represent that they are expressly authorized by the Parties
28 whom they represent to negotiate this Agreement and to take all appropriate action required or

1 permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to
2 execute any other documents required to effectuate the terms of this Agreement. The Parties and
3 their counsel will cooperate with each other and use their best efforts to effect the implementation
4 of the Settlement. In the event the Parties are unable to reach agreement on the form or content of
5 any document needed to implement the Settlement, or on any supplemental provisions that may
6 become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of
7 the Court to resolve such disagreement. The person(s) signing this Agreement on behalf of
8 Defendants represent and warrant that he/she/they are authorized to sign this Agreement on
9 Defendants' behalf.

10 ///

11 **H. Binding on Successors and Assigns.**

12 This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns
13 of the Parties hereto, as previously defined.

14 **I. California Law Governs.**

15 All terms of this Agreement and the exhibits hereto shall be governed by and interpreted
16 according to the laws of the State of California.

17 **J. Counterparts.**

18 This Agreement may be executed in one or more counterparts. All executed counterparts
19 and each of them shall be deemed to be one and the same instrument.

20 **K. This Settlement Is Fair, Adequate and Reasonable.**

21 The Parties believe this Settlement is a fair, adequate and reasonable Settlement of this
22 Action and have arrived at this Settlement after extensive arms-length negotiations, taking into
23 account all relevant factors, present and potential.

24 **L. Jurisdiction of the Court**

25 The Court shall retain jurisdiction with respect to the interpretation, implementation and
26 enforcement of the terms of this Agreement and all orders and judgments entered in connection
27 therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes
28

1 of interpreting, implementing and enforcing the Settlement embodied in this Agreement and all
2 orders and judgments entered in connection therewith.

3 **M. Cooperation and Drafting.**

4 Each of the Parties has cooperated in the drafting and preparation of this Agreement, and,
5 therefore, in any construction made to this Agreement, the same shall not be construed against any
6 of the Parties.

7 **N. Invalidity of Any Provision.**

8 Before declaring any provision of this Agreement invalid, the Court shall first attempt to
9 construe the provisions as valid and enforceable to the fullest extent possible consistent with
10 applicable law.

11 **O. Translation from English to Spanish and to Mandarin.**

12 The Named Plaintiffs acknowledge that prior to entering into this Agreement, Class
13 Counsel provided them with a written or oral translation of the entire Agreement from
14 English to Spanish and to Mandarin. The Named Plaintiffs affirm that they fully understand
15 the terms and conditions of this Agreement, and knowingly enter into this Agreement on
16 behalf of themselves and all Class Members.

17 Los Demandantes nombrados reconocen que antes de celebrar este Acuerdo, los
18 Abogados de la Clase les proporcionaron una traducción escrita u oral de todo el Acuerdo
19 del inglés al español. Los Demandantes nombrados afirman que comprenden completamente
20 los términos y condiciones de este Acuerdo, y a sabiendas lo firman en nombre de ellos
21 mismos y de todos los Miembros de la Clase.

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23 Dated: 3/4/2023

DocuSigned by:

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Plaintiff HUGO YAN

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25 Dated: 3/4/2023

DocuSigned by:

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Plaintiff EFRAIN VARGAS

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27 Dated: 3/5/2023

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Plaintiff SALOMON MEJIA

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Date: March 3, 2023

GST TRANSPORT, INC.

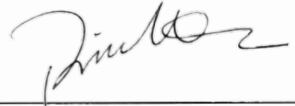
By:  _____

Name: Xiujie Zhang

Its: Chief Executive Officer

Dated: March 3, 2023

INNOVATIVE LEGAL SERVICES

By  _____


RICHARD Q. LIU

Attorneys for Defendants

GST TRANSPORT, INC., AMERICA
CHUNG NAM TRANSPORTATION,
LLC, and AMERICA CHUNG NAM, LLC

Dated: March 3, 2023

GOMEZ LAW GROUP

By:  _____

ALVIN M. GOMEZ

Attorneys for the Named Plaintiffs