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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

ROCHELLE ANTHONY, an individual, on
behalf of herself and others similarly situated,

PLAINTIFF,

v.

CITIZEN WATCH COMPANY OF
AMERICA, INC.; and DOES 1 thru 50,
inclusive,

DEFENDANTS.

CASE NO. 20STCV00171

[Case Assigned for All Purposes to Hon. Maren
E. Nelson in Dept. SSC-17]

**DECLARATION OF ARI J. STILLER IN
SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

*[Filed concurrently with the Notice of Motion
and Motion, and Proposed Order]*

Date: March 3, 2021

Time: 9:00 a.m.

Dept.: 17

Complaint Filed: January 3, 2020

FAC Filed: March 9, 2020

Trial Date: None Set

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I, Ari J. Stiller, declare as follows:

1. I am an attorney licensed to practice before all of the courts of the State of California. I practice in the office of Kingsley & Kingsley, APC, attorneys of record for Plaintiffs in the above-entitled action. I am familiar with the pleadings and discovery in this action. I have personal knowledge of the facts set forth herein, and if called upon as a witness, I could and would testify competently thereto.

2. This Declaration is submitted in support of Plaintiffs' Motion for Preliminary Approval of the Class Action Settlement in the above matter.

FACTUAL AND PROCEDURAL HISTORY

3. Plaintiffs allege that they worked as shipping clerks at Defendant's warehouse in Torrance, California, where their job duties included packing and processing orders for watches, toys, and other items.

4. They claim that Defendant paid them and other clerks a shift differential (typically an extra \$1.25 per hour) as an incentive for working undesirable shifts, but that Defendant failed to blend the shift differential into their “regular rate of pay” when they worked overtime or earned meal period premiums in the same pay periods as shift differential.

5. On or about January 3, 2020, Plaintiff Rochelle Anthony (“Plaintiff Anthony”) filed her Class Action Complaint seeking unpaid wages and penalties. She added a claim under the Private Attorney’s General Act (“PAGA”), Labor Code § 2699 by way of a First Amended Class and Representative Action Complaint filed on March 9, 2020.

6. During the course of litigation, Plaintiff's counsel was retained by another former employee of Defendant, Travenia Morris, and Plaintiff's counsel filed a Second Amended Class and Representative Action Complaint on January 26, 2021, to add her as an additional class representative.

7. After the Court lifted the discovery stay for mediation purposes on August 11, 2020, the parties engaged in extensive informal discovery. Defendant produced documents and provided

1 other information necessary to evaluate settlement, including Plaintiff Anthony's personnel file
2 and time and pay records, relevant policy documents, a statement of the number of California
3 employees who received overtime or meal/rest premiums in the same pay period as shift
4 differential during the class and PAGA periods, and the complete payroll for the liability period
5 for pay periods where the class earned shift differential and overtime or other premium pay.

6 8. Plaintiffs also produced dozens of paystubs and other employment documents to
7 Defendant, including those that they believe form the basis for their claims.

8 9. Based on this information, and with the assistance of mediator David Phillips, Esq.,
9 the Parties reached an agreement in principle to settle the matter after a full day's mediation on
10 October 27, 2020.

11 10. The Parties then signed a final long-form Settlement Agreement intended to resolve
12 all claims. A true and correct copy of the Settlement Agreement and Release of Claims is attached
13 hereto as **Exhibit A**.

14 11. Careful review and analysis of discovery confirmed Plaintiffs' Counsel's belief that
15 the proposed settlement is adequate, fair, reasonable, and appropriate for Court approval. Based
16 on their own independent investigation and evaluation, Plaintiffs' Counsel believes the Settlement
17 Agreement is fair and reasonable in light of all known facts and circumstances, including the risk
18 of significant delay, defenses asserted by Defendant, uncertainties regarding a class and
19 representative action trial on the merits, and potential appellate issues.

20 **CLASS CERTIFICATION FOR SETTLEMENT PURPOSES**

21 12. I believe that class certification for settlement purposes is proper in this case as the
22 proposed Settlement Class satisfies each of the requirements under Code of Civil Procedure § 382.

23 13. Plaintiffs maintain that the proposed Settlement Class is ascertainable because
24 Defendant's records demonstrate which employees were subject to an alleged violation, and
25 Defendant has agreed to provide the settlement administrator with each Settlement Class
26 Member's full name, last known address, social security or other identifying number, and relevant
27 pay periods . (See Ex. 1 at § III, ¶ B(2).)

1 14. Plaintiffs maintain that the proposed Settlement Class is sufficiently numerous
2 because it contains approximately 64 hourly employees. (Ex. 1 at § III, ¶ I(2).)

3 15. Plaintiffs believe that common questions predominate for settlement purposes
4 because Plaintiffs allege that Settlement Class Members worked in the same capacity for the same
5 employer and were subject to the same relevant employment policies and practices, namely the
6 uniform failure to blend shift differential pay into the “regular rate of pay” when calculating
7 overtime and meal period premiums, and thus the failure to pay wages at the proper rate. For
8 purposes of settlement, the evidence that I reviewed shows that common wage policies applied to
9 the proposed Settlement Class Members and certification for settlement purposes is appropriate.

10 16. The class representatives’ claims here are typical of the Settlement Class’s because
11 Plaintiffs worked for Defendant as warehouse clerks, earning overtime pay and shift differentials,
12 but allegedly did not receive overtime pay at the proper blended rate.

13 17. Plaintiffs believe that they are capable of fairly representing and adequately
14 protecting the interests of the proposed Settlement Class Members. The members of the proposed
15 Settlement Class all worked for Defendant during the relevant time period and incurred the same
16 type of alleged damages with regard to Defendant’s alleged violations of the law.

17 18. Plaintiffs have agreed to serve as class representatives and have retained qualified
18 counsel who is experienced in prosecuting wage and hour class actions, as further discussed below.
19 This demonstrates their commitment to bringing about the best possible results for the benefit of
20 the proposed Settlement Class.

21 19. Plaintiffs have provided our office with all necessary and pertinent information.
22 They have actively participated in the litigation and worked closely with Class Counsel to develop
23 theories of liability.

24 20. Plaintiff Anthony also attended the full-day mediation in this matter and Plaintiff
25 Morris actively participated by phone throughout the day.

26 21. Both Plaintiffs were informed of and involved in all of the Settlement negotiations.
27 Therefore, Plaintiffs believe that they have and will continue to adequately represent the proposed
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Settlement Class Members.

22. Since the Parties seek Court approval of a settlement, Plaintiffs submit that there is not as much need as in an ordinary motion for class certification to determine that the case can be manageably tried.

23. All the same, Plaintiffs maintain that class treatment would be the superior method of managing this case and settlement because individual pursuit of class members' claims may not be economically viable. The only alternative to certification would be to force over sixty-four employees to join this action, file individual, uniform actions, or abandon their legal rights altogether. Plaintiffs maintain that this economic reality could result in a windfall for Defendant if this case were not certified for settlement purposes.

THE SETTLEMENT

24. For purposes of the Settlement Agreement, the Settlement Class is defined as: "any and all nonexempt California employees of Defendant who received overtime pay or a meal or rest break premium in the same pay period in which they received a shift differential during the Class Period." (Settlement Agreement, Ex. A at § I, ¶¶ E, HH.)

25. The Class Period runs from January 3, 2016 through the earlier of December 27, 2020 or the date that the Court preliminarily approves this Settlement Agreement. (Ex. A at § I, ¶ E.)

26. As of October 27, 2020 (the date of mediation) and based on documents and other information produced by Defendant, there are approximately 64 Settlement Class Members. (Ex. A at § III, ¶ I(2).)

27. As detailed fully in the Settlement Agreement, the Settlement provides for Defendant to pay Settlement Proceeds of \$130,000.00, which includes the Settlement Payments to Participating Class Members, Plaintiffs' service awards, Class Counsel fees' and litigation costs, the PAGA Payment, and the Settlement Administration Costs. (Ex. A at § III, ¶ A(1).)

28. The parties agreed to the following allocation of the Settlement to determine the Net Settlement Fund for distribution to Class Members:

Settlement Proceeds:	\$	130,000.00
Plaintiffs' Incentive Awards:	\$	10,000.00 (\$5,000 for each Plaintiff)
Class Counsel's Fees:	\$	43,333.33
Class Counsel's Costs:	\$	9,250.00
PAGA Payment:	\$	7,500.00
		(\$5,625.00 to the LWDA and \$1,875.00 to remain in the Net Settlement Amount)
<u>Settlement Administrator Costs:</u>	<u>\$</u>	<u>5,234.00</u>
Net Settlement Amount	\$	56,557.67

(Ex. 1 at § III, ¶ A.)

29. The Settlement Payment amount of each Participating Class Member is an individualized amount based on the number of Pay Periods worked by the Participating Class Member during the Class Period where the class member worked overtime and earned shift differential. (Ex. A at § III, ¶ C.)

30. Specifically, Settlement Payments will be paid from the Net Settlement Amount as follows: (1) First, Defendant will use its payroll records to calculate the total number of Pay Periods worked by each Participating Class Member during the Class Period; (2) Second, the total of these Pay Periods for each Participating Class Member will then be divided by the total of these Pay Periods by all Participating Class Members to create a "Final Percentage" for each Participating Class Member; (3) Third, that Final Percentage for each Participating Class Member will then be multiplied by the Net Settlement Amount to determine the Participating Class Member's pro rata recovery under this Settlement. (Ex. A at § III, ¶ C(2)-(4).)

31. The Settlement Agreement provides for a dispute process regarding Settlement Payments. (Ex. 1 at § III, ¶ F.)

32. For purposes of this Settlement, the Parties have allocated \$7,500.00 to PAGA in recognition that potential PAGA penalties are relatively small compared to the class damages. They agree that \$5,625.00 (75% of the total) represents the amount to be paid to the Labor and Workforce Development Agency ("LWDA"). (Ex. A at § III, ¶ C(5).)

1 33. Plaintiffs believe that the detailed Notice procedure established by the Settlement
2 Agreement will efficiently and accurately ensure that Notice is provided to the Settlement Class
3 Members. (Ex. A at § III, ¶ E.) The Parties have agreed to use a reputable third-party claims
4 administrator, ILYM Group, Inc., to administer the Settlement Agreement. (Ex. 1 at § I, ¶ EE.)

5 34. Settlement Class Members will have an opportunity to request exclusion from the
6 Settlement Class (*i.e.* “opt out”) or to object to the Settlement either in writing or in person at the
7 Final Approval Hearing. (Ex. A at § III, ¶ G(1).) Any written objection must be filed no later than
8 forty-five (45) calendar days after the mailing of the Notice Packet. (Ex. 1 at § III, ¶ G(2).)
9 Likewise, Settlement Class Members may submit a Request for Exclusion to the Settlement
10 Administrator no later than forty-five (45) calendar days after the mailing of the Notice Packet.
11 (Ex. 1 at § III, ¶ G(1)(a).)

12 35. The Settlement release is not overbroad as it is limited to “the facts or claims
13 asserted by Plaintiffs Rochelle Anthony or Travenia Morris . . . [or] that arise out of, in any way,
14 the claims made and facts alleged in the Action.” (Ex. 1 at § I, ¶ Y.)

15 **THE STRENGTH OF PLAINTIFF’S CASE**

16 36. Class Counsel conducted extensive informal discovery before entering into
17 meaningful settlement negotiations in this matter. This discovery permitted Class Counsel to fairly
18 evaluate the strength of the case and the risks associated with ongoing litigation.

19 37. Class Counsel is experienced in handling wage and hour class actions and, after
20 weighing all of the following factors, supports this Settlement Agreement.

21 38. Plaintiffs believe that their “regular rate” claim is likely certifiable and that they
22 have a relatively high likelihood of success on the merits. However, in determining a fair
23 settlement value, they had to consider Defendant’s argument that it, in fact, incorporated the higher
24 shift differential rate to calculate overtime in some circumstances, and any alleged failure to use
25 the higher regular rate was due to inadvertence or mistake.

26 39. Plaintiffs also considered the fact that, even if they succeed on the merits, the
27 amount owed in direct wages amounts to approximately \$7,383.49.

40. In evaluating the settlement as to the meal premium claim, Plaintiffs considered Defendant's argument that differentials do not need to be blended for purposes of meal break premiums under *Ferra v. Loews Hollywood Hotel, LLC* (2019) 40 Cal.App.5th 1239, 1252, which found a difference between "regular rate of pay" for overtime under Labor Code Section 510 and "regular rate of compensation" for meal period premiums under Labor Code Section 226.7. Plaintiff's counsel's research shows that *Ferra* is currently under review by the California Supreme Court. There is risk in how that Court will decide the case, but since the meal premium damages only amount to a few dollars, this claim was not the driving force behind the settlement.

41. The waiting time penalty claim was the largest in terms of potential damages, but it came with certain risks not present for the direct wage claims.

42. In evaluating settlement, Plaintiffs considered Defendant's argument that a good-faith belief exception applies because its actions were not willful, and allegedly resulted in occasions of overpayment. While Plaintiffs dispute that not knowing the law is a sufficient defense, Plaintiffs still had to acknowledge that this argument posed some risk.

43. Moreover, the parties dispute how the Court would interpret Defendant's inclusion of shift differentials in some pay periods. Plaintiffs believe this shows that Defendant knew it was obligated to pay the higher rate but failed to do so, while Defendant argues that this shows inadvertence as to the pay periods where Plaintiffs alleged a violation.

44. Finally, Plaintiffs expected Defendant to argue that the Court has discretion to lower the waiting time penalty amount where it is significantly higher than the wages owed, so imposing waiting time penalties of \$244,288.52 is not justified on an approximately \$7,383.49 wage award. Plaintiffs disagree, but nonetheless had to consider this argument when determining an appropriate settlement.

45. Finally, Plaintiffs are cognizant of risks associated with their PAGA claim and have therefore agreed to discount this claim for multiple reasons. First, the aggrieved employees' PAGA claims arise from the same violations as the foregoing class claims and bear the same risks on the

merits. Second, the Court has discretion to award less than the maximum penalty, which Defendant argued would be appropriate in light of the relatively low amount of direct wage damages.

46. Finally, the Settlement Class is compensated for these violations in the proposed Settlement Agreement, and thus any PAGA recovery for these same violations would be duplicative. Plaintiff also considered the fact that PAGA assesses penalties on a per-employee per-pay-period basis, and there were only 208 pay periods with violations. Thus, PAGA did not make up a significant percentage of the overall potential damages compared to other claims.

47. As such, I believe that the Settlement Agreement's contemplated PAGA payment of \$7,500.00 is appropriate.

THE RISK, EXPENSE, COMPLEXITY, AND LIKELY DURATION OF FURTHER LITIGATION

48. There is significant expense associated with the class certification process, which the Parties can avoid by entering into the contemplated Settlement Agreement. If the Court did eventually certify a class, trial of a case involving approximately sixty-four Settlement Class Members would require the retention of expensive expert witnesses, the accrual of litigation costs, and a significant time investment by the parties.

49. Moreover, given the complexity and unsettled nature of the issues in this case it is likely that any outcome at trial would have resulted in a lengthy and costly appeal. An appeal would result in further delay for the Settlement Class Members who are waiting for a resolution in this matter.

THE RISK OF MAINTAINING CLASS ACTION STATUS THROUGH TRIAL

50. This case has not been certified as a class action. While Plaintiffs believe there is strong evidence to support certification of several possible classes, certification is always hard fought and subject to judicial discretion. Moreover, in class actions, decertification is always a possibility.

51. In attempting to certify a class, the Parties would need to conduct multiple depositions, including of Plaintiffs and of several person(s) most knowledgeable. There is a risk

1 for both sides as to what these depositions will reveal and whether they will support class
2 certification to the extent expected.

3 **THE AMOUNT OFFERED IN SETTLEMENT**

4 52. It was very difficult for the Parties to reach this Settlement of \$130,000.00. We
5 arrived at this compromise only after multiple rounds of negotiation at mediation and weeks of
6 adversarial discussions following mediation.

7 53. The Parties conducted extensive investigation and discovery, careful evaluation of
8 the law, risks, and all information substantiating the amount of penalties reasonably likely to be
9 awarded to the class were the trier of fact to find Defendant liable, and the assistance of an
10 experienced mediator, David Phillips, Esq.

11 54. Plaintiffs assessed full value of the overtime/double overtime claim, without any
12 discount, at approximately \$7,383.49. This was based on Defendant's payroll records for the entire
13 class.

14 55. The full value of the meal premium claim, without any discount, was approximately
15 \$3.04. The reason is that meal period premiums were paid infrequently, and the claim requires
16 both a meal premium and shift differential in the same pay period.

17 56. Plaintiffs also calculated interest on the aforementioned wage damages in the
18 amount of \$446.04.

19 57. Plaintiffs valued the Waiting Time Claim, tied to the overtime claim, at
20 \$244,288.52. Considering the derivative nature of Labor Code section 203 and the dispute over
21 willfulness, Plaintiffs determined that accepting a discount on this claim was appropriate.

22 58. Finally, Plaintiffs calculated the value of the PAGA claim at \$20,800.00 for
23 Settlement Class Members using one hundred (\$100) dollars per pay period. The main risk taken
24 into account with PAGA is the discretionary nature of the penalty award. A judge can award the
25 statutory maximum of one hundred (\$100) dollars for the initial violation and two hundred (\$200)
26 dollars thereafter or – in theory – one cent per wage statement. While there is a dearth of available
27 authority, in Plaintiffs' view, were they to succeed on any of the underlying Labor Code violations,

1 it is not likely that the Court would also award a large amount of PAGA penalties on top of
2 damages.

3 59. Per Plaintiffs' assessment, the maximum potential value of all of Plaintiffs' and the
4 Settlement Class Members' claims was approximately \$272,921.09. However, as a result of the
5 forgoing risks on the merits, Class Counsel believes the Settlement Proceeds of \$130,000 is fair
6 and reasonable.

7 **ATTORNEY COMPETENCE**

8 60. Kingsley & Kingsley is experienced in prosecuting employment litigation, and we
9 have focused our practice since the year 2000 on wage, hour, and working condition violations.
10 My firm is very well-versed in class action litigation and has diligently and aggressively pursued
11 this action. Kingsley & Kingsley currently serves as class counsel for several dozen pending class
12 action lawsuits in Northern, Central, Eastern, and Southern California in both State and Federal
13 Court. Throughout the past decade, I have also actively litigated countless wage and hour and
14 consumer class actions. Below is a small, but representative sampling of those cases:

15 a. *Goodman v. Crystal Ventures, Inc.* (No. BC245561, L.A. Super. Ct.) In January
16 2002, Hon. Anthony Mohr granted final approval of settlement in the gross amount of \$255,000
17 and the court approved the attorneys' fee request of 33 1/3%.

18 b. *Johnston v. The Cheesecake Factory* (No. BC316180, L.A. Super. Ct.) In
19 December 2005, Honorable Rita Miller granted final approval of Settlement in the gross amount
20 of \$4,000,000 and the court granted attorneys' fees request of 30%.

21 c. *Tumino v. HOB Entertainment* (No. BC327962, L.A. Super. Ct.) In May 2006, the
22 Honorable Conrad R. Aragon granted final approval of Settlement in the gross amount of
23 \$1,000,000 and the court granted attorneys' fees request of 30%.

24 d. *Ryan v. Hilton Hotels Corporation*, (No. BC364260, L.A. Super. Ct.) In March
25 2008, the Honorable Mary Thornton House granted final approval of Settlement in the gross
26 amount of \$1,675,000.00 and the court granted attorneys' fees request of 33 1/3%.

27 e. *Gerritson v. Styles For Less, Inc.*, (No. BC402921, L.A. Super. Ct.) In September
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2010, the Hon. Kenneth R. Freeman granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.

f. *Lewis v. Collabrus, Inc., et al.*, (No. 109CV-142927, Santa Clara Super. Ct.) In March 2012, the Honorable James P. Kleinberg granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorneys' fees request of 33.3%.

g. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (No. BC402739, L.A. Super. Ct.) In June 2013, the Honorable Lee Smally Edmund granted final approval of Settlement in the gross amount of \$4,700,000.00, and the court granted attorneys' fees request of 38%.

h. *Anderson v. Total Renal Care, Inc.*, (No. BC388335, L.A. Super. Ct.) In January 2014, the Honorable William F. Highberger granted final approval of Settlement in the gross amount of \$1,500,000.00 and the court granted attorneys' fees request of 33.33%.

i. *Rojas, et al. v. Sunview Vineyards of California, Inc.*, Eastern District (1:09-cv-00705 AWIJLT). This certified class action was approved for final settlement by the Honorable Anthony W. Ishii in October 2015, in the gross amount of \$4,550,000.00, with attorneys' fees approved in the amount of \$1,137,500.00.

j. *Westbrook v. International Surfacing Systems*, (No. RG10510015, Alameda Super. Ct.) In August 2015, the Hon. Wynne Carvill granted final approval of Settlement in the gross amount of \$995,000.00, and the court granted attorney's fees request of 33.33%.

k. *Kane et al. v. Valley Slurry Seal*, (No. CV08-2483, Yolo Super. Ct.) In March 2016 after a class trial with a verdict in the class's favor, the Honorable Daniel P. Maguire, awarded Kingsley & Kingsley and co-counsel \$996,232.72 in attorney's fees.

l. *Aparacio v. Abercrombie & Fitch Stores, Inc.*, (No. BC499281, L.A. Super. Ct.) In June 2016, the Hon. Kenneth Freeman granted final approval of Settlement in the gross amount of \$2,000,000.00, and the court granted attorney's fees request of 33.33%.

m. *Isaguirre v. Guess?, Inc., Los Angeles Superior Court (BC357631)*. The matter was proposed for final settlement by the Honorable Richard L. Fruin on February 19, 2016, in the gross

1 amount of \$5,250,000.

2 n. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (BC402739).
3 The matter was approved for final settlement by the Honorable Lee Smally Edmund in June 2013,
4 in the gross amount of \$4,700,000.00, with attorney's fees request of 38%.

5 o. *Munoz, et al. v. Giumarra Vineyards Corporation*, United States District Court for
6 the Eastern District of California (Case No.: 1:09-cv-00703 - AWI – JLT). The matter was
7 approved for final settlement by the Honorable Anthony W. Ishii in November 2017, in the gross
8 amount of \$6,100,000.00, plus interest, with attorney's fees benchmark award of \$1,525,000.

9 p. *Pineda, et al. v. Grimmway Enterprises, Inc.*, Kern County Superior Court (BCV-
10 15-101333). The matter was approved for final settlement before the Hon. Stephen D. Schuett,
11 Dept. 10, in January 2018, in the gross amount of \$9,000,000 with attorneys' fees request of
12 33.33%.

13 61. Kingsley & Kingsley filed its first motion for class certification in the year 2000
14 and since that time has been appointed class counsel on dozens of wage and hour class actions that
15 have been approved for class certification. Since 2011, Kingsley & Kingsley has moved for class
16 certification in 13 matters and has successfully obtained class certification in 12 of those cases. A
17 brief sampling of which includes:

18 a. *Lewis v. Collabrus, Inc.*, Santa Clara County Superior Court (109CV-142927),
19 approved for Class Certification in 2011.

20 b. *Melendrez v. JK Communications*, No. BC497692, (L.A. Super. Court, filed
21 December 19, 2012), court granted contested class certification and appointed Kingsley &
22 Kingsley class counsel).

23 c. *Hirschinger v. Blue Cross of California*, Los Angeles Superior Court (BC402739),
24 contested Class Certification approved in 2012.

25 d. *Randell v. Tuesday Morning, Inc.*, Los Angeles Superior Court (BC403298),
26 contested Class Certification approved in 2012.

27 e. *Suarez v. Mazatlan, Inc.*, No. 37-2015-00002978-CU-OE-CTL (S.D. Super. Ct.,
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1 filed January 27, 2015), court granted contested class certification and appointed Kingsley &
2 Kingsley class counsel.

3 f. *Amaro, et al v. Gerawan Farming, Inc.*, United States District Court for the Eastern
4 District of California (1:14-cv-00147-DAD-SAB), contested Class Certification approved in 2016.

5 g. *Ruiz v. Daniel C. Salas Harvesting, Inc.*, Kings County Superior Court (16C0214).
6 Hon. Valerie R. Chrissakis granted class certification and appointed Kingsley & Kingsley as class
7 counsel on May 4, 2018.

8 h. *Weldon v. Geo Corrections & Detentions, LLC*, Kern County Superior Court
9 (BCV-16-102833), contested class certification approved in 2018.

10 62. Class Counsel is experienced in the handling of wage and hour class actions and
11 supports this Settlement. Based on its analysis, Class Counsel believes that this settlement is fair
12 and reasonable and in the best interest of the Class.

13 63. After factoring in the risks explained above, Class Counsel believes that the
14 proposed settlement is fair and reasonable.

15 64. The proposed plan of allocation compensates Participating Class Members pro rata
16 based on the number of Pay Periods worked during the Class Period in which they received
17 premium pay and a shift differential. (Ex. A at § I, ¶ W, § III, ¶¶ C(2)-(4).) This allocation
18 distributes settlement funds proportionally to each class member's damages for unpaid wages, and
19 should therefore be approved as fair, adequate, and reasonable. (Ex. 1 at § III, ¶ C(2)-(4).)

20 **THE PROPOSED NOTICE FAIRLY APPRISES THE CLASS MEMBERS OF THE**
21 **TERMS OF THE SETTLEMENT AND OF THE CLASS MEMBERS' RIGHTS**

22 65. A true and correct copy of the proposed Class Notice is attached hereto as **Exhibit**
23 **B.** (It is also included as an exhibit to the settlement agreement itself.) The proposed Class Notice
24 clearly explains the proposed Settlement and the options to opt out of the Settlement or contest it
25 at the Final Approval Hearing. The notice describes the proposed settlement with enough
26 specificity to allow Class Members to make an informed choice regarding whether to participate.

27 **THE SERVICE AWARD TO THE NAMED PLAINTIFFS**

66. The Class Representatives are entitled to an enhancement for their valiant effort and time expended in this matter.

67. The time spent by Rochelle Anthony and Travenia Morris is significant and includes the following: researching and retaining competent counsel; providing information to Class Counsel regarding the nature of the work for Defendant; compiling relevant documents, including paystubs and other information relevant to the claims; working closely with Class Counsel to develop the theories of liability; regularly discussing the status of the case with Class Counsel; discussing the case via telephone with other Settlement Class Members to assist with counsel's investigation; Plaintiff Anthony attending a full-day of mediation and Plaintiff Morris participating by telephone; and responding promptly to Class Counsel's communications regarding settlement.

68. As set forth in the Settlement Agreement, Plaintiffs will also be entering into a general release of liability pursuant to Civil Code Section 1542. (Ex. A at § V, ¶ (A)-(C).)

69. Thus, in addition to the sums paid to Settlement Class Members, Plaintiffs requests a proposed litigation enhancement in the amount of \$5,000 for each Plaintiff, to be paid from the Settlement Proceeds. (Ex. 1 at § III, ¶ A.)

70. Class Counsel considers this to be a fair and reasonable enhancement. The enhancement takes into consideration the time, effort, and expense incurred by Plaintiffs in coming forward to litigate this matter on behalf of all Settlement Class Members. Plaintiffs will provide a detailed declaration with the Final Approval Motion detailing their participation and further justification for the enhancement.

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71. Proof of submission of Plaintiff's Motion, all related documents, and copy of the email from the LWDA confirming receipt is attached hereto as **Exhibit C**.


Ari J. Stiller

EXHIBIT "A"

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Settlement Agreement and Release of Claims (hereinafter “Settlement Agreement”) is made and entered by and between Citizen Watch Company of America, Inc. (“Citizen” or “Defendant”) on the one hand and Rochelle Anthony and Travenia Morris (collectively, “Plaintiffs”), on behalf of themselves and the Settlement Class, on the other hand. Defendant and Plaintiffs are referred to herein collectively as the “Parties” and each of the Parties is, from time to time, referred to herein as a “Party.”

RECITALS

This Settlement Agreement is made with respect to the following facts. WHEREAS:

A. On or about January 3, 2020, Plaintiff Anthony filed a putative class action complaint in the Superior Court of the State of California, County of Los Angeles (herein, the “Court”) entitled *Rochelle Anthony, an individual on behalf of herself and others similarly situated v. Citizen Watch Company of America, Inc.; and DOES 1 through 50, inclusive*, Case No. 20STCV00171, pursuing claims for violations of California’s wage and hour laws and Unfair Competition Law;

B. On or about March 9, 2020, Plaintiff Anthony filed her First Amended Complaint (“FAC”) that added a cause of action for Penalties Pursuant to Labor Code § 2699, et seq. (“PAGA”) (herein, the “Action”);

C. On or about October 27, 2020, Plaintiff Anthony’s counsel notified Defendant that it had been retained by Travenia Morris and would be amending the FAC to name Plaintiff Morris as a co-class and PAGA representative.

D. On or about October 27, 2020, the Parties mediated the Action before David Phillips, Esq.

E. On or about October 27, 2020, subject to a mediator’s proposal the Parties reached an agreement, which would resolve the claims within the release discussed herein on a class-wide basis, subject to the Parties entering into a more comprehensive written settlement agreement; and

F. Defendant denies liability of Plaintiffs’ claims and contentions, and denies that Defendant or any of its agents engaged in any unlawful or improper conduct with respect to Plaintiffs or any putative class member, including on a class-wide basis, and denies any liability on these claims;

NOW, THEREFORE, the Parties desire to settle, compromise, and avoid any further litigation relating to the events or facts giving rise, or related to, the contentions described in any of the pleadings in this action, and have agreed to settle the Action by agreement, subject to approval by the Court upon the terms and conditions and for the consideration set forth in this Settlement Agreement.

I. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Settlement Agreement shall have the meanings set forth below:

- A. “CAFA Notice” means the notice that shall be served on the “Appropriate Federal official” and the “Appropriate State officials” by the Settlement Administrator pursuant to and as defined under the Class Action Fairness Act of 2005 (“CAFA”). The Settlement Administrator shall serve the CAFA notice within ten (10) calendar days after the Parties file the Motion for Preliminary Approval.
- B. “Class Counsel” means:

Eric B. Kingsley
Liane Katzenstein Ly
Ari J. Stiller
KINGSLEY & KINGSLEY, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Telephone: (818) 990-2903
- C. “Class Counsel Attorneys’ Fees” means the amount to be paid to Class Counsel for attorneys’ fees, in an amount not to exceed one-third of the Settlement Proceeds (\$43,333.33), pursuant to Section III of this Settlement Agreement subject to the Court’s approval.
- D. “Class Information” means information regarding Settlement Class Members that Defendant shall in good faith compile from their records and shall transmit in electronic form to the Settlement Administrator and shall include each Settlement Class Members’ full name; last known address; Social Security or other identifying number; and Pay Periods.
- E. “Class Period” means January 3, 2016 through the earlier of December 27, 2020 or the date that the Court preliminarily approves this Settlement Agreement.
- F. “Counsel for Defendant” means:

Ashley Farrell Pickett
Bryan W. Patton
GREENBERG TRAURIG, LLP
1840 Century Park East, Suite 1900
Los Angeles, CA 90067
Telephone (310) 586-7700
- G. “Court” means the Superior Court of the State of California, County of Los Angeles.
- H. “Effective Date” means the later of: (1) ten (10) calendar days after entry of the Final Approval Order and Judgment if no notice is filed within that time seeking

appeal of the Final Approval Order or Judgment; or (2) if a notice of appeal is filed, the date upon which all appellate and/or other proceedings resulting from the notice of appeal have been finally terminated in such a manner as to permit the Final Approval Order and Judgment to take effect in the form described herein.

- I. “Employer’s Share of Payroll Taxes” means Defendant’s portion of payroll taxes, including, but not limited to FICU and FUTA, on the portion of the Settlement Payments that constitutes wages, to the extent required by law. Employer’s Share of Payroll Taxes will be paid separately from the Settlement Proceeds.
- J. “Final Fairness and Approval Hearing” is the final hearing at which the Court will consider whether this Settlement Agreement is fair, adequate and reasonable.
- K. “Final Approval Order” means the order granting final approval of this Settlement Agreement, substantially in the form of Exhibit “B” hereto.
- L. “Incentive Award” means the amount to be paid to Plaintiffs as an incentive award pursuant to Section III of this Settlement Agreement subject to the Court’s approval, and which shall not exceed \$5,000 each for Plaintiffs Anthony and Morris.
- M. “Judgment” means the final judgment to be entered by the Court upon granting final approval of the Settlement as binding upon the Parties and Settlement Class Members, substantially in the form of Exhibit “C” hereto.
- N. “Litigation Costs” means the amount to be paid to Class Counsel for litigation costs pursuant to Section III of this Settlement Agreement subject to the Court’s approval.
- O. “LWDA” means the California Labor and Workforce Development Agency.
- P. “Net Settlement Amount” means the Settlement Proceeds less Court approved deductions for Class Counsel Attorneys’ Fees, Litigation Costs, Incentive Award, Settlement Administration Costs, and the LWDA’s share of allocated California Labor Code Private Attorney General Act penalties.
- Q. “Notice” means a document substantially in the form of the Notice attached as Exhibit 1 to the Proposed Order which is attached hereto as Exhibit A which has been agreed to by the Parties, subject to Court’s approval, and which the Settlement Administrator will mail to each Settlement Class Member explaining the terms of the Settlement, their respective Pay Periods, their estimated share of the Net Settlement Amount, and the opt-out and objection procedures. The Notice shall be mailed in both English and Spanish.
- R. “Notice of Objection” means a Settlement Class Member’s timely and valid written objection to the Settlement as set forth in Section III(G)(2) below.
- S. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California Labor Code sections 2698, *et seq.*

- T. “PAGA Payment” means the sum of \$7,500.00 allocated from the Settlement Proceeds as payment for Plaintiffs’ claims under PAGA. Seventy-five percent of the PAGA Payment (\$5,625.00) will be paid to the LWDA and the remaining twenty-five percent (\$1,875.00) shall be included in the Net Settlement Amount.
- U. “Participating Class Members” means those Settlement Class Members who have not timely opted-out pursuant to Section III.
- V. “Parties” means Plaintiffs and Defendant.
- W. “Pay Period” means each pay period in which a Settlement Class Member received overtime pay or a meal or rest break premium in the same pay period in which they received a shift differential during the Class Period.
- X. “Preliminary Approval Date” means the date upon which the Court enters an Order preliminarily approving this Settlement Agreement and authorizing the mailing of the Notice by the Settlement Administrator.
- Y. “Released Claims” means any and all claims, demands, rights, liabilities, and/or causes of action of any nature and description whatsoever, known or unknown, in law or in equity, whether concealed or hidden, which arose at any time during the Class Period based on the facts or claims asserted by Plaintiffs Rochelle Anthony or Travenia Morris in any pleading in the Action on their own behalf or on behalf of a putative class member, or based on any facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures that arise out of, in any way, the claims made and facts alleged in the Action, including without limitation violations of any state or federal statutes, rules, or regulations (including the Fair Labor Standards Act), based on an assertion that Released Parties (1) failed to pay wages and/or overtime under Labor Code §§ 510, 1194; and 1199; (2) failed to provide Meal Breaks or correctly pay meal break premiums Pursuant to Labor Code §§ 226.7 and 512; (3) failed to provide accurate wage statements; (4) failed to pay all wages due at termination; (5) violated the California Private Attorneys General Act; and/or (6) engaged in any unfair and unlawful business practices.
- Z. “Released Parties” means Defendant together with its past and present parents, subsidiaries, divisions, partners and affiliates, and their respective past and present stockholders, officers, directors, employees including managers, attorneys and insurers, as well as any other persons or entities who are alleged or could have been alleged to have been involved in the conduct alleged, or sought to be alleged, at any time in the Action.
- AA. “Releasers” means all members of the Settlement Class, as well as their successors, assigns, heirs, executors, trustees, and administrators.
- BB. “Request for Exclusion” means a timely and valid written request by a Settlement Class Member to opt out of, or exclude oneself from, the Settlement as set forth in Section III(G)(1) below.

- CC. “Response Deadline” means the date forty-five (45) calendar days after the Settlement Administrator mails the Notice to Settlement Class Members and the last date on which Settlement Class Members may submit a Notice of Objection or Request for Exclusion as set forth in Section III(G).
- DD. “Settlement Administration Costs” means all fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement including, but not limited to (i) preparing, issuing and/or monitoring reports, filings, and notices (including the cost of translating into Spanish, printing and mailing all Notices and other documents to the Settlement Class) required to be prepared in the course of administering the Settlement Proceeds; (ii) preparing, with the assistance of Counsel for Defendant, and serving the CAFA Notice; (iii) processing Notices of Objection and Requests for Exclusion; (iv) computing the amount of and distributing the Settlement Payments, Class Counsel Attorneys’ Fees, Litigation Costs, Incentive Award, PAGA Payment to the LWDA, and any other payments to be made out of the Settlement; and (v) preparing and filing all tax returns and information returns and any other filings required by any governmental taxing authority or agency arising out of this settlement, and which shall not exceed \$5,234.00.
- EE. “Settlement Administrator” means ILYM Group, Inc., which shall be the settlement administration firm mutually selected by the Parties and approved by the Court, which the Parties have agreed will be responsible for administration of the settlement pursuant to the terms set forth in this Settlement Agreement.
- FF. “Settlement Agreement” means this settlement agreement, including the attached Exhibits.
- GG. “Settlement Checks” means the checks that will be issued to each Participating Class Member pursuant to the procedure set forth in Section II, each of which will include the following language: “By cashing this check I am releasing all claims described in the Notice of Class Action Settlement for Case No. 20STCV00171 (“Action”), including all claims I may have under the FLSA related to or arising out of the facts asserted in the Action.”
- HH. “Settlement Class Members” or “Settlement Class” means any and all nonexempt California employees of Defendant who received overtime pay or a meal or rest break premium in the same pay period in which they received a shift differential during the Class Period.
- II. “Settlement Class Member” means an individual member of the Settlement Class.
- JJ. “Settlement Payment” means the amount to be paid to each Participating Class Member.
- KK. “Settlement Proceeds” means \$130,000.00 and represents the total and maximum amount that Defendant will be required to pay pursuant to this Settlement Agreement, which shall be inclusive of all Settlement Payments to Participating

Class Members, Class Counsel Attorneys' Fees, Litigation Costs, Incentive Award, Administration Costs, and PAGA Payment. The Settlement Proceeds do not include Employer's Share of Payroll Taxes, which shall be paid separately.

II. FILING OF SECOND AMENDED COMPLAINT

- A. The Parties Agree that this Settlement Agreement is contingent on Plaintiffs filing a Second Amended Complaint modified only to add Plaintiff Morris as a class representative and revise the class definition to be consistent with Settlement Class Members as defined by this Agreement.
- B. Defendant will stipulate to the filing of Plaintiff's Second Amended Complaint, which Plaintiff will draft, provide to Defendant for review within seven (7) business days of the execution of this Settlement Agreement, and file within ten (10) business days of the execution of this Settlement Agreement.

III. SETTLEMENT APPROVAL AND PAYMENT PROCEDURES.

A. Settlement Proceeds.

- 1. Defendant will pay a gross amount of \$130,000.00 in settlement of the Action. The Settlement Proceeds consist of the following estimated payments: (i) up to \$5,234.00 for Settlement Administration Costs; (ii) up to \$10,000 for Incentive Awards to Plaintiffs (\$5,000 for each Plaintiff) as approved by the Court; (iii) up to \$43,333.33 for Class Counsel Attorneys' Fees as approved by the Court; (iv) up to \$9,250.00 for Litigation Costs as approved by the Court; (v) \$5,625.00 as the LWDA's 75 percent share of the PAGA Payment; and (vi) Settlement Payments to Participating Class Members. In no event will any funds from the Settlement Proceeds revert to Defendant.

B. Retention of Settlement Administrator and Provision of Class Information.

- 1. Not later than five (5) business days after the Preliminary Approval Date, the parties will retain the Settlement Administrator to: (1) perform a National Change of Address ("NCOA") search of the Class List prior to the initial mailing; (2) translate the Notice into Spanish; (3) distribute the Notice to all Settlement Class Members in both English and Spanish; (4) receive, analyze for validity, and forward to the Court, Class Counsel and Counsel for Defendant requests to "opt-out" of the Settlement or "object" to the Settlement; (5) distribute Notices of Preliminary Approval of Class Action Settlement and Claim Forms; (6) identify persons who validly and timely opt-out; (7) be available to Settlement Class Members, Counsel for Defendant and Class Counsel to answer inquiries; (8) determine the Settlement Payment to each Participating Class Member; (9) prepare a final list of Participating Class Members and Settlement Payments; (10) distribute Settlement Payments to Participating Class Members upon final approval; (11) transfer the value of any unclaimed funds to the agreed upon

cy pres designee pursuant to California Code of Civil Procedure section 384; and (12) perform other, customary duties of a Settlement Administrator in a settled class action. The Court-appointed Settlement Administrator will be experienced and qualified in the administration of class action monetary settlement distribution. The Settlement Administrator will establish an address and telephone number to receive Settlement Class Members' inquiries about the Notice and settlement procedures. All Settlement Administration Costs will be included within the maximum \$5,234.00 for Settlement Administration Costs.

2. Defendant will provide the Class Information to the Settlement Administrator and Class Counsel within seven (7) business days of the Preliminary Approval Date.

C. Settlement Formula and Distribution.

1. The Net Settlement Amount shall be allocated among Participating Class Members on a pro rata basis and shall be calculated and distributed as follows.
2. First, Defendant will use its payroll records to calculate the total number of Pay Periods worked by each Participating Class Member during the Class Period.
3. Second, the total of these Pay Periods for each Participating Class Member will then be divided by the total of these Pay Periods by all Participating Class Members to create a "Final Percentage" for each Participating Class Member.
4. Third, that Final Percentage for each Participating Class Member will then be multiplied by the Net Settlement Amount to determine the Participating Class Member's pro rata recovery under this Settlement.
5. For purposes of this Settlement, the Parties recognize and agree that \$5,625.00 represents the amount to be paid to the LWDA in settlement of all claims made in the Action pursuant to PAGA.

D. Request for Preliminary Approval and Certification.

1. Upon execution of this Settlement Agreement by all Parties, the Parties jointly will move the Court to grant preliminary approval of the Settlement Agreement and for preliminary certification, for settlement purposes only, of the Settlement Class. By that joint request, the Parties will ask the Court to issue an order in the form of the "[Proposed] Order Granting Preliminary Approval of Class Action Settlement and for Class Notice of Settlement and Fairness Hearing" ("Proposed Order") attached hereto as Exhibit A, granting preliminary approval of the Settlement Agreement, granting certification the Settlement Class for settlement purposes only, approving

the Notice attached as Exhibit 1 to the Proposed Order, and setting a Final Fairness and Approval Hearing (herein “Preliminary Approval Order”). The Parties’ submission will include such pleadings and evidence as may be required for the Court to determine that this Settlement Agreement is fair, adequate and reasonable and that it constitutes a “good faith settlement.” Plaintiff will draft the Preliminary Approval Motion and accompanying documents and provide them to Defendant for review. Within 10 calendar days, Defendant will provide Plaintiff with its comments. The Parties will thereafter meet and confer in good faith to finalize the Preliminary Approval Motion and accompanying documents for filing.

2. Upon, or prior to, the filing of the motion for preliminary approval, Class Counsel also will submit the Settlement Agreement to the LWDA and perform all necessary actions set forth in Cal. Labor Code section 2698, *et seq.*
3. The Parties and their counsel agree that if this Settlement Agreement is not finally approved by the Court or Defendant elects to withdraw from the Settlement Agreement under any of the terms in Section III(I)(1)-(3), provisional certification of any Settlement Class will be vacated without prejudice to the Parties’ respective positions on the issues of class certification, and that this agreement cannot and will not be used or submitted as evidence that class certification on the merits of these claims is or would be appropriate. In such event, Defendant will have the right to object to class certification of the Action on all available bases as if the Settlement Agreement had never been negotiated or executed.
4. The Parties and their counsel further recognize that Settlement Class Members’ release of claims arising under the Fair Labor Standards Act (“FLSA”) is a material term of this Settlement Agreement. Should the Court refuse to acknowledge during preliminary approval or final approval of the Settlement Agreement that Settlement Class Members who do not opt-out of the class settlement will be deemed to have released FLSA claims as well as state law claims, Defendant alone shall have the option, in their sole discretion, and notwithstanding any other provisions of this Settlement Agreement, to withdraw from the Settlement Agreement in its entirety, whereupon the Settlement Agreement shall be null and void for any and all purposes. Defendant may exercise their option to void this Settlement Agreement as provided in this paragraph by giving notice, in writing, to Class Counsel and the Court no later than (10) business days after the preliminary approval or final approval hearing date. Should Defendant elect to withdraw from the Settlement Agreement as provided in this paragraph, all costs incurred by the Settlement Administrator as of that date shall be paid by Defendant.

E. Settlement Administrator's Mailing of Notice.

1. Within ten (10) business days of receipt of the Class Information from Defendant, and using the Class Information provided to it by Defendant, having updated that list through the National Change of Address Database and along with any updated information provided by Defendant and/or Class Counsel concerning Settlement Class Members' addresses, the Settlement Administrator will send by first-class United States mail to the last known address for each member of the Settlement Class a Notice in the form of the "Notice of Class Action Settlement" attached as Exhibit 1 to the Proposed Order attached as Exhibit A hereto.
2. Within three (3) business days of receipt of the Class Information from Defendant, the Settlement Administrator shall notify counsel for the Parties that the list has been received and state the number of Settlement Class Members and number of Pay Periods.
3. The individualized estimated Settlement Payment amount set forth in the Notice sent to each Settlement Class Member shall be calculated by the methods set forth in Section III(C), above.
4. Any returned envelopes from this mailing with forwarding addresses will be utilized by the Settlement Administrator to locate the Settlement Class Members through reasonable and customary efforts used in the administration of such settlements, including checking the National Change of Address database and performing a skip trace. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine a correct address by use of skip-tracing, or other search using the name, address and/or social security number of the Settlement Class Member whose notice was undeliverable, and shall then re-mail all returned, undelivered mail within ten (10) days of receiving notice that a notice was undeliverable. Settlement Class Members who receive a re-mailed Notice of Class Action Settlement shall have their Response Deadline extended twenty (20) days from the original Response Deadline.
5. Costs of printing and mailing the Notice, including the cost of re-mailing such notices and forms returned as undeliverable that include a forwarding address, will be included within the Settlement Administration Costs.
6. Compliance with the procedures described in this Section III shall constitute due and sufficient notice to Settlement Class Members of this Settlement, and the Final Fairness and Approval Hearing shall satisfy the requirements of due process, and nothing else shall be required of Plaintiffs, Class Counsel, Defendant, Counsel for Defendant, or the Settlement Administrator to provide notice of the Settlement and the Final Fairness and Approval Hearing in the Action.

F. Settlement Class Members' Response to Settlement Proceed Calculations.

The Notice shall explain that any Settlement Class Member who disputes the information shown on his or her Notice regarding the Pay Periods he or she worked during the Settlement Class Period may submit a written dispute to the Settlement Administrator within forty-five (45) calendar days of the mailing of the Notice. Any such Settlement Class Member must submit any documentation relating to his or her dispute along with the written dispute. The Settlement Administrator shall notify Counsel for Defendant and Class Counsel of any such dispute no later than five (5) calendar days after receiving notice of the dispute. The Settlement Administrator may confer with Counsel for Defendant and Class Counsel in an attempt to resolve any issues raised by Settlement Class Members relating to Settlement Payment amounts, and may request that Defendant review any materials submitted by the Settlement Class Member, as well as Citizen's personnel or payroll records regarding a Settlement Class Member's Settlement Payment. Defendant and Class Counsel may review and evaluate any such materials and, after review and evaluation of such materials, determine whether to modify, adjust or correct its personnel and payroll records. However, Citizen's personnel and payroll records and its interpretation of those records shall be presumptively correct and shall control in resolving any issue or dispute.

G. Exclusion and Objection Procedures.

1. Requests for Exclusion.

- a. The Notice shall explain that Settlement Class Members who wish to exclude themselves from the Settlement must submit a valid Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, and telephone number of the person requesting exclusion; (2) be signed by the Settlement Class Member; and (3) be postmarked by the Response Deadline and delivered to the Settlement Administrator at the specified address. Subject to review by Class Counsel, Counsel for Defendant and the Court, the date of the postmark on the return mailing envelope on the Request for Exclusion shall be the exclusive means used by the Settlement Administrator to determine whether a Settlement Class Member has timely requested exclusion from the Settlement. Any Settlement Class Member who timely and properly requests to be excluded from the Settlement shall not be entitled to any benefits under the Settlement and shall not be bound by the terms of the Settlement and shall not have any right to object to the Settlement or appeal from the entry of the Judgment. Settlement Class Members who do not submit a valid and timely Request for Exclusion as set forth above shall be bound by all terms of the Settlement and the Judgment entered in this Action if the Settlement is finally approved by the Court.

- b. Plaintiffs as class representatives will receive the right to seek an incentive award, and, by signing this agreement, are deemed to be Participating Class Members and waive any ability to opt out of the Settlement. The Parties and their counsel recognize that Plaintiffs' waiver of any right to opt out of the Settlement is a material term of this Settlement Agreement.

2. Objections to Settlement.

- a. The Notice shall explain that any Participating Class Member who wishes to object to the Settlement may do so in writing or in person at the Final Fairness and Approval Hearing. Any written objections shall be filed with the Court, with copies sent to Class Counsel and Counsel for Defendant by the Response Deadline. All written objections must (1) state the basis therefor; (2) contain the name, address, and telephone number of the person objecting; (3) be signed by the Settlement Class Member; and (4) be postmarked by the Response Deadline and delivered to the Settlement Administrator at the specified address. Subject to review by Class Counsel, Counsel for Defendant and the Court, the date of the postmark on the envelope containing the written objection shall be the exclusive means used by the Settlement Administrator to determine whether a Settlement Class Member has timely filed a written objection to the Settlement.
- b. Class Counsel and Counsel for Defendant will file any responses to any written Notices of Objection at least seven (7) calendar days before the Final Fairness and Approval Hearing.

H. Settlement Administrator's Record Keeping and Reporting Obligations Prior To Final Approval.

1. As soon as practicable following the Response Deadline, and in all events no later than seven (7) business days after the Response Deadline, the Settlement Administrator will provide Class Counsel and Counsel for Defendant with a declaration attesting to completion of the notice process set forth in this Section III, including an explanation of efforts to re-send undeliverable notices returned with forwarding addresses, which declaration will be filed with the Court via the Motion for Final Approval of Class Action Settlement.
2. The Settlement Administrator will stamp the date received, and if received by United States First Class Mail, also retain the postmark date, on the original of any Request for Exclusion it receives. Each week from the time notice is mailed until the Response Deadline, the Settlement Administrator will (a) provide a report to Class Counsel and Counsel for Defendant concerning receipt of (i) Requests for Exclusion, (ii) Notices of Objection; (iii) disputes; and (iv) returned mail, and (b) provide copies of the Requests

for Exclusion and/or Notice(s) of Objection it has received to Class Counsel and Counsel for Defendant by both email and overnight delivery.

3. Within ten (10) business days after the Response Deadline, the Settlement Administrator shall (a) notify both Class Counsel and Counsel for Defendant regarding the total number of Requests for Exclusion; (b) send a final list of all Requests for Exclusion to Class Counsel and Counsel for Defendant by email; and (c) serve copies of all Requests for Exclusion and the envelopes accompanying the Requests for Exclusion by mail on Class Counsel and Counsel for Defendant.

I. Election to Withdraw from the Settlement.

1. If more than ten percent (10%) of the individuals within the definition of the Settlement Class collectively validly and timely request exclusion from the Action and/or Settlement, Defendant shall have the option, in its sole discretion, and notwithstanding any other provisions of this Settlement Agreement, to withdraw from the Settlement Agreement in its entirety, whereupon the Settlement Agreement shall be null and void for any and all purposes. If Defendant elects to exercise its rights under this provision, it will so notify Class Counsel and the Court no later than three (3) business days after receiving written notice via e-mail from the Settlement Administrator pursuant to Section III(H)(3) above of the number of opt-outs. If Defendant elects to withdraw from the Settlement pursuant to this paragraph, it shall be responsible for all costs incurred by the Settlement Administrator as of that date.
2. Defendant has represented that there are approximately 64 Settlement Class Members. To the extent the number of Settlement Class Members increases beyond 64 by more than 10%, Defendant shall have the option to increase the Settlement Proceeds by a proportionate amount for each additional Settlement Class Member above the 10% allowance. If Defendant declines to increase the Settlement Proceeds pursuant to this provision, Plaintiffs shall have the right to terminate this Agreement, causing the Settlement Agreement to become null and void for any and all purposes. If Plaintiffs elect to exercise their rights under this provision, they will so notify Counsel for Defendant and the Court no later than three (3) business days after receiving notice from the Settlement Administrator pursuant to Section III(E)(2) above of the number of Settlement Class Members. If Plaintiffs elect to withdraw from the Settlement pursuant to this paragraph, they shall be responsible for all costs incurred by the Settlement Administrator as of that date.
3. Apart from Section III(D)(3) above, which is unaffected by this subsection, if the Court disapproves of or refuses to enforce any other material portion of this Agreement, each Party shall have the option, in its sole discretion, and notwithstanding any other provisions of this Settlement Agreement, to, within three (3) business days after such Court ruling, withdraw from the

Settlement Agreement as it pertains to the Settlement in its entirety, whereupon it shall be null and void for any and all purposes. Either Party may exercise its option to void this Settlement Agreement as provided in this paragraph by giving notice, in writing, to opposing Counsel and to the Court no later than three (3) business days of the entry of the Court's order disapproving or refusing to enforce any material portion of this Agreement. Should a party elect to withdraw from the Settlement, all costs incurred by the Settlement Administrator as of that date shall be paid by the withdrawing Party.

J. Final Fairness and Approval Hearing.

1. Plaintiffs will move the Court to grant final approval of the Settlement Agreement at the Final Fairness and Approval Hearing, requesting that the Court (i) give this Settlement Agreement final approval; (ii) grant Class Counsel's application for Class Counsel Attorneys' Fees and Litigation Costs, (iii) grant Plaintiffs' application for an Incentive Award in an amount not to exceed \$10,000 (\$5,000 for each Plaintiff); (iv) approve the propriety of the PAGA Payment; and (v) approve the amount of the Net Settlement Amount.
2. At the Final Fairness and Approval Hearing, Plaintiffs and Defendant will ask the Court to give final approval to this Settlement Agreement. Defendant agrees not to oppose Class Counsel's application for Attorneys' Fees up to \$43,333.33 and Litigation Costs up to \$9,250.00, or Plaintiffs' request for an Incentive Award up to \$10,000 (\$5,000 for each Plaintiff). However, Defendant takes no position regarding the reasonableness of these amounts. Any reduction by the Court of the amounts sought by Class Counsel for Attorneys' Fees and Litigation Costs, or by Plaintiffs for an Incentive Award, shall in no way alter the obligations of the Parties or Class Counsel under this Settlement Agreement or its validity. Any amounts not awarded by the Court for attorneys' fees, litigation costs, or a class representative enhancement shall remain in the Net Settlement Amount, and therefore be paid to Participating Class Members.
3. If the request for final approval is granted, the Parties shall request that the Court enter a Final Approval Order and enter Judgment. Class Counsel shall furnish the Settlement Administrator with a copy of the Final Approval Order and Judgment and serve notice of entry of Judgment within five (5) business days of receiving it. Class Counsel shall further submit the Judgment to the LWDA within five (5) business days of its entry, and perform all necessary actions set forth in Cal. Labor Code section 2698, *et seq.*

K. Post-Final Approval Reporting Obligations and Payment Procedures.

1. Prior to the payment of any portion of the Settlement Proceeds relating to the Action, the following conditions must be satisfied: final Court approval

of the Settlement Agreement, entry of the Final Approval Order and Judgment, and reaching the Effective Date.

2. As soon as practicable after the court enters the Final Approval Order and Judgment, and in any event no later than five (5) business days thereafter, the Settlement Administrator will provide Class Counsel and Counsel for Defendant with a final report listing (a) the names of all Participating Class Members; (b) the Settlement Payment for each Participating Class Member; (c) the total of all Settlement Payments to be distributed to the Participating Class Members (before deducting any additional amount required by law to be paid by the employer to any federal, state or local tax authority); and (d) the amount attributable to employer federal, state or local tax obligations.
3. The Settlement Payments to Participating Class Members described in Section III(C), above, are deemed for tax purposes to be comprised of 10% wages and 90% non-wage penalties, interest, and damages. The component of each such payment deemed wages for tax purposes (a) shall be subject to required withholdings and deductions so that the net amount payable will be less than the gross amount; and (b) shall be reported in the year of payment as wage income to each Participating Class Member on an IRS Form W-2 or analogous form. Concerning the non-wage component of any such payment, any such Settlement Payment shall be reported in the year of payment on an IRS Form 1099 or analogous form if so deemed necessary by the Settlement Administrator.
4. Other than the withholding and reporting requirements specifically set forth above, Participating Class Members shall be solely responsible for correctly characterizing, reporting and paying any federal, state and/or local income or other tax and other withholdings, if any, on any Settlement Payment made pursuant to this Settlement Agreement. The Parties agree they have not made any representations as to the taxability of any portion of the Settlement Payments, Litigation Costs, Attorneys' Fees or Incentive Payment and that this Settlement Agreement provides Settlement Class Members with a reasonable and adequate opportunity to seek tax advice prior to responding to the Notice. In the event of an audit of Defendant or the Settlement Administrator with respect to this Settlement by any state or federal government agency, or if any tax authority should dispute the characterization of any of the Settlement Payments, Defendant reserves all rights to indemnification permitted by law.
5. Other than as set forth above, Defendant will not, unless otherwise required by law, make any deductions, withholdings or additional payments, including without limitation, medical or other insurance payments or premiums, employee 401(k) contributions, from Settlement Payments to Participating Class Members. Settlement Payments made to Participating Class Members shall not create any credit or otherwise affect the calculation of any deferred compensation, benefit, or other compensation plan provided at any time by Defendant, nor will such payments be construed as

compensation for purposes of determining eligibility for any health or welfare benefits or unemployment compensation.

6. As soon as practicable after the Effective Date, and in any event no later than five (5) business days after the Effective Date and receipt of the final report, Citizen will (a) provide to the Settlement Administrator a list reflecting withholding information based on each Participating Class Member's most recent IRS Form W-4 on file with Citizen, or if no such IRS Form W-4 is available, then as if the Participating Class Member were a single tax payer with no dependents and (b) wire to the Settlement Administrator the Settlement Proceeds of \$130,000.00.
7. Subject to the approval of the Settlement Agreement by the Court, upon receipt of the amounts provided by Defendant for processing and disbursement and as soon as practicable thereafter, but in no instance more than five (5) business days after receipt, the Settlement Administrator shall commence disbursement of the Settlement Payments as contemplated in Section III to each Participating Class Member by first class U.S. mail.
8. Subject to the approval of the Settlement Agreement by the Court, upon receipt of the amounts provided by Defendant for processing and disbursement and as soon as practicable thereafter, but in no instance more than five (5) business days after receipt, the Settlement Administrator will cause to be paid to Class Counsel the amount allocated by the Court toward Class Counsel Attorneys' Fees and Litigation Costs. The Settlement Administrator will wire such funds to Class Counsel pursuant to written instructions from Class Counsel. This payment will be reported on an IRS Form 1099 using Class Counsel's taxpayer number, and the form will be provided to Class Counsel and the pertinent taxing authorities as required by law.
9. Subject to the approval of the Settlement Agreement by the Court, upon receipt of the amounts provided by Defendant for processing and disbursement and as soon as practicable thereafter, but in no instance more than five (5) business days after receipt, the Settlement Administrator will cause to be paid to each Plaintiff amounts allocated by the Court towards an Incentive Award in an amount not to exceed \$10,000 (\$5,000 for each Plaintiff). The Incentive Awards are for services as a class representative and taking the risk of paying the costs of Defendant in the event of an unsuccessful outcome as well as Plaintiffs' assistance to Class Counsel in prosecuting this Action on behalf of absent class members. The Incentive Awards will be treated for purposes of tax reporting as non-wage income.
10. Distribution of PAGA Penalties to the LWDA. The Settlement Administrator shall disburse the LWDA's 75% share of PAGA Penalties (\$5,625.00) to the LWDA no later than fifteen (15) business days after the Effective Date, as its share of the PAGA penalty payment made herein, and shall resolve all PAGA claims released in this settlement.

11. No person shall have any claim against Plaintiffs, Class Counsel, the Settlement Administrator, any agent designated by Class Counsel, Defendant, or Counsel for Defendant based upon the distributions made substantially in accordance with this Settlement Agreement, the allocation of the Settlement Proceeds among Settlement Class Members hereunder, and/or further orders of the Court.

L. No Additional Settlement Amounts.

1. The payment of monies pursuant to this Settlement Agreement constitutes a fair, reasonable, and adequate settlement of all Released Claims.
2. Defendant's monetary obligation under this Settlement Agreement is limited to the amounts specified herein. Except as otherwise specified herein, Defendant shall not be required to contribute additional amounts to the Settlement Proceeds under any circumstances.
3. Participating Class Members will have one hundred eighty (180) calendar days from the date of issuance of each Settlement Check to cash or deposit the check. For any check not cashed after one hundred eighty (180) calendar days, the Settlement Administrator will transfer the amount of uncashed funds represented by the check to Bet Tzedek Legal Services. The Parties agree that this organization qualifies, within the meaning of Code of Civil Procedure § 384, as a nonprofit organization that supports projects that will benefit the class or similarly situated persons and that promotes the law consistent with the objectives and purposes of the underlying causes of action in this Action, and that provides civil legal services to the indigent.

No later than five (5) days before the compliance hearing set by the Court, Plaintiff shall file a report specifying the total amount actually paid to class members, and the balance of unclaimed funds that will be paid to Bet Tzedek Legal Services, along with a proposed amended judgment stating these amounts, to comply with Code of Civil Procedure § 384 and so that the Court may complete the reporting requirements under Code of Civil Procedure § 384.5.

4. No further relief in the form of an injunction or relief other than as provided herein is agreed to.

M. Other Remedial Consideration.

In the event that this Settlement Agreement is canceled, rescinded, terminated, voided or nullified, however that may occur, Defendant shall have no obligation to pay any of the \$130,000.00 Settlement Proceeds allocated toward settlement of the Action, including Class Counsel Attorneys' Fees, except that the Parties may, consistent with Sections III(I)(1) and III(I)(2), be obligated to pay sums reasonably incurred by the Settlement Administrator as of the date the cancellation, rescission, termination, voidance or nullification.

IV. LIMITATIONS ON USE OF THIS SETTLEMENT

A. No Admission.

Neither the acceptance nor the performance by Defendant of the terms of this Settlement Agreement nor any of the related negotiations or proceedings is or shall be claimed to be, construed as, or deemed a precedent or an admission by Defendant of the truth of any allegations in the Action, the claimed representative nature of the Action or the suitability for class treatment, the validity of any claims that were or could have been asserted by Plaintiffs, by any Settlement Class Member (including any individual who requested to be excluded from the Settlement Class), or of any liability of Defendant in the Action.

B. Non-Evidentiary Use.

Neither this Settlement Agreement nor any of its terms, nor any statements or conduct in the negotiation or drafting of it, shall be offered or used as evidence by Plaintiffs, any Settlement Class Member (including any individual who requested to be excluded from the Settlement), Defendant, or their respective counsel, in the Action, or in any other action or proceeding; provided, however, that nothing contained in this Section III shall prevent this Settlement Agreement from being used, offered, or received in evidence in any proceeding to enforce, construe, or finalize this Settlement Agreement.

C. No Collateral Attack.

This Settlement Agreement shall not be subject to collateral attack by any Settlement Class Member or any recipient of the Class Notice after the Effective Date. Such prohibited collateral attacks shall include but not be limited to claims that a Settlement Class Member's Settlement Payment was improperly calculated or adjusted, or that any member of the Settlement Class failed to validly and timely submit a request for exclusion for any reason.

D. Nullification in Parts.

1. If either (a) the Court should for any reason fail to approve this Settlement substantially in the form agreed to by the Parties; or (b) the Final Approval Order and Judgment is reversed, modified or declared or rendered void, then (i) this Settlement Agreement shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or proceedings shall be of any force or effect, (iii) all Parties and Counsel to this settlement shall stand in the same position, without prejudice, as if the Settlement had been neither entered into nor filed with the Court, and (iv) neither the Settlement Class nor Class Counsel shall receive any benefit, nor suffer any detriment from this Settlement.
2. Invalidation of any portion of this Settlement Agreement shall invalidate this Settlement Agreement with respect to the Action, unless the Parties

shall agree in writing that the remaining provisions shall remain in full force and effect.

V. RELEASES AND WAIVERS

A. Participating Class Members' Release.

As of the Effective Date, each Participating Class Member shall be deemed to have released all Released Parties of all Released Claims (as defined herein), as if they had manually signed this Settlement Agreement.

B. Waiver of California Labor Code Section 206.5.

THE PARTIES AGREE THAT ALL OF THE CLAIMS IN THE ACTION ARE DISPUTED, AND THAT THE PAYMENTS SET FORTH HEREIN CONSTITUTE PAYMENT IN FULL OF ANY AND ALL AMOUNTS ALLEGEDLY DUE TO THEM CONCERNING THE CLAIMS RELEASED HEREIN. TO THE EXTENT PLAINTIFFS AND/OR ANY PARTICIPATING CLASS MEMBER HAS CLAIMED OR COULD CLAIM THAT DEFENDANT OWE HIM/HER ANY ADDITIONAL COMPENSATION OF ANY KIND IN RELATION TO THE CLAIMS RELEASED HEREIN, PLAINTIFFS AND EACH AND EVERY PARTICIPATING CLASS MEMBER ACKNOWLEDGE AND AGREE THAT THERE IS A BONA FIDE DISPUTE OF WHETHER ANY SUCH PAYMENTS ARE ACTUALLY OWING AND, THEREFORE, IN EXCHANGE FOR THE SETTLEMENT PAYMENTS SET FORTH HEREIN, HEREBY SETTLE AND RELEASE ANY SUCH CLAIMS. MISCELLANEOUS PROVISIONS.

C. Separate Releases of Claims & Rights by Plaintiffs Rochelle Anthony and Travenia Morris.

Plaintiffs each hereby agree to the additional following General Release in exchange for the consideration provided herein, including the ability to seek an Incentive Award. As of the Effective Date, and in consideration of Defendant's promises and agreements as set forth herein, Plaintiffs fully release the Released Parties from any and all claims, liabilities, charges, grievances, obligations, costs, losses, liens, damages, injuries, attorneys' fees and costs, and other legal responsibilities (collectively referred to as "claims") of whatever kind and nature, character, and description, including those arising under any theory of law, whether common, constitutional, statutory, ordinance, regulation, guidance, opinion, interpretation, caselaw, or other source of law of any jurisdiction, foreign or domestic, whether now known or unknown, contingent or vested, anticipated or unanticipated, suspected or unsuspected, asserted or unasserted, whether in law, equity, or otherwise, which Plaintiffs may have against any of the Released Parties for any type of relief, including any and all claims arising out of and/or in any way related to either Plaintiff's hiring by, employment with or services provided for/to, or separation from, Citizen, which could have arisen out of any act or omission

occurring from the beginning of time up through and including the execution of this Agreement. This release includes, to the fullest extent permissible, but is not limited to, any and all claims in law, equity, tort and/or contract; all claims of violation of public policy, including a claim for wrongful and/or constructive termination of employment; claims for discrimination, harassment, and/or retaliation; claims for misclassification; claims for untimely or unpaid minimum and overtime wages, claims for any wage and hour violations, including but not limited to meal period and rest break violations; assault, battery, false imprisonment, intentional interference with contractual relations, intentional or negligent infliction of emotional distress, invasion of privacy, negligence, defamation, intentional or negligent misrepresentation, fraud; breach of contract, oral or written, express or implied, breach of any covenant of good faith and fair dealing, express or implied, and/or promissory estoppel; any claim for unlawful or unfair business practices; any claim under the Private Attorneys General Act of 2004; any claims under Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Americans with Disabilities Act of 1990, as amended; the Rehabilitation Act of 1973, as amended; the Rehabilitation Act of 1973, as amended; the National Labor Relations Act (NLRA), as amended; the Labor-Management Relations Act, as amended; the Family and Medical Leave Act (FMLA); the Employee Retirement Income Security Act (ERISA); the Lily Ledbetter Fair Pay Act; the Pregnancy Discrimination Act; the California Occupational Safety and Health Act and the Federal equivalent (OSHA); the Federal Worker Adjustment and Retraining Notification Act; the California Worker Adjustment and Retraining Notification Act; the Fair Labor Standards Act (including the Equal Pay Act); the Sarbanes-Oxley Act of 2002; the Immigration Control and Reform Act; the California Government Code; the California Business & Professions Code; the California Family Rights Act; the California Labor Code; the California Industrial Welfare Commission Wage Orders; the California Fair Employment and Housing Act; the California and United States Constitutions; and any local ordinance or federal or state statute, regulation or constitution.

Plaintiff Morris further agrees to release any and all claims for age discrimination under the Age Discrimination in Employment Act ("ADEA"), the Older Workers Benefit Protection Act ("OWBPA"), and any federal, state or local fair employment acts arising up to and through the date of her execution of this Agreement. Plaintiff Morris further agrees that, (i) she is receiving consideration beyond that which she otherwise would have been entitled to before signing this Agreement; (ii) she is hereby advised to consult with an attorney of her choice prior to the execution of this Agreement; (iii) she has been given twenty-one (21) calendar days from the date of receipt of this Agreement to decide whether or not to execute it; and (iv) she has seven (7) calendar days from the execution of this Agreement to revoke its execution as to claims under the ADEA, in which case this Agreement becomes null and void as to ADEA claims if Plaintiff elects revocation in that time. This Agreement is not deemed fully executed until the eighth day after Plaintiff Morris executes the Agreement, assuming the Plaintiff does not give Notice of revocation of this Agreement pursuant to the notice provisions herein during the seven (7) day period that follows that execution. Plaintiff Morris acknowledges, understands, and

agrees that any such revocation must be in writing. If sent by U.S. mail, written revocation must be postmarked by midnight on the seventh day following the Execution Date, properly addressed and sent by certified mail, return receipt requested. Plaintiff Morris and Citizen agree that any later agreed-upon changes of this Agreement, whether material or immaterial, do not restart the running of the consideration of the revocation period identified above.

Plaintiffs understand that Plaintiffs are releasing claims that Plaintiffs may not now know about and that is Plaintiffs' knowing and voluntary intent. Plaintiffs understands that if Plaintiffs later discovers facts different from or in addition to those facts Plaintiffs currently know or believes to be true, this Agreement, and any waivers and releases in this Agreement, will nevertheless remain effective in all respects despite such different or additional facts and even if Plaintiffs would not have agreed to this Agreement if Plaintiffs had had prior knowledge of such facts. Plaintiffs expressly waive any and all rights under Section 1542 of the California Civil Code, and any like provision or principal of common law in any foreign jurisdiction. Section 1542 provides as follows:

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

This Release is intended to resolve any and all disputes of the Plaintiffs that exist or could exist against Releasees that can be validly released. Accordingly, this Release does not release claims that cannot be released by Plaintiffs as a matter of law, including but not limited to Plaintiffs' right to file a charge with or participate in a charge by the Department of Fair Employment and Housing or any other federal, state, or local administrative body or government agency authorized to enforce laws related to employment, claims for Workers' Compensation, unemployment compensation, or state disability insurance benefits pursuant to the terms of applicable state law.

VI. MISCELLANEOUS PROVISIONS.

A. Amendments.

1. The terms and provisions of this Settlement Agreement may be amended only by a written agreement which is signed by Class Counsel on behalf of Plaintiffs and Counsel for Defendant on behalf of Defendant. In addition, no amendment of this Settlement Agreement made after mailing of the Notice by the Settlement Administrator shall be valid unless approved by the Court, except as otherwise provided herein.
2. The Parties agree that time is of the essence, including but not limited to all deadlines with respect to the settlement administration, the payment of

Settlement Payments, and the payment of Class Counsel Attorneys' Fees and Litigation Costs. Nevertheless, the Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Settlement Agreement, without further notice to the Court, except as to Court dates which must be approved by the Court. Any such extensions shall be in writing and signed by counsel for the Parties.

B. No Inducements.

Plaintiffs acknowledges that entering into this Settlement Agreement is a free and voluntary act without duress or undue pressure or influence of any kind or nature whatsoever and that he has not relied on any promises, representations or warranties regarding the subject matter hereof other than as set forth in this Settlement Agreement.

C. Representations and Warranty.

Any Class Counsel Attorneys' Fees and Litigation Costs awarded by the Court will be paid to Kingsley & Kingsley, APC, and said firm represents and warrants that it is authorized by Plaintiffs to enter into this Settlement Agreement and to receive this payment, and releases Defendant and Counsel for Defendant for any claim by any other law firm arising out of the payment of attorneys' fees and costs. Class Counsel further represents and warrants that it is authorized to execute this Settlement Agreement and any amendments thereto on behalf of the Plaintiffs and to take all appropriate action required or permitted pursuant to this Settlement Agreement in order to effectuate its terms.

D. No Assignment.

None of the rights, commitments, or obligations recognized under this Settlement Agreement may be assigned by Plaintiffs, Class Counsel, or Defendant without the express written consent of the other Party and his or its respective counsel. The representations, warranties, covenants, and agreements by Defendant contained in this Settlement Agreement are for the sole benefit of Plaintiffs and the Settlement Class Members under this Settlement Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

E. Confidentiality; No Press Release.

1. Plaintiffs, Plaintiffs' agents (including their spouses, if any) and Plaintiffs' Counsel each understand and hereby agree that they are in no way to publicize any information concerning this Agreement, and Plaintiffs' agents (including their spouses, if any) and Plaintiffs' Counsel understand and hereby agree that they shall make no statement to the press or any other media regarding this Agreement, or take any affirmative steps to publicize or disclose the existence or terms of this Agreement not necessary for the settlement approval process. Plaintiffs, Plaintiffs' agents (including their spouses, if any) and Plaintiffs' Counsel also understand and agree that the

above agreements include, without limitation, publication, or disclosure via a website posting or social media (e.g. Facebook, Twitter). Plaintiff's Counsel also agrees that they will not solicit Settlement Class Members who contact their office about this case to participate in additional litigation, although Plaintiff's Counsel shall not be precluded from representing any party who contacts Plaintiff's Counsel for the purpose of representation. This subsection does not apply to any subpoenas or other orders compelling discovery and/or testimony. Plaintiffs, Plaintiffs' agents (including their spouses, if any) and Plaintiffs' Counsel understand and agree that should they receive any subpoena or other order that they believe may compel discovery and/or testimony that would compel them to make a disclosure prohibited by this provision, they shall promptly, and within 24 hours of receipt of such subpoena or order, provide Notice of such to Defense Counsel listed herein via email and telephone.

2. Nothing in this Section should be construed to infringe on Plaintiff or Plaintiff's counsel's ability to effectuate this Settlement Agreement, including filing preliminary approval documents, final approval documents, or any other documents required by the Court during the settlement approval process.

F. Subpoenas.

In the event the Agreement itself, or its terms, are subject to a formal or informal discovery request (including a notice of deposition or subpoena) in a pending action or formal demand in a government investigation, the Party to whom the request or demand is made shall promptly give written notice to the other party in sufficient time to afford the other party a reasonable opportunity to protect its interests. Such notice shall be provided pursuant to paragraph VI.G (entitled "Notices") of this Agreement.

G. Notices.

Any notices required or permitted hereunder will be given to the appropriate party at the address specified below or at such other address as the party will specify in writing. Such notice will be deemed delivered upon personal delivery to the appropriate address or delivery by facsimile to the number specified below, if any, or if sent by certified or registered U.S. mail, three calendar days after the date of mailing.

If notice is given to Citizen, it will be sent to:

Ashley Farrell Pickett
 Bryan W. Patton
 Greenberg Traurig, LLP
 1840 Century Park East, Ste 1900
 Los Angeles, CA 90067
 Ph: 310.586.7700

Fax: 310.586.7800
Email: Farrellpicketta@gtlaw.com
Pattonbw@gtlaw.com

If notice is given to the Plaintiffs, it will be sent to:

Eric B. Kingsley
Liane Katzenstein Ly
Ari J. Stiller
Kingsley & Kingsley, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Telephone: (818) 990-8300
Email: eric@kingsleykingsley.com
liane@kingsleykingsley.com
ari@kingsleykingsley.com

H. Agreement Constitutes a Complete Defense.

To the extent permitted by law, this Agreement may be pled as a full and complete defense to any action, suit, or other proceeding that may be instituted, prosecuted, or attempted against any of the released parties contrary to this Agreement.

I. Governing Law.

This Settlement Agreement shall be governed, construed, and interpreted, and the rights of Plaintiffs, the Settlement Class Members, Class Counsel, Defendant, and the Released Parties shall be determined in accordance with California law without regard to its conflicts of laws principles.

J. Severability.

If it is determined that any term or provision of this Agreement is invalid or unenforceable, in whole or in part, then the remaining terms and provisions hereof shall be unimpaired.

K. Jurisdiction of the Court.

Following entry of the Final Approval Order and Judgment, the Court shall retain jurisdiction pursuant to California Code of Civil Procedure section 664.6 with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgments entered in connection therewith, and the Parties, Class Counsel and Counsel for Defendant submit to the jurisdiction of the Court for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments entered in connection therewith.

L. Entire Agreement.

This Settlement Agreement, including the Exhibits referred to herein which form an integral part hereof, contains the entire understanding between the Parties with respect to the subject matter contained herein. This Settlement Agreement has been drafted jointly and is not to be construed against either Party. In case of any conflict between text contained in this Settlement Agreement and text contained in Exhibits to this Settlement Agreement, the former shall be controlling. There are no restrictions, promises, representations, warranties, covenants, or undertakings governing the subject matter of this Settlement Agreement other than those expressly set forth or referred to herein. This Settlement Agreement supersedes all prior agreements and understandings between the Parties with respect to the Settlement.

M. Counterparts.

This Settlement Agreement, and any amendments hereto, may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

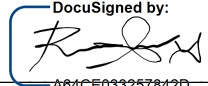
N. Attorneys' Fees and Costs.

Neither Class Counsel nor any other attorneys acting for, or purporting to act for the Settlement Class, Settlement Class Members or Plaintiffs may recover or seek to recover any amounts for fees, costs or disbursements from the Released Parties except as expressly provided herein.

IT IS AGREED.

January 6, 2021
Date: December __,

ROCHELLE ANTHONY

By: 
Rochelle Anthony, Plaintiff

TRAVENIA MORRIS

Date: December __, 2020

By: _____
Travenia Morris, Plaintiff

L. Entire Agreement.

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IT IS AGREED.

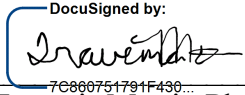
ROCHELLE ANTHONY

Date: December __, 2020

By: _____
Rochelle Anthony, Plaintiff

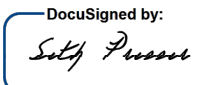
TRAVENIA MORRIS

Date: December 22, 2020

By:  _____
Travenia Morris, Plaintiff

CITIZEN WATCH COMPANY OF AMERICA,
INC.

Date: January ⁸____, 2021

DocuSigned by:

By: 096334A3153B433...
Seth Presser
Its: Vice President, Legal

Approved as to form only:

KINGSLEY & KINGSLEY, APC

Date: December ____, 2020

By: _____
Eric B. Kingsley
Liane Katzsenstein Ly
Ari J. Stiller
Attorneys for Plaintiffs Rochelle Anthony, Travenia
Morris, and the Settlement Class

GREENBERG TRAURIG, LLP

Date: January ____, 2021

By: _____
Ashley Farrell Pickett
Bryan W. Patton
Attorneys for Defendant Citizen Watch Company of
America, Inc.

CITIZEN WATCH COMPANY OF AMERICA,
INC.

Date: January ___, 2021

By: _____

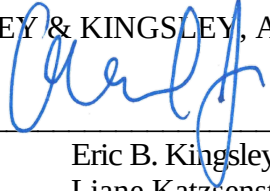
Its: _____

Approved as to form only:

KINGSLEY & KINGSLEY, APC

Date: January 11, 2021

By: _____

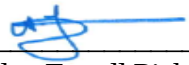

Eric B. Kingsley
Liane Katzsenstein Ly
Ari J. Stiller

Attorneys for Plaintiffs Rochelle Anthony, Travenia
Morris, and the Settlement Class

GREENBERG TRAURIG, LLP

Date: January 11, 2021

By: _____


Ashley Farrell Pickett
Bryan W. Patton

Attorneys for Defendant Citizen Watch Company of
America, Inc.

EXHIBIT A

KINGSLEY & KINGSLEY, APC

ERIC B. KINGSLEY, Esq., Cal. Bar No. 185123

eric@kingsleykingsley.com

LIANE KATZENSTEIN LY., Esq., Cal. Bar No. 259230

liane@kingsleykingsley.com

ARI J. STILLER, Esq., Cal. Bar No. 294676

ari@kingsleykingsley.com

16133 Ventura Blvd., Suite 1200

Encino, CA 91436

Telephone: (818) 990-8300

Fax: (818) 990-2903

Attorneys for Plaintiffs and the Proposed Class

GREENBERG TRAURIG, LLP

Ashley Farrell Pickett (SBN 271825)

Ryan C. Bykerk (SBN 274534)

Bryan W. Patton (SBN 294910)

Matthew J. Weber (SBN 318097)

1840 Century Park East, Suite 1900

Los Angeles, CA 90067

Tel: (310) 586-7700; Fax: (310) 586-7800

Email: farrellpickett@gtlaw.com

bykerkr@gtlaw.com

pattonbw@gtlaw.com

webermat@gtlaw.com

Attorneys for Defendants

CITIZEN WATCH COMPANY OF AMERICA, INC.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
THE COUNTY OF LOS ANGELES**

ROCHELLE ANTHONY, on behalf of herself
and others similarly situated,

PLAINTIFF,

v.

CITIZEN WATCH COMPANY OF AMERICA,
INC.; and DOES 1 thru 50, inclusive,

DEFENDANTS.

CASE NO.: 20STCV00171

[Case assigned for All Purposes to Hon. Judge
Maren Nelson, in Dept. 17]

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT, APPROVING
NOTICE, AND SETTING DATE FOR FINAL
APPROVAL HEARING**

1 The Joint Motion for Preliminary Approval of Class Action Settlement (“Joint Motion”) filed by
2 Plaintiffs Rochelle Anthony and Travenia Morris (“Plaintiffs”) and Defendant Citizen Watch Company
3 of America, Inc. (“Citizen” or “Defendant”) came regularly for hearing before this Court as duly noticed.
4 After consideration of all the papers filed in connection therewith, the arguments of counsel, and all other
5 matters presented to the Court, the Court hereby makes a preliminary finding that the proposed class action
6 settlement is fair, reasonable, adequate and in the best interests of the settlement class. Good cause
7 appearing therefor, the Court **GRANTS** the Joint Motion and **ORDERS** as follows:

8 1. The terms of the settlement reached by Plaintiffs and Defendant, as set forth in the
9 Settlement Agreement, are hereby preliminarily approved as being fair, reasonable and adequate to the
10 members of the Settlement Class, subject to further consideration at the final approval hearing after the
11 distribution of the notice to the members of the Settlement Class as provided in paragraph 6 of this
12 Order. The Court notes that class members’ release of claims arising under the Fair Labor Standards
13 Act (“FLSA”) is a material term of this settlement agreement and acknowledges that putative class
14 members who do not opt-out of the class settlement will be deemed to have waived FLSA claims as
15 well as state law claims.

16 2. The following settlement class is preliminarily approved for settlement purposes only,
17 and is referred to herein as the “Settlement Class”: any and all nonexempt California employees of
18 Citizen Watch Company of America, Inc. who received overtime pay or a meal or rest break premium
19 in the same pay period in which they received a shift differential between January 3, 2016 and
20 _____.

21 3. The Court makes the following preliminary findings for settlement purposes only:

- 22 A. The Settlement Class, which consists of approximately 64 persons, is so
23 numerous that joinder of all members is impracticable;
- 24 B. There appear to be questions of law or fact common to the Settlement
25 Class for purposes of determining whether this Settlement should be
26 approved;
- 27 C. Plaintiffs’ claims appear to be sufficiently typical for settlement purposes
28 of the claims being resolved through the proposed settlement;
- D. Plaintiff appears to be capable of fairly and adequately protecting the
 interests of the Settlement Class Members in connection with the proposed
 settlement;

E. Common questions of law and fact appear to predominate over questions affecting only individual persons in the Settlement Class for the purposes of approving this settlement. Accordingly, the Settlement Class appears to be sufficiently cohesive to warrant settlement by representation; and

F. Certification of the Settlement Class for settlement purposes appears to be superior to other available methods for the fair and efficient resolution of the claims of the Settlement Class.

4. The Court appoints Kingsley & Kingsley, APC, as counsel on behalf of the Settlement Class (“Class Counsel”) for purposes of settlement only.

5. Plaintiffs Rochelle Anthony and Travenia Morris are hereby appointed as representatives of the Settlement Class (“Class Representatives”) for purposes of settlement only.

6. The Court appoints ILYM Group, Inc. as the third-party settlement administrator.

7. The Court approves as to form and content the “Notice of Class Action Settlement” (“Notice”) attached as Exhibit 1 hereto.

8. The Court authorizes mailing of the Notice to the Settlement Class Members by first-class United States mail to their last known addresses within ten (10) business days of receipt of the Class Information from Defendant.

9. The Court orders that pursuant to the California Private Attorneys General Act, Labor Code §§ 2698, et seq. (“PAGA”), statutory notice of this Settlement has been and will continue to be given to the Labor & Workforce Development Agency.

10. A hearing to consider and determine (i) whether the Settlement Agreement should be finally approved, (ii) whether Class Counsel’s application for attorneys’ fees and costs should be approved, and (iii) whether the application for a Class Representative incentive award should be approved, is hereby set for _____ 2021 at _:_ a.m.

11. The Court sets the following deadlines:

Deadline for Defendant to provide Class Information to Settlement Administrator	7 business days after entry of Preliminary Approval Order
Deadline for Settlement Administrator to mail Notice to Settlement Class Members	10 business days after receiving Class Information from Defendant

1 2 3	Deadline for Class Members to opt out of or object to the Settlement (“Response Deadline”)	45 calendar days after Notice Packets are mailed by the Settlement Administrator to Settlement Class Members
4 5 6	Deadline for Class Counsel to file Motion for Attorneys’ Fees and Costs and Motion for Final Approval of Class Action Settlement	

12. The Court expressly reserves the right to adjourn or continue the final fairness hearing from time to time without further notice to members of the Settlement Class.

IT IS SO ORDERED.

Dated

THE HONORABLE MAREN NELSON

EXHIBIT 1

According to Citizen Watch Company of America, Inc.’s (“Citizen”) records, you worked for Citizen as a nonexempt employee in the State of California and received overtime or other premium pay in the same pay period that you worked a shift differential (“Pay Periods”). Citizen’s records indicate that you worked [redacted] such Pay Periods in California between January 3, 2016 and [redacted]

Based on the number of Pay Periods you worked, your estimated individual settlement payment is \$ [redacted]. Please note this is only an estimate and your actual payment may be greater or smaller than this amount.

**SUPERIOR COURT OF THE STATE CALIFORNIA
COUNTY OF LOS ANGELES**

ROCHELLE ANTHONY, on behalf of herself and others similarly situated, PLAINTIFF, v. CITIZEN WATCH COMPANY OF AMERICA, INC.; and DOES 1 thru 50, inclusive, DEFENDANTS.	CASE NO. 20STCV00171 NOTICE OF CLASS ACTION SETTLEMENT
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The Superior Court of the State of California County of Los Angeles (the “Court”) authorized this Notice of Class Action Settlement (“Notice”). This is not a solicitation from a lawyer. The Court has given preliminary approval to a settlement of this lawsuit. If you were a nonexempt Citizen employee in the State of California at any time from January 3, 2016 through [redacted] (the “Class Period”), you should read this Notice carefully because it will affect your rights.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SHARE OF THE SETTLEMENT	If you do nothing, you will receive a Settlement Payment and release certain claims under state law and federal law, including Fair Labor Standards Act (“FLSA”) claims.
EXCLUDE YOURSELF OR “OPT OUT”	If you opt out of the lawsuit, you will <u>not</u> receive any payment under this settlement. In addition, you will not release any of your claims and will be free to pursue any claims you may have against Citizen.
OBJECT	If you believe the proposed settlement is not fair, adequate or reasonable, you may submit an objection and/or may appear in Court in person or through an attorney and explain why you do not like the settlement. If the Court agrees with your objection, the parties can choose whether to withdraw the settlement or change its terms.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court has not yet decided whether to finally approve the settlement. Payments will be made if the Court approves the settlement and after appeals (if any) are resolved.

BASIC INFORMATION

1. Why did I receive this Notice?

You received this Notice because Citizen's records show that you were a nonexempt Citizen employee in California and received overtime or other premium pay in the same pay period that you worked a shift differential during the Class Period ("Pay Periods"). This Notice explains that the Court has granted preliminary approval of a proposed settlement of a class action lawsuit that may affect you, your legal rights, what benefits are available, and how to get them.

2. What is this lawsuit about?

Plaintiffs Rochelle Anthony and Travenia Morris ("Plaintiffs" or "Class Representatives") allege on behalf of themselves and other non-exempt hourly employees in the State of California that Citizen failed to properly calculate non-exempt employees' pay rates, and as such, Citizen failed to timely pay wages after termination; failed to provide accurate wage statements; failed to properly pay meal period premiums; failed to pay overtime wages; violated the California Private Attorneys General Act; and engaged in unfair and unlawful business practices. Plaintiffs seeks unpaid wages, penalties, interest, restitution, attorneys' fees and expenses.

Citizen strongly denies these allegations and asserts that it properly paid its employees consistent with all applicable laws. **Nothing in this Notice, or the Settlement itself, means that Citizen admits to any wrongdoing, but to avoid the costs of litigation the parties have agreed to settle the matter.**

The Court has not ruled on the merits of Plaintiffs' claims or Citizen's defenses.

3. What is a class action and who is involved?

The parties agreed to treat this case as a class action for purposes of settlement only. In a class action, one or more persons (in this case Rochelle Anthony and Travenia Morris) file a lawsuit on behalf of people who are alleged to have similar claims. These people together are called "Settlement Class Members." Settlement Class Members who do not submit a timely request for exclusion pursuant to the procedure set forth below in Section 13 are called "Participating Class Members." In this case, the parties have decided to settle the case. The Court has made a preliminary determination that the proposed settlement appears fair, adequate, and reasonable. The Court will decide whether to finally approve the proposed settlement after the Settlement Class Members are given a chance to exclude themselves from or object to the proposed settlement.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

The Court has certified for settlement purposes only the following class: any and all nonexempt California employees of Citizen who received overtime pay or a meal or rest break premium in the same pay period in which they received a shift differential between January 3, 2016 and [the date that the Court preliminarily approves this Settlement Agreement] ("Settlement Class Members" or "Settlement Class"). According to Citizen's records, you are a member of the Settlement Class.

THE SETTLEMENT BENEFITS-WHAT YOU RECEIVE

5. What does the settlement provide?

The proposed settlement requires Citizen to pay a maximum amount of one hundred and thirty thousand dollars (\$130,000) to settle this case. This amount includes payments for attorneys' fees (up to \$43,333.33) and costs (up to \$9,250.00) to Class Counsel, an incentive award for Plaintiffs (up to \$5,000 each), Settlement Administration Costs (up

to \$5,234.00), and a payment to the California Labor and Workforce Development Agency ("LWDA") (up to \$5,625.00). The amount remaining after these payments is the amount available to distribute to Settlement Class Members ("Net Settlement Amount").

Any amounts not requested or awarded for attorneys' fees and costs, an incentive award to Plaintiffs, and the payment to the LWDA will be included in the Net Settlement Amount and distributed to Settlement Class Members.

6. How much will my payment be?

The Net Settlement Amount will be divided among all Settlement Class Members who do not request to be excluded from the settlement ("Participating Class Members") as follows: First, Citizen will use its payroll records to calculate the total Pay Periods worked by each Participating Class Member during the Class Period. Second, the total Pay Periods for each Participating Class Member will then be divided by the total of all Participating Class Members' Pay Periods during the Class Period to create a "Final Percentage" for each Participating Class Member. Fourth, that Final Percentage will then be multiplied by the Net Settlement Amount to determine the final amount of each Participating Class Member's pro rata recovery under this settlement.

The estimated number of Pay Periods you worked for Citizen as a non-exempt in California during the Class Period according to Citizen's records, and your estimated Settlement Payment are at the top of page 1 of this Notice. If you disagree with the number of Pay Periods stated on this Notice, you must send a letter to the Settlement Administrator within forty-five (45) calendar days of the mailing of this Notice stating the reasons why you dispute the number of Pay Periods and provide any supporting documentation that you have (for example, any paystubs). The information you provide should include the estimated number of Pay Periods you claim you worked as non-exempt Citizen employee in the State of California from January 3, 2016 through [end date of class period]. Citizen's records will be presumed correct unless you are able to provide credible and verifiable documentation to the Settlement Administrator that establishes otherwise. Failure to provide documentary evidence in support of your dispute will render your dispute invalid. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the number of pay periods that should be applied and/or the settlement payment to which you may be entitled.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the following address, postmarked no later than [Response Deadline].

Anthony v. Citizen Watch Company of America, Inc.
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

7. Will taxes be withheld from my settlement payment?

For tax reporting purposes, your settlement payment will be allocated as 10% wages, subject to required state and federal withholdings and deductions, reported on a form W-2; and 90% non-wage damages, interest, and penalties, reported on a form 1099-MISC, with no withholdings taken.

HOW YOU RECEIVE A PAYMENT

8. How can I receive a payment?

If this Notice was sent to you at your current address, you do not need to do anything to receive your settlement payment.

If this Notice was forwarded by the postal service, or if it was otherwise sent to you at an address that is not current, or if you have changed your address since working for Citizen or have any other reason to believe that Citizen does not have your current mailing address, then you should immediately notify the Settlement Administrator in writing stating your name and past and current addresses. The Settlement Administrator's address is:

Anthony v. Citizen Watch Company of America, Inc. Settlement Administration
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

Otherwise, you do not need to do anything to receive a payment so long as you do not exclude yourself from the class.

9. What am I giving up if I stay in the class?

If you do not exclude yourself from the settlement, you will be bound by any judgment entered in this Action and will not be allowed to sue Citizen for any claims occurring between January 3, 2016 and [end date of class period], that arise from, relate to or are based on any and all claims alleged in the Action. If you do not exclude yourself, all of the Court's orders will apply to you and you will release all Released Parties from all Released Claims as follows:

"Released Parties" means Defendant together with their past and present parents, subsidiaries, divisions, partners and affiliates, and their respective past and present stockholders, officers, directors, employees including managers, attorneys and insurers, as well as any other persons or entities who are alleged or could have been alleged to have been involved in the conduct alleged, or sought to be alleged, at any time in the Action.

"Released Claims" means any and all claims, demands, rights, liabilities, and/or causes of action of any nature and description whatsoever, known or unknown, in law or in equity, whether concealed or hidden, which arose at any time during the Class Period based on the facts or claims asserted by Plaintiffs Rochelle Anthony or Travenia Morris in any pleading in the Action on their own behalf or on behalf of a putative class member, or based on any facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures that arise out of, in any way, the claims made and facts alleged in the Action, including without limitation violations of any state or federal statutes, rules, or regulations (including the Fair Labor Standards Act), based on an assertion that Released Parties (1) failed to pay wages and/or overtime under Labor Code §§ 510, 1194; and 1199; (2) failed to provide Meal Breaks or correctly pay meal break premiums Pursuant to Labor Code §§ 226.7 and 512; (3) failed to provide accurate wage statements; (4) failed to pay all wages due at termination; (5) violated the California Private Attorneys General Act; and/or (6) engaged in any unfair and unlawful business practices.

With respect to any claims under the Fair Labor Standards Act ("FLSA"), by cashing one or more of the Settlement Checks, you will be deemed to have opted-in and, by operation of the Final Order and Judgment, shall have, fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from any and all claims under the FLSA which arise under the facts asserted in the Action.

By failing to exclude yourself from the settlement, you further acknowledge and agree that all of the claims for wage and hour and payroll practice violations in the Action are disputed, and that all of the claims in the Action are disputed, and that payment under the Settlement constitute payment in full of any and all amounts allegedly due to you. You acknowledge and agree that California Labor Code section 206.5 is not applicable. That section provides in pertinent part:

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

10. When will I receive my settlement payment?

The Court has scheduled a Fairness/Final Approval Hearing on _____, 2021, at ____ a.m. in Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los

Angeles, CA, 90012, at which time the Court will determine: (1) whether the proposed settlement should be approved as fair, reasonable and adequate to Participating Class Members; and (2) whether the applications for attorneys' fees, costs, and the Plaintiffs' incentive award should be approved. If the Court approves the settlement, an Order Granting Final Approval will be entered. It is neither required nor necessary that you attend the Fairness Hearing. Once the Order Granting Final Approval is signed by the Court, and if there is no appeal of the Court's order, then checks will be mailed to the Participating Class Members. If an appeal is filed, then distributions will be delayed until after final resolution of any appeals.

11. What if I get my payment and don't cash it?

Each settlement check will be valid for 180 calendar days after it was issued. If you do not cash your check, you will still be bound by the terms of the settlement and you will release all Released Claims as described above. After 180 calendar days, the Settlement Administrator will stop payment on your check and will transfer the amount represented by the check to a nonprofit organization authorized by the Court.

12. What happens if I do nothing at all?

If you do nothing, you will receive a payment from the settlement and you will be bound by the terms of the settlement. For further information, you can speak with Class Counsel in this case identified below.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to retain the right to pursue claims against Citizen alleged in this case and/or you do not want a payment from this settlement, then you must take certain steps. This is called excluding yourself or "opting out" of the settlement. **DO NOT EXCLUDE YOURSELF IF YOU WISH TO RECEIVE MONEY FROM THIS SETTLEMENT.**

13. How do I request to be excluded from the settlement?

To exclude yourself from the settlement, you must submit a written request to be excluded from the Settlement ("Request for Exclusion") postmarked on or before **[Response Deadline]**, to the Settlement Administrator at the following address:

Anthony v. Citizen Watch Company of America, Inc. Settlement Administration
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

In order to be valid, your Request for Exclusion must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number (for identification purposes only); (2) state that you are requesting to opt out of, or be excluded from, the settlement in *Anthony v. Citizen Watch Company of America, Inc.*; and (3) be signed by you. If you do not submit a timely and valid Request for Exclusion, you will be deemed a Participating Class Member, you will receive a settlement payment, and you will be bound by the release of Released Claims as described above and all other terms of the settlement. If you submit a valid and timely Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefits as a result of the Action and settlement and will not be entitled to or permitted to assert an objection to the settlement.

14. If I do not exclude myself, can I sue Citizen for the same claims later?

No. If you do not submit a valid and timely Request for Exclusion postmarked by **[Response Deadline]**, you will be bound by all terms of the settlement and any Final Approval Order and Judgment entered in the Action, if the settlement is approved by the Court. The settlement and Final Approval Order and Judgment will include a full release of claims in this Action, which will prevent you from suing Citizen or any related persons or entities for the claims released by the settlement. If you have a pending lawsuit, you should speak to your lawyer in that case immediately.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you are asking not to be included in the settlement and will not receive a settlement payment.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court has appointed the following lawyers as Class Counsel to represent you and all Settlement Class Members:

Eric B. Kingsley
Liane Katzenstein Ly
Ari J. Stiller
Kingsley & Kingsley, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Telephone: (818) 990-8300

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want to hire your own lawyer, you may do so at your own expense.

17. How will the lawyers and the Class Representatives be paid?

The amount of attorneys' fees and costs awarded to Class Counsel will be subject to the Court's discretion. You will not have to pay these fees and expenses separately. Class Counsel will request that the Court approve an award of attorneys' fees in an amount not to exceed \$43,333.33, and reimbursement of litigation costs of up to \$9,250.00.

Class Counsel will also request that the Class Representatives receive an additional amount called an "Incentive Award" for the risk and work in bringing and participating in this lawsuit. The amount of the Incentive Award will be subject to the Court's discretion, but in any event, will not exceed \$5,000.00 for each Class Representative. This Incentive Award shall be paid out of and deducted from the Settlement Proceeds. Lastly, as part of the preliminary approval of the settlement, the Court has approved payment of settlement administration expenses in the amount of up to \$5,234.00 to the Settlement Administrator from the Settlement Proceeds.

OBJECTING TO THE SETTLEMENT

18. How do I object?

If you think that the proposed settlement is not fair, adequate or reasonable, you can object to the proposed settlement. If you object, and the Court approves the settlement, then you will still receive a settlement payment, and you will be bound by the terms of the release as set forth in Section 9 above.

If you want to object to any part of the settlement, you may submit a written objection to the Court stating the basis for the objection and/or you may appear to object at the Final Fairness and Approval Hearing. Any written objection must be filed with the Court and copies thereof must be mailed or personally delivered to the attorneys listed below no later than [REDACTED], 2021.

All written objections should reference the case name and number (*Rochelle Anthony v. Citizen Watch Company of America, Inc.*, Case No. 20STCV00171) and be filed with the Clerk of Court no later than [REDACTED], 2021 at:

Superior Court of the State of California for the County of Los Angeles
312 North Spring Street, Los Angeles, CA, 90012

Copies of all documents filed with the Clerk of Court must be mailed or personally delivered to the following no later than [REDACTED], 2021:

CLASS COUNSEL
 Eric B. Kingsley
 Liane Katzenstein Ly
 Ari J. Stiller
 Kingsley & Kingsley, APC
 16133 Ventura Blvd., Suite 1200
 Encino, CA 91436
 Telephone: (818) 990-8300

DEFENDANT'S COUNSEL
 Ashley Farrell Pickett
 Bryan W. Patton
 GREENBERG TRAURIG, LLP
 1840 Century Park East, Ste. 1900
 Los Angeles, CA 90067

The Final Approval Hearing is currently set for [REDACTED], 2021, at [REDACTED] : [REDACTED] m. at Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los Angeles, CA, 90012. Any individual attending the hearing must comply with the Court's current social distancing procedures for attendance at hearings, available on the Court's website at <https://www.lacourt.org>.

19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the settlement class. Excluding yourself is telling the Court that you do not want to be part of the settlement class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

20. When and where will the Court decide whether to approve the settlement?

A hearing will be held before the Honorable Maren Nelson on [REDACTED], 2021, at [REDACTED] : [REDACTED] m., in Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los Angeles, CA, 90012, to determine whether the proposed settlement is fair, adequate, reasonable and should be finally approved by the Court. At the hearing, Class Counsel will speak on your behalf and answer any questions Judge Nelson might have. Any individual attending the hearing must comply with the Court's current social distancing procedures for attendance at hearings, available on the Court's website at <https://www.lacourt.org>.

GETTING MORE INFORMATION

21. Are there more details about the settlement?

This Notice summarizes the terms of the proposed settlement. More details are in the settlement agreement. You may review the Court's files, which include the settlement agreement, at the office of the Clerk of Court located at 312 N. Spring Street, Los Angeles, CA, 90012, during regular business hours or by visiting the "Case Document Images" link on the Court's website, <https://www.lacourt.org>. Please check the Court's current social distancing procedures for attendance at hearings and review of court files, available on the Court's website at <https://www.lacourt.org/>.

22. How do I obtain additional information?

If you have questions regarding this Notice and/or the settlement, you may contact the Settlement Administrator at 1-XXX-XXX-XXXX or you may contact Class Counsel at the address and telephone number listed above.

PLEASE DO NOT CONTACT THE COURT, CITIZEN, OR CITIZEN'S ATTORNEYS WITH INQUIRIES.

EXHIBIT B

KINGSLEY & KINGSLEY, APC

ERIC B. KINGSLEY, Esq., Cal. Bar No. 185123

eric@kingsleykingsley.com

LIANE KATZENSTEIN LY., Esq., Cal. Bar No. 259230

liane@kingsleykingsley.com

ARI J. STILLER, Esq., Cal. Bar No. 294676

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Fax: (818) 990-2903

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Bryan W. Patton (SBN 294910)

Matthew J. Weber (SBN 318097)

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Attorneys for Defendants

CITIZEN WATCH COMPANY OF AMERICA, INC.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ROCHELLE ANTHONY, on behalf of
herself and others similarly situated,

PLAINTIFF,

v.

CITIZEN WATCH COMPANY OF
AMERICA, INC.; and DOES 1 thru 50,
inclusive,

DEFENDANTS.

CASE NO.: 20STCV00171

[Case assigned for All Purposes to Hon. Judge
Maren Nelson, in Dept. 17]

**[PROPOSED] ORDER GRANTING
FINAL APPROVAL OF CLASS ACTION
SETTLEMENT**

Date:

Time:

Dept.: SS-17

TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

The above captioned Action is a class action lawsuit brought by Plaintiffs Rochelle Anthony and Travenia Morris ("Plaintiffs") against Defendant Citizen Watch Company of America, Inc. ("Defendant"). The Motion for Final Approval of Class Action Settlement came before this Court on XXXX.

On XXXXXX, this Court entered an order granting preliminary approval of the Parties' Settlement Agreement and Release of Claims ("Settlement Agreement"). Plaintiffs have applied to the Court for an order granting final approval of the Settlement Agreement. The Settlement Agreement sets forth the terms and conditions of the proposed Settlement and for entry of an order of final approval and entry of final judgment thereon. Upon consideration of Plaintiff's Motion for Final Approval of Class Action Settlement; Motion for Approval of Attorneys' Fees and Costs, and all accompanying evidence, and good cause appearing, **THE COURT HEREBY ORDERS AS FOLLOWS:**

1. The Court has personal jurisdiction over all Settlement Class Members and has subject matter jurisdiction to approve the Settlement;

2. The terms of the Settlement are fair, just, reasonable, and adequate, consistent and in compliance with California Code of Civil Procedure, the California and United States Constitutions (including the due process clauses), the California Rules of Court and any other applicable law, and in the best interest of each of the Parties and the Class members and is hereby finally approved in all respects.

3. The Parties are directed to perform the terms of the Settlement as described in the Settlement Agreement according to its terms and provisions.

4. The Settlement Agreement is binding on Plaintiff and all other Settlement Class Members, except those who timely and properly filed Requests for Exclusion.

5. No class members have objected or opted out of the Settlement.

6. It is ordered that the Settlement Class is certified for settlement purposes only. The Court finds that an ascertainable class exists and a well-defined community of interest exists in the questions of law and fact involved because in the context of the Settlement: (i) there are

1 questions of law and fact common to the Class Members for the purposes of this Settlement
2 which, as to the Settlement and all related matters, predominate over any individual questions;
3 (ii) the Claims of Plaintiffs are typical of the Claims of the Class members for the purposes of
4 this Settlement; and (iii) in negotiating, entering into and implementing the Settlement, Plaintiffs
5 and Plaintiffs' Attorneys have fairly and adequately represented and protected the interests of the
6 Class Members.

7 7. The Court finds that the Notice and notice methodology implemented pursuant to
8 this Settlement (i) constituted the best practicable notice; (ii) constituted notice that was
9 reasonably calculated, under the circumstances, to apprise Settlement Class Members of the
10 pendency of the Action, their right to object to or exclude themselves from the proposed
11 Settlement and their right to appear at the Final Fairness and Approval Hearing; (iii) were
12 reasonable and constituted due, adequate and sufficient notice to all persons entitled to receive
13 notice; and (iv) met all applicable requirements of the California Code of Civil Procedure, the
14 California and United States Constitution (including the Due Process Clause), the California
15 Rules of Court and any other applicable law.

16 8. The Settlement Class is hereby made final. The Settlement Class is defined as:
17 any and all nonexempt California employees of Citizen Watch Company of America, Inc. who
18 received overtime pay or a meal or rest break premium in the same pay period in which they
19 received a shift differential from January 3, 2016 through XXXXXX.

20 9. Pursuant to the Settlement Agreement, upon entry of this order, Plaintiff and each
21 Settlement Class Member shall fully release and discharge the Released Parties from:

22 any and all claims, demands, rights, liabilities, and/or causes of action of any
23 nature and description whatsoever, known or unknown, in law or in equity,
24 whether concealed or hidden, which arose at any time during the Class Period
25 based on the facts or claims asserted by Plaintiffs Rochelle Anthony or Travenia
26 Morris in any pleading in the Action on their own behalf or on behalf of a putative
27 class member, or based on any facts, transactions, events, occurrences, acts,
28 disclosures, statements, omissions, or failures that arise out of, in any way, the
claims made and facts alleged in the Action, including without limitation
violations of any state or federal statutes, rules, or regulations (including the Fair
Labor Standards Act), based on an assertion that Released Parties (1) failed to pay
wages and/or overtime under Labor Code §§ 510, 1194; and 1199; (2) failed to
provide Meal Breaks or correctly pay meal break premiums Pursuant to Labor
Code §§ 226.7 and 512; (3) failed to provide accurate wage statements; (4) failed
to pay all wages due at termination; (5) violated the California Private Attorneys

ORDER GRANTING FINAL APPROVAL OF CLASS ACTION SETTLEMENT

General Act; and/or (6) engaged in any unfair and unlawful business practices

10. The Settlement Agreement provides that the Settlement Proceeds of \$130,000.00. The Net Settlement Amount shall be determined according to the terms of the Settlement Agreement.

11. The Court orders the calculations and the payments to be made and administered in accordance with the terms of the Settlement Agreement.

12. The Court hereby finds that Plaintiff and Class Counsel adequately represented the Settlement Class for purposes of entering into and implementing the settlement. The Court hereby confirms Kingsley & Kingsley, APC and attorneys Eric B. Kingsley and Ari J. Stiller as Class Counsel.

13. The Court hereby finds the unopposed application of Class Counsel for an award of attorneys' fees and costs provided for under the Settlement Agreement to be fair and reasonable in light of all the circumstances, and is hereby granted. Of the Settlement Proceeds, \$43,333.33 shall be paid for attorneys' fees and \$9,250.00 for litigation costs.

14. The unopposed application for a Class Representative Enhancement Payment is hereby granted. Of the Settlement Proceeds, a \$5,000.00 enhancement payment shall be allocated to each of the Named Plaintiffs, Rochelle Anthony and Travenia Morris.

15. The unopposed application of Class Counsel for claims administration fees to ILYM Group, Inc. is hereby granted. Of the Settlement Proceeds, \$5,234.00 shall be paid to the Settlement Administrator for settlement administration fees.

16. The Court approves the PAGA penalties in the amount of \$7,500.00. The Court approves 75% of the PAGA penalties being allocated to the LWDA in the amount of \$5,625.00 and directs that the remaining 25% of the PAGA Penalties, in the amount of \$1,875.00, shall be allocated to the Class Members.

17. If a Class Member does not cash his or her settlement check within 180 days, the uncashed funds and any interest accrued thereon shall be transmitted by the Settlement Administrator to the non-profit Bet Tzedek Legal Services pursuant to California Code of Civil Procedure section 384(b).

18. Defendant shall have no further liability for costs, expenses, interest, or attorneys'

ORDER GRANTING FINAL APPROVAL OF CLASS ACTION SETTLEMENT

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1 fees except as provided for in the Settlement Agreement.

2 19. The Parties are ordered to give notice to all Class Members in accordance with
3 California Rules of Court, rule 3.771(b).

4 20. Pursuant to California Rule of Court Rule 3.769(h) and C.C.P. § 664.6, the Court
5 shall retain continuing jurisdiction over the Actions, the Parties, and the Settlement Class, as well
6 as the administration and enforcement of the terms of the Settlement of this action to enforce the
7 terms of the judgment. Without affecting the finality of the Final Judgment, the Court shall retain
8 continuing jurisdiction over the Actions, the Parties, and the Settlement Class, as well as the
9 administration and enforcement of the Settlement.

10 21. The Court sets a compliance hearing for _____. No
11 later than five days before the compliance hearing, the Parties shall file a compliance report
12 specifying the total amount paid to class members, and the residual of unclaimed funds that will
13 be paid to the non-profit organization specified above, along with a proposed amended judgment
14 directing payment of the residual funds pursuant to Code of Civil Procedure section 384.

15
16 **DATED:** _____

JUDGE OF THE SUPERIOR COURT

EXHIBIT C

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Attorneys for Defendants

CITIZEN WATCH COMPANY OF AMERICA, INC.

**SUPERIOR COURT FOR THE STATE OF CALIFORNIA
THE COUNTY OF LOS ANGELES**

ROCHELLE ANTHONY, on behalf of herself
and others similarly situated,

PLAINTIFF,

v.

CITIZEN WATCH COMPANY OF AMERICA,
INC.; and DOES 1 thru 50, inclusive,

DEFENDANTS.

CASE NO.: 20STCV00171

[Case assigned for All Purposes to Hon.
Judge Maren Nelson, in Dept. 17]

[PROPOSED] FINAL JUDGMENT

Date:

Time:

Dept.: SS-17

1 The Court has received and considered the motions of Plaintiffs Rochelle Anthony and
2 Travenia Morris ("Plaintiffs") for preliminary and final approval of the Settlement Agreement
3 and Release of Claims ("Settlement Agreement" or "Settlement") entered into between Plaintiffs
4 on behalf of themselves and a class conditionally certified for settlement purposes, on the one
5 hand, and Defendant Citizen Watch Company of America, Inc. ("Defendant"), on the other, and
6 has entered an order granting final approval of the Settlement.

7 **NOW THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:**

8 The Court, having entered an order granting Final Approval of this Settlement, hereby
9 enters FINAL JUDGMENT in favor of Plaintiffs and the Class Members and against Defendant
10 in the amount of \$130,000.00 in accordance with the terms of the Settlement Agreement. The
11 Parties are hereby ordered to comply with the terms of the Settlement Agreement. The Parties
12 shall bear their own costs and attorneys' fees except as otherwise provided by the Settlement
13 Agreement and the Final Approval Order.

14 This document shall constitute a Judgment for purposes of California Rules of Court,
15 rule 3.769(h). This Judgment is intended to be a final disposition of the above-captioned action
16 in its entirety.

17 **DATED:** _____

18 **JUDGE OF THE SUPERIOR COURT**

EXHIBIT "B"

According to Citizen Watch Company of America, Inc.’s (“Citizen”) records, you worked for Citizen as a nonexempt employee in the State of California and received overtime or other premium pay in the same pay period that you worked a shift differential (“Pay Periods”). Citizen’s records indicate that you worked [redacted] such Pay Periods in California between January 3, 2016 and [redacted]

Based on the number of Pay Periods you worked, your estimated individual settlement payment is \$ [redacted]. Please note this is only an estimate and your actual payment may be greater or smaller than this amount.

**SUPERIOR COURT OF THE STATE CALIFORNIA
COUNTY OF LOS ANGELES**

ROCHELLE ANTHONY, on behalf of herself and others similarly situated,

PLAINTIFF,

v.

CITIZEN WATCH COMPANY OF AMERICA, INC.;

and DOES 1 thru 50, inclusive,

DEFENDANTS.

CASE NO. 20STCV00171

NOTICE OF CLASS ACTION SETTLEMENT

The Superior Court of the State of California County of Los Angeles (the “Court”) authorized this Notice of Class Action Settlement (“Notice”). This is not a solicitation from a lawyer. The Court has given preliminary approval to a settlement of this lawsuit. If you were a nonexempt Citizen employee in the State of California at any time from January 3, 2016 through [redacted] (the “Class Period”), you should read this Notice carefully because it will affect your rights.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE A SHARE OF THE SETTLEMENT	If you do nothing, you will receive a Settlement Payment and release certain claims under state law and federal law, including Fair Labor Standards Act (“FLSA”) claims.
EXCLUDE YOURSELF OR “OPT OUT”	If you opt out of the lawsuit, you will <u>not</u> receive any payment under this settlement. In addition, you will not release any of your claims and will be free to pursue any claims you may have against Citizen.
OBJECT	If you believe the proposed settlement is not fair, adequate or reasonable, you may submit an objection and/or may appear in Court in person or through an attorney and explain why you do not like the settlement. If the Court agrees with your objection, the parties can choose whether to withdraw the settlement or change its terms.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court has not yet decided whether to finally approve the settlement. Payments will be made if the Court approves the settlement and after appeals (if any) are resolved.

BASIC INFORMATION

1. Why did I receive this Notice?

You received this Notice because Citizen's records show that you were a nonexempt Citizen employee in California and received overtime or other premium pay in the same pay period that you worked a shift differential during the Class Period ("Pay Periods"). This Notice explains that the Court has granted preliminary approval of a proposed settlement of a class action lawsuit that may affect you, your legal rights, what benefits are available, and how to get them.

2. What is this lawsuit about?

Plaintiffs Rochelle Anthony and Travenia Morris ("Plaintiffs" or "Class Representatives") allege on behalf of themselves and other non-exempt hourly employees in the State of California that Citizen failed to properly calculate non-exempt employees' pay rates, and as such, Citizen failed to timely pay wages after termination; failed to provide accurate wage statements; failed to properly pay meal period premiums; failed to pay overtime wages; violated the California Private Attorneys General Act; and engaged in unfair and unlawful business practices. Plaintiffs seeks unpaid wages, penalties, interest, restitution, attorneys' fees and expenses.

Citizen strongly denies these allegations and asserts that it properly paid its employees consistent with all applicable laws. **Nothing in this Notice, or the Settlement itself, means that Citizen admits to any wrongdoing, but to avoid the costs of litigation the parties have agreed to settle the matter.**

The Court has not ruled on the merits of Plaintiffs' claims or Citizen's defenses.

3. What is a class action and who is involved?

The parties agreed to treat this case as a class action for purposes of settlement only. In a class action, one or more persons (in this case Rochelle Anthony and Travenia Morris) file a lawsuit on behalf of people who are alleged to have similar claims. These people together are called "Settlement Class Members." Settlement Class Members who do not submit a timely request for exclusion pursuant to the procedure set forth below in Section 13 are called "Participating Class Members." In this case, the parties have decided to settle the case. The Court has made a preliminary determination that the proposed settlement appears fair, adequate, and reasonable. The Court will decide whether to finally approve the proposed settlement after the Settlement Class Members are given a chance to exclude themselves from or object to the proposed settlement.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

The Court has certified for settlement purposes only the following class: any and all nonexempt California employees of Citizen who received overtime pay or a meal or rest break premium in the same pay period in which they received a shift differential between January 3, 2016 and [the date that the Court preliminarily approves this Settlement Agreement] ("Settlement Class Members" or "Settlement Class"). According to Citizen's records, you are a member of the Settlement Class.

THE SETTLEMENT BENEFITS-WHAT YOU RECEIVE

5. What does the settlement provide?

The proposed settlement requires Citizen to pay a maximum amount of one hundred and thirty thousand dollars (\$130,000) to settle this case. This amount includes payments for attorneys' fees (up to \$43,333.33) and costs (up to \$9,250.00) to Class Counsel, an incentive award for Plaintiffs (up to \$5,000 each), Settlement Administration Costs (up

to \$5,234.00), and a payment to the California Labor and Workforce Development Agency ("LWDA") (up to \$5,625.00). The amount remaining after these payments is the amount available to distribute to Settlement Class Members ("Net Settlement Amount").

Any amounts not requested or awarded for attorneys' fees and costs, an incentive award to Plaintiffs, and the payment to the LWDA will be included in the Net Settlement Amount and distributed to Settlement Class Members.

6. How much will my payment be?

The Net Settlement Amount will be divided among all Settlement Class Members who do not request to be excluded from the settlement ("Participating Class Members") as follows: First, Citizen will use its payroll records to calculate the total Pay Periods worked by each Participating Class Member during the Class Period. Second, the total Pay Periods for each Participating Class Member will then be divided by the total of all Participating Class Members' Pay Periods during the Class Period to create a "Final Percentage" for each Participating Class Member. Fourth, that Final Percentage will then be multiplied by the Net Settlement Amount to determine the final amount of each Participating Class Member's pro rata recovery under this settlement.

The estimated number of Pay Periods you worked for Citizen as a non-exempt in California during the Class Period according to Citizen's records, and your estimated Settlement Payment are at the top of page 1 of this Notice. If you disagree with the number of Pay Periods stated on this Notice, you must send a letter to the Settlement Administrator within forty-five (45) calendar days of the mailing of this Notice stating the reasons why you dispute the number of Pay Periods and provide any supporting documentation that you have (for example, any paystubs). The information you provide should include the estimated number of Pay Periods you claim you worked as non-exempt Citizen employee in the State of California from January 3, 2016 through [end date of class period]. Citizen's records will be presumed correct unless you are able to provide credible and verifiable documentation to the Settlement Administrator that establishes otherwise. Failure to provide documentary evidence in support of your dispute will render your dispute invalid. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the number of pay periods that should be applied and/or the settlement payment to which you may be entitled.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the following address, postmarked no later than [Response Deadline].

Anthony v. Citizen Watch Company of America, Inc.
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

7. Will taxes be withheld from my settlement payment?

For tax reporting purposes, your settlement payment will be allocated as 10% wages, subject to required state and federal withholdings and deductions, reported on a form W-2; and 90% non-wage damages, interest, and penalties, reported on a form 1099-MISC, with no withholdings taken.

HOW YOU RECEIVE A PAYMENT

8. How can I receive a payment?

If this Notice was sent to you at your current address, you do not need to do anything to receive your settlement payment.

If this Notice was forwarded by the postal service, or if it was otherwise sent to you at an address that is not current, or if you have changed your address since working for Citizen or have any other reason to believe that Citizen does not have your current mailing address, then you should immediately notify the Settlement Administrator in writing stating your name and past and current addresses. The Settlement Administrator's address is:

Anthony v. Citizen Watch Company of America, Inc. Settlement Administration
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

Otherwise, you do not need to do anything to receive a payment so long as you do not exclude yourself from the class.

9. What am I giving up if I stay in the class?

If you do not exclude yourself from the settlement, you will be bound by any judgment entered in this Action and will not be allowed to sue Citizen for any claims occurring between January 3, 2016 and [end date of class period], that arise from, relate to or are based on any and all claims alleged in the Action. If you do not exclude yourself, all of the Court's orders will apply to you and you will release all Released Parties from all Released Claims as follows:

"Released Parties" means Defendant together with their past and present parents, subsidiaries, divisions, partners and affiliates, and their respective past and present stockholders, officers, directors, employees including managers, attorneys and insurers, as well as any other persons or entities who are alleged or could have been alleged to have been involved in the conduct alleged, or sought to be alleged, at any time in the Action.

"Released Claims" means any and all claims, demands, rights, liabilities, and/or causes of action of any nature and description whatsoever, known or unknown, in law or in equity, whether concealed or hidden, which arose at any time during the Class Period based on the facts or claims asserted by Plaintiffs Rochelle Anthony or Travenia Morris in any pleading in the Action on their own behalf or on behalf of a putative class member, or based on any facts, transactions, events, occurrences, acts, disclosures, statements, omissions, or failures that arise out of, in any way, the claims made and facts alleged in the Action, including without limitation violations of any state or federal statutes, rules, or regulations (including the Fair Labor Standards Act), based on an assertion that Released Parties (1) failed to pay wages and/or overtime under Labor Code §§ 510, 1194; and 1199; (2) failed to provide Meal Breaks or correctly pay meal break premiums Pursuant to Labor Code §§ 226.7 and 512; (3) failed to provide accurate wage statements; (4) failed to pay all wages due at termination; (5) violated the California Private Attorneys General Act; and/or (6) engaged in any unfair and unlawful business practices.

With respect to any claims under the Fair Labor Standards Act ("FLSA"), by cashing one or more of the Settlement Checks, you will be deemed to have opted-in and, by operation of the Final Order and Judgment, shall have, fully, finally, and forever released, relinquished, and discharged each and all of the Released Parties from any and all claims under the FLSA which arise under the facts asserted in the Action.

By failing to exclude yourself from the settlement, you further acknowledge and agree that all of the claims for wage and hour and payroll practice violations in the Action are disputed, and that all of the claims in the Action are disputed, and that payment under the Settlement constitute payment in full of any and all amounts allegedly due to you. You acknowledge and agree that California Labor Code section 206.5 is not applicable. That section provides in pertinent part:

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

10. When will I receive my settlement payment?

The Court has scheduled a Fairness/Final Approval Hearing on _____, 2021, at ____ a.m. in Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los

Angeles, CA, 90012, at which time the Court will determine: (1) whether the proposed settlement should be approved as fair, reasonable and adequate to Participating Class Members; and (2) whether the applications for attorneys' fees, costs, and the Plaintiffs' incentive award should be approved. If the Court approves the settlement, an Order Granting Final Approval will be entered. It is neither required nor necessary that you attend the Fairness Hearing. Once the Order Granting Final Approval is signed by the Court, and if there is no appeal of the Court's order, then checks will be mailed to the Participating Class Members. If an appeal is filed, then distributions will be delayed until after final resolution of any appeals.

11. What if I get my payment and don't cash it?

Each settlement check will be valid for 180 calendar days after it was issued. If you do not cash your check, you will still be bound by the terms of the settlement and you will release all Released Claims as described above. After 180 calendar days, the Settlement Administrator will stop payment on your check and will transfer the amount represented by the check to a nonprofit organization authorized by the Court.

12. What happens if I do nothing at all?

If you do nothing, you will receive a payment from the settlement and you will be bound by the terms of the settlement. For further information, you can speak with Class Counsel in this case identified below.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you want to retain the right to pursue claims against Citizen alleged in this case and/or you do not want a payment from this settlement, then you must take certain steps. This is called excluding yourself or "opting out" of the settlement. **DO NOT EXCLUDE YOURSELF IF YOU WISH TO RECEIVE MONEY FROM THIS SETTLEMENT.**

13. How do I request to be excluded from the settlement?

To exclude yourself from the settlement, you must submit a written request to be excluded from the Settlement ("Request for Exclusion") postmarked on or before **[Response Deadline]**, to the Settlement Administrator at the following address:

Anthony v. Citizen Watch Company of America, Inc. Settlement Administration
c/o [REDACTED]
P.O. Box [REDACTED]
[City], [State] [Zip]

In order to be valid, your Request for Exclusion must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number (for identification purposes only); (2) state that you are requesting to opt out of, or be excluded from, the settlement in *Anthony v. Citizen Watch Company of America, Inc.*; and (3) be signed by you. If you do not submit a timely and valid Request for Exclusion, you will be deemed a Participating Class Member, you will receive a settlement payment, and you will be bound by the release of Released Claims as described above and all other terms of the settlement. If you submit a valid and timely Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefits as a result of the Action and settlement and will not be entitled to or permitted to assert an objection to the settlement.

14. If I do not exclude myself, can I sue Citizen for the same claims later?

No. If you do not submit a valid and timely Request for Exclusion postmarked by **[Response Deadline]**, you will be bound by all terms of the settlement and any Final Approval Order and Judgment entered in the Action, if the settlement is approved by the Court. The settlement and Final Approval Order and Judgment will include a full release of claims in this Action, which will prevent you from suing Citizen or any related persons or entities for the claims released by the settlement. If you have a pending lawsuit, you should speak to your lawyer in that case immediately.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you are asking not to be included in the settlement and will not receive a settlement payment.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court has appointed the following lawyers as Class Counsel to represent you and all Settlement Class Members:

Eric B. Kingsley
Liane Katzenstein Ly
Ari J. Stiller
Kingsley & Kingsley, APC
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Telephone: (818) 990-8300

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want to hire your own lawyer, you may do so at your own expense.

17. How will the lawyers and the Class Representatives be paid?

The amount of attorneys' fees and costs awarded to Class Counsel will be subject to the Court's discretion. You will not have to pay these fees and expenses separately. Class Counsel will request that the Court approve an award of attorneys' fees in an amount not to exceed \$43,333.33, and reimbursement of litigation costs of up to \$9,250.00.

Class Counsel will also request that the Class Representatives receive an additional amount called an "Incentive Award" for the risk and work in bringing and participating in this lawsuit. The amount of the Incentive Award will be subject to the Court's discretion, but in any event, will not exceed \$5,000.00 for each Class Representative. This Incentive Award shall be paid out of and deducted from the Settlement Proceeds. Lastly, as part of the preliminary approval of the settlement, the Court has approved payment of settlement administration expenses in the amount of up to \$5,234.00 to the Settlement Administrator from the Settlement Proceeds.

OBJECTING TO THE SETTLEMENT

18. How do I object?

If you think that the proposed settlement is not fair, adequate or reasonable, you can object to the proposed settlement. If you object, and the Court approves the settlement, then you will still receive a settlement payment, and you will be bound by the terms of the release as set forth in Section 9 above.

If you want to object to any part of the settlement, you may submit a written objection to the Court stating the basis for the objection and/or you may appear to object at the Final Fairness and Approval Hearing. Any written objection must be filed with the Court and copies thereof must be mailed or personally delivered to the attorneys listed below no later than [REDACTED], 2021.

All written objections should reference the case name and number (*Rochelle Anthony v. Citizen Watch Company of America, Inc.*, Case No. 20STCV00171) and be filed with the Clerk of Court no later than [REDACTED], 2021 at:

Superior Court of the State of California for the County of Los Angeles
312 North Spring Street, Los Angeles, CA, 90012

Copies of all documents filed with the Clerk of Court must be mailed or personally delivered to the following no later than [REDACTED], 2021:

CLASS COUNSEL
 Eric B. Kingsley
 Liane Katzenstein Ly
 Ari J. Stiller
 Kingsley & Kingsley, APC
 16133 Ventura Blvd., Suite 1200
 Encino, CA 91436
 Telephone: (818) 990-8300

DEFENDANT'S COUNSEL
 Ashley Farrell Pickett
 Bryan W. Patton
 GREENBERG TRAURIG, LLP
 1840 Century Park East, Ste. 1900
 Los Angeles, CA 90067

The Final Approval Hearing is currently set for [REDACTED], 2021, at [REDACTED] : [REDACTED] m. at Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los Angeles, CA, 90012. Any individual attending the hearing must comply with the Court's current social distancing procedures for attendance at hearings, available on the Court's website at <https://www.lacourt.org>.

19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the settlement class. Excluding yourself is telling the Court that you do not want to be part of the settlement class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

20. When and where will the Court decide whether to approve the settlement?

A hearing will be held before the Honorable Maren Nelson on [REDACTED], 2021, at [REDACTED] : [REDACTED] m., in Dept. 17 of the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los Angeles, CA, 90012, to determine whether the proposed settlement is fair, adequate, reasonable and should be finally approved by the Court. At the hearing, Class Counsel will speak on your behalf and answer any questions Judge Nelson might have. Any individual attending the hearing must comply with the Court's current social distancing procedures for attendance at hearings, available on the Court's website at <https://www.lacourt.org>.

GETTING MORE INFORMATION

21. Are there more details about the settlement?

This Notice summarizes the terms of the proposed settlement. More details are in the settlement agreement. You may review the Court's files, which include the settlement agreement, at the office of the Clerk of Court located at 312 N. Spring Street, Los Angeles, CA, 90012, during regular business hours or by visiting the "Case Document Images" link on the Court's website, <https://www.lacourt.org>. Please check the Court's current social distancing procedures for attendance at hearings and review of court files, available on the Court's website at <https://www.lacourt.org/>.

22. How do I obtain additional information?

If you have questions regarding this Notice and/or the settlement, you may contact the Settlement Administrator at 1-XXX-XXX-XXXX or you may contact Class Counsel at the address and telephone number listed above.

PLEASE DO NOT CONTACT THE COURT, CITIZEN, OR CITIZEN'S ATTORNEYS WITH INQUIRIES.

Proof of Submission to the LWDA

EXHIBIT "C"

(PROOF OF SERVICE)
[CCP 1013(a)(3)]

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years and not a party to the within action. My business address is 16133 Ventura Boulevard, Suite 1200, Encino, California 91436.

On February 5, 2021, I served all interested parties in this action the following documents described as: **DECLARATION OF ARI J. STILLER IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

Ashley Farrell Pickett
Ryan C. Bykerk
Bryan W. Patton
Matthew J. Weber
farrellpickett@gtlaw.com
bykerkr@gtlaw.com
pattonbw@gtlaw.com
webermat@gtlaw.com
GREENBERG TRAUIG, LLP
1840 Century Park East, Suite 1900
Los Angeles, CA 90067

☐ **(BY MAIL)** I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage fully prepaid at Encino, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

☒ **BY ELECTRONIC MAIL THROUGH CASE ANYWHERE:** On interested parties set forth on the attached service list.

☒ **BY ELECTRONIC MAIL TRANSMISSION:** I caused the document to be send to the persons at the e-mail address(es) listed on the attached service list. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. A pdf copy of which was sent via email to the below email address(es).

☒ **(STATE)** I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on February 5, 2021, at Woodland Hills, California.



Michelle A. Tanzer