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11 individually, and on behalf of all other similarly
12 situated current and former employees of Defendants

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
14 **FOR THE COUNTY OF SAN DIEGO**

15 GUILLERMO VALENZUELA,
16 individually, and on behalf of all other
17 similarly situated current and former
18 employees of Defendants,

19 Plaintiff,

20 vs.

21 NULINE TECHNOLOGIES, LLC, a
22 California corporation; and DOES 1
23 through 10, inclusive,

24 Defendants.

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
05/19/2021 at 08:47:00 PM
Clerk of the Superior Court
By Jose Hernandez, Deputy Clerk

CASE NO.: 37-2020-00015352-CU-OE-CTL

*[Assigned to Hon. Keri Katz, Department
C-74]*

**NOTICE OF MOTION AND MOTION
FOR PRELIMINARY APPROVAL OF
JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND
RELEASE OF CLAIMS;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

Accompanying Documents:

1. Evidence ISO Motion for Preliminary Approval
2. [Proposed] Order Granting Preliminary Approval
3. Proof of Service

Date: June 11, 2021
Time: 8:30 a.m.
Dept: C-74

1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD, PLEASE TAKE
2 NOTICE that on June 11, 2021, at 8:30 a.m. in Department C-74 of the above-entitled court
3 located at Hall of Justice, 330 W. Broadway, San Diego, California 92101, Named Plaintiff
4 Guillermo Valenzuela will move this Court for an order granting preliminary approval of a
5 proposed class action settlement and certifying a provisional settlement class as more particularly
6 set forth in the Memorandum of Points and Authorities served and filed concurrently herewith
under separate cover.

7 This motion is brought in accordance with California Rule of Court 3.769 and is based
8 upon the accompanying Memorandum of Points and Authorities, the Joint Stipulation of Class
9 Action Settlement and Release Claims, the Declaration of Farzad Rastegar, the Declaration of
10 Guillermo Valenzuela, and upon such evidence and arguments as may be presented at the time of
11 the hearing.

12
13 DATED: May 19, 2021

Respectfully submitted,

RASTEGAR LAW GROUP, APC

14
15 

16 Farzad Rastegar
17 Danielle Sherrod
18 Attorneys for Plaintiff Guillermo Valenzuela,
19 individually, and on behalf of all other similarly
20 situated current and former employees of
21 Defendants
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 This is a wage and hour class action brought by Named Plaintiff Guillermo Valenzuela
4 (“Named Plaintiff” or “Plaintiff”) against Defendant Nu Line Technologies, LLC (“Defendant”
5 and, together with Named Plaintiff, the “Parties”), primarily alleging that Defendant failed to
6 provide legally compliant meal periods, unlawfully required employees to work off-the-clock
7 without compensation, and failed to pay overtime amongst other claims. The Parties have entered
8 into a Joint Stipulation of Class Action Settlement and Release of Claims (“Settlement” or
9 “Settlement Agreement”)¹, which provides for a total non-reversionary settlement amount of
10 Three Hundred Thousand Dollars (\$300,000.00). Named Plaintiff now moves for Preliminary
11 Approval of the Settlement Agreement and for conditional certification of the Class (as
12 hereinafter defined).

13 The Class is composed of approximately ninety-three (93) individuals who worked as
14 hourly, non-exempt employees for Defendant in California at any time from May 26, 2019 to
15 February 9, 2021. Conditional certification of a settlement class is appropriate since the
16 requirements of California Code of Civil Procedure section 382 are satisfied. The proposed Class
17 is ascertainable and there is a well-defined community of interest. The proposed Class Notice
18 informs Class Members of the terms of the Settlement and gives them instructions on how to
19 participate, opt-out (i.e., request to be excluded), or object to the Settlement. Class Notice will be
20 mailed to Class Members within twenty-one (21) days after the Preliminary Approval date. Class
21 Members shall have thirty (30) days from the mailing of the Notice to object to or opt-out from
22 the Settlement. Class Members will automatically receive a Settlement Share unless they opt-out.

23 **II. SUMMARY OF THE CASE**

24 Defendant is a California corporation operating a general contracting business in and
25 around North San Diego County, California. Named Plaintiff was employed by Defendant as an
26 hourly-paid, non-exempt Driver. Declaration of Farzad Rastegar (“Rastegar Dec.”) at ¶ 4;
27 Declaration of Guillermo Valenzuela (“Valenzuela Dec.”) at ¶ 3. On May 26, 2020, Named
28 Plaintiff filed a putative class action Complaint against Defendant alleging a cause of action for

¹ Capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Settlement Agreement.

1 civil penalties under the California Private Attorneys General Act of 2004 (“PAGA”).
2 Specifically, Named Plaintiff alleged that Defendant failed to provide Class Members with
3 timely and completely duty-free meal and rest periods and failed to pay employees for off-the-
4 clock and overtime work. Rastegar Dec. at ¶ 6.

5 Following the filing of the Complaint, the Parties made significant investigation
6 regarding the claims of the Named Plaintiff and the Class Members and the potential defenses
7 thereto, and the damages claimed by Named Plaintiff on behalf of the proposed Class. Id. at ¶ 5.
8 The Parties exchanged substantial information and documents relevant to the claims alleged by
9 Named Plaintiff including, but not limited to, a sampling of Class Members’ payroll and time
10 records and other documents pertaining to Defendant’s relevant wage and hour practices and
11 procedures. The Parties subsequently participated in a full-day formal mediation presided over
12 by Steve Rottman on December 9, 2020. Id. at ¶ 6. After exhaustive, arm’s length negotiations
13 during the mediation, the Parties, all of whom were represented by counsel, were able to reach a
14 settlement. Id. at ¶ 7. The terms agreed to are memorialized in the Settlement Agreement. The
15 Parties filed a First Amended Complaint in accordance with the terms of the Settlement
16 Agreement on March 16, 2021 adding eight additional class claims to the PAGA claim. Id. at ¶
17 6.

18 **III. THE SETTLEMENT AGREEMENT**

19 **a. Definition Of The Proposed Settlement Class**

20 For purposes of settlement only, the Parties have agreed that the proposed settlement
21 Class (the “Class”) shall consist of the following individuals:

22 “‘Class’ shall mean all persons who, during the Class Period, have previously been or
23 currently are employed in California by Defendant, as an hourly-paid, non-exempt
24 employee.” Settlement Agreement at ¶ 4.

25 **b. Settlement Amount**

26 The gross amount of settlement compensation to be paid by Defendant under the
27 Settlement Agreement is Three Hundred Thousand Dollars (\$300,000.00, i.e., “Total Settlement
28 Amount”). Id. at ¶ 24. The Total Settlement Amount shall be allocated as follows:

- 29 • Class Representative Payment of Seven Thousand Five Hundred Dollars (\$7,500.00)
30 to Named Plaintiff;
- 31 • Class Counsel Fees Payment to Class Counsel in an amount up to one-third (1/3) of the
32 Total Settlement Amount (i.e., 33.33% or One Hundred Thousand Dollars
33 (\$100,000.00)), plus reimbursement of reasonable and actual costs to Class Counsel of
34 up to Eighteen Thousand Dollars (\$18,000.00);

- Settlement Administrator Payment estimated to be Twelve Thousand Dollars (\$12,000.00); and
- LWDA Payment and PAGA Payment in the aggregate sum of Six Thousand Dollars (\$6,000.00). Seventy-five percent (75%) of such payment (i.e., Four Thousand Five Hundred Dollars (\$4,500.00)) will be paid to the California Labor Workforce and Development Agency (the “LWDA Payment”) and twenty-five percent (25%)(i.e., One Thousand Five Hundred Dollars (\$1,500.00)) shall be distributed on a pro rata basis based upon the number of pay periods worked by each PAGA Group Member. Id. at ¶ 63.

The Total Settlement Amount, less the payments indicated above, will be the “Net Settlement Amount” available to pay Class Members who do not opt-out (i.e., request exclusion). Id. at ¶ 26. The Total Settlement Amount is non-reversionary and no funds will revert to Defendant. Employer’s share of any payroll taxes shall be paid by Defendant separately and in addition to the Total Settlement Amount. Id. Defendant represents that there were, as of October 16, 2020, approximately 2,023 Workweeks in the Class Period. Id at ¶ 25. If, upon effectuation of the Settlement, the total number of Workweeks increases by five percent (5%) or more (i.e., by and amount equal to or greater than 2,125 Workweeks), the Total Settlement Amount shall increase by the additional Workweeks multiplied by the Workweek value calculated off the 2,203 Workweeks and the Net Settlement Amount exclusive of this escalator provision, as defined in paragraph 26 of the Settlement Agreement. Id.

Pursuant to the Settlement, each Class Member who does not timely and/or properly opt out of the Settlement (i.e., “Participating Class Member(s)”) will be paid a Settlement Share based on the Workweek Value multiplied by each Participating Class Member’s Individual Workweeks. Id. at 58(c). Twenty percent (20%) of each Settlement Share shall represent unpaid wages and the remaining eighty percent (80%) of each Settlement Share shall represent penalties and interest. Id. at ¶ 60. The funds represented by Settlement Share and/or PAGA Payment Share checks remaining uncashed for more than 180 days after issuance shall be voided and then shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure § 1500, *et seq.* in the names of those Participating Class Members and/or PAGA Group Members who did not cash their checks until such time that they claim their property. Id. at ¶ 55. After the expiration of the 180-calendar day check cashing period, as outlined above, the Settlement Administrator shall begin the process of transferring the funds in accordance with California Code of Civil Procedure §§ 1500-1582 and the timing requirements set forth by the Office of the State Controller. Id. The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure

1 Code § 384. Id.

2 **c. Funding of the Total Settlement Amount**

3 Within twenty (10) days from the Effective Date of the Settlement, the Settlement
4 Administrator shall establish a Settlement Account within ten (10) days of the Effective Date and
5 notify the Parties when the Settlement Account has been established. Id. at ¶ 52. The Settlement
6 Administrator shall also provide Defendant with an itemized statement for the total amount to be
7 deposited into the Settlement Account, which shall equal the Total Settlement Amount (i.e., the
8 “Settlement Account Deposit”). Id. Within ten (10) days after receiving notification of the
9 Settlement Account and statement for the Settlement Account Deposit, Defendant shall pay into
10 the Settlement Account an amount equal to the Settlement Account Deposit. Id. Defendant shall
11 have no obligation to pay any additional funds into the Settlement Account. Id.

12 **d. Settlement Administration**

13 **i. Settlement Administrator**

14 The Settlement Administrator in this matter shall be Phoenix Settlement Administrators
15 (“Settlement Administrator”). Id. at ¶¶ 12 & 64. Within fourteen days (14) days after the Motion
16 for Preliminary Approval is granted, Defendant will provide to the Settlement Administrator the
17 “Class Members’ Data,” which shall consist of an electronic database containing (a) each Class
18 Member’s first and last name, (b) last known mailing address, (c) last four digits of the Class
19 Member’s Social Security number, (d) the Class Member’s employee identification number, if
20 applicable, and based on Defendant’s payroll records, (e) the Class Member’s total number of
21 Individual Workweeks, and (f) the PAGA Group Members’ total number of Individual Pay
22 Periods. Id. at ¶ 44(a).

23 **ii. Notice To Class Members**

24 The Parties have jointly drafted a Class Notice to be sent to Class Members. A copy of
25 the Parties’ proposed Class Notice is attached as Exhibit “A” to the Settlement Agreement. After
26 the Superior Court enters its order granting Preliminary Approval, every Class Member will be
27 provided with the Class Notice (in English and Spanish) which will include the Class Notice
28 completed to reflect the order granting Preliminary Approval of the Settlement and the Class
Member’s information. Id. at ¶ 44. The Class Notice shall contain (a) a Class Member’s first and
last name, (b) last known address, (c) last four digits of their Social Security number, (d)
employee identification number, if applicable, (e) the Class Member’s Individual Workweeks, (f)
the PAGA Group Member’s Individual Pay Periods; (g) the Class Member’s estimated amount

1 of the Settlement Share, and (h) the PAGA Group Member's estimated amount of the PAGA
2 Payment. Id. at ¶ 27. The Class Notice shall also provide the Class Members with instructions
3 on how to opt-out of and/or object to the Settlement. Id.

4 Within seven (7) days after receiving the Class Members' Data, or as soon thereafter as it
5 is able to do so, the Settlement Administrator will mail the Class Notice to all identified Class
6 Members via first-class U.S. Mail using the mailing address information provided by Defendant,
7 unless modified by any updated address information that the Settlement Administrator obtains in
8 the course of administration of the Settlement. Id. at ¶ 44(b). If a Class Notice is returned by the
9 U.S. Postal Service because of an incorrect address, the Settlement Administrator will promptly,
10 and not later than five (5) days from receipt of the returned packet, search for a more current
11 address for the Class Member and re-mail the Class Notice to the Class Member. Id. at ¶ 44(c).
12 Any such Class Members who failed to receive Class Notice, or who were subject to a re-
13 mailing of the Class Notice as described herein shall be given an additional fourteen (14) days to
14 opt-out or object to the Settlement. Id. The Settlement Administrator will inform Class Counsel
15 and Defense Counsel of the number of returned Class Notices it receives and Class Notices re-
16 mailed in a weekly status report. Id. at ¶ 44(d).

17 If a Class Member and/or PAGA Group Member disputes the number of his or her
18 Individual Workweeks and/or Individual Pay Periods stated in his or her Class Notice, the Class
19 Member and/or PAGA Group Member must, within forty-five (45) days after the Settlement
20 Administrator initially mails the Class Notice, ask the Settlement Administrator to resolve the
21 matter by returning the Class Notice with a statement of the number of Workweeks and/or Pay
22 Periods that he or she contends were worked and include any documentation the Class Member
23 and/or PAGA Group Member has to support their contention. Id. at ¶ 47. After consultation
24 with Class Counsel, Defense Counsel, and the applicable Class Member and/or PAGA Group
25 Member, the Settlement Administrator will, within three (3) court days of Defendant's
26 verification, make a determination of the Class Member's and/or PAGA Group Member's
27 number of Workweeks and/or Pay Periods and that determination will be final, binding on the
28 Parties and the Class Member and/or PAGA Group Member, and is not appealable. Id.

iii. Procedure for Exclusion

Each Class Member shall be deemed to be a Participating Class Member unless they
submit a complete, timely, and valid request to be excluded from the effect of the Settlement as
provided in paragraph 45(b) of the Settlement Agreement. Id. at ¶ 45(a). All Participating Class

1 Members shall be bound by the provisions and releases contained in the Settlement. Id. Class
2 Members who wish to exclude themselves from the Settlement (i.e., “opt out” of the Settlement)
3 must submit to the Settlement Administrator, not later than forty-five (45) days after the date that
4 the Settlement Administrator first mails the Class Notices, an Exclusion Request (as hereinafter
5 defined) (the “Exclusion Period”) Id. at ¶ 45(b). Exclusion Requests may be submitted to the
6 Settlement Administrator via U.S. Mail only. Id. Class Members must complete, sign, date, and
7 timely return a request for exclusion (“Exclusion Request”) to the Settlement Administrator to
8 exclude themselves from the Settlement, setting forth their (i) name, (ii) address, (iii) last four
9 digits of their Social Security number, and (iv) the following statement or a similar statement: “I
10 wish to exclude myself from the settlement reached in the matter of *Valenzuela v. Nu Line*
11 *Technologies, LLC*. I understand that by excluding myself, I will not receive any money from
12 the Class Settlement reached in this matter.” Id. A Class Member who does not complete and
13 submit a valid and timely Exclusion Request in the manner and by the deadline specified above
14 will remain a Participating Class Member and, if the Court approves the Settlement, will be
15 bound by all terms and conditions of the Settlement and by the Judgment. Id. Detailed
16 instructions for how to opt-out/request exclusion are set forth in the Class Notice. Id. at Ex. 1.

15 **iv. Procedure for Objecting**

16 The Class Notice will provide that any Class Member who does not request exclusion
17 from the Settlement and who wishes to object to the Settlement must serve on the Settlement
18 Administrator, not later than forty-five (45) days after the Settlement Administrator initially
19 mails the Class Notice, a written objection to the Settlement which sets forth the grounds for the
20 objection and the other information required by paragraph 43(d). The objection must be served in
21 the manner set forth in paragraph 45(c) of the Settlement. Id. at ¶ 45(c).

22 The written objection must state the Class Member’s (i) name, (ii) address, (iii) last four
23 digits of their Social Security number, and (iv) the dates of the Class Member’s employment
24 with Defendant. Id. at ¶ 45(d). The written objection must state the basis for each objection in
25 clear and concise terms and shall also state whether the Class Member intends to appear and
26 object at the Final Approval Hearing. Id. Neither the Parties, nor their respective counsel, will
27 directly or indirectly solicit or otherwise encourage any Class Member to exclude him or herself
28 from the Settlement, object to the Settlement, and/or appeal from the Judgment. Id. at ¶ 48.

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1 **IV. THE PROPOSED SETTLEMENT FULLY SATISFIES THE STANDARDS FOR**
2 **PRELIMINARY APPROVAL.**

3 **a. Legal Standard**

4 The review and approval of a proposed class action settlement generally involves a two-
5 step process. *See* Cal. Rules of Court, Rule 3.769(c); *Armstrong v. Board of School Directors of*
6 *City of Milwaukee* (7th Cir. 1980) 616 F.2d 305, 314 (overruled on other grounds in *Felzen v.*
7 *Andreas* (7th Cir. 1998) 134 F.3d 873, 875).² In the first step, counsel submit the proposed terms
8 of settlement and the Court makes a preliminary assessment of whether the settlement appears to
9 be sufficiently within the range of a fair settlement to justify providing notice of the proposed
10 settlement to class members. In the second step, the Court must conduct an inquiry into whether
the proposed settlement is fair, reasonable, and adequate. *Id.*

11 The initial evaluation of the settlement at the preliminary approval step “is not a fairness
12 hearing.” *Armstrong, supra*, 616 F. 2d at 314. Rather, the limited purpose of this initial inquiry
13 is to determine, at a threshold level only, whether the proposed settlement is within the range of
14 possible approval (i.e., the “range of reasonableness”) and, as a result, “whether there is any
15 reason to notify the class members of the proposed settlement and to proceed with a fairness
16 hearing.” *Id.* *See also, In re Mid-Atlantic Toyota Antitrust Litigation* (D.C. Md. 1983) 564
17 F.Supp. 1379, 1384. A presumption of fairness exists where: (1) the settlement is reached
18 through arm’s length bargaining; (2) investigation and discovery are sufficient to allow counsel
19 and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the
20 percentage of objectors is small. *In re Microsoft I-V Cases* (2006) 135 Cal.App.4th 706, 723; 7-
21 *Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1146. As
set forth more fully below, the proposed Settlement is well within the range of reasonableness
justifying notice to the Class Members and a final fairness hearing.

22 **b. The Proposed Settlement Was Reached Through Arm’s Length Bargaining.**

23 The Settlement Agreement was reached during discussions that followed an extensive,
24 full-day and private mediation with experienced wage and hour class action mediator Steve
25 Rottman. Rastegar Dec. at ¶ 6. The settlement negotiations were at arm’s length and, although
26

27 ² While California courts are not bound by federal cases decided under Federal Rule of Civil Procedure Rule 23, they
28 may look to federal cases for guidance. *See Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 239-40.

1 conducted in a professional manner, were adversarial. Id. at ¶ 7. The Parties went into the
2 mediation willing to explore the potential for a settlement of the dispute, but each side was also
3 committed and prepared to litigate through trial and appeal if a settlement had not been reached.
4 Id. The proposed Settlement was reached at the end of a process that was neither fraudulent nor
5 collusive. Id. To the contrary, counsel for the Parties advanced their respective positions
6 throughout the settlement negotiations. Id.

7 **c. Settlement Negotiations Were Based On Sufficient Investigation And Discovery.**

8 Prior to reaching a settlement, Class Counsel conducted a significant investigation into
9 the claims alleged by Named Plaintiff. Id. at ¶ 5, 7 & 28. Class Counsel met with Named
10 Plaintiff and conducted legal research regarding the application of the relevant Labor Code
11 sections. Id. at ¶¶ 8 & 28. Defendant provided Class Counsel with information pertaining to the
12 claims in this case, including a sampling of Class Members' timekeeping and payroll records,
13 and other relevant documentation pertaining to Defendant's relevant wage and hour practices and
14 procedures. Id. at ¶ 8. Class Counsel carefully analyzed this information and, based thereon,
15 was able to act intelligently and effectively in negotiating the proposed Settlement. Id.

16 **d. Class Counsel Have Extensive Experience In Class Action Wage And Hour
17 Litigation.**

18 The settlement negotiations were conducted by highly capable and experienced counsel.
19 Class Counsel consists of respected members of the bar with strong records of effective client
20 advocacy and extensive experience in handling complex wage and hour class action litigation.
21 Id. at ¶ 25. Although Named Plaintiff and Class Counsel were prepared to litigate the claims in
22 this Action, they now support the proposed Settlement as being in the best interests of the
23 proposed Class. Id. at ¶ 7.

24 The result is a fair, reasonable, and adequate Settlement for Named Plaintiff and the
25 members of the Class. Id. at ¶¶ 9, 15, 19 & 32. Even if a class was certified and the class
26 prevailed at trial, Class Members would have had to wait several years to receive any relief. Id.
27 In contrast, through the proposed Settlement, Class Members will receive timely relief and will
28 not have to bear the risk of an unfavorable judgment. Id. at ¶¶ 9 & 14.

e. The Proposed Notice And Plan For Disseminating Notice Satisfy Due Process.

Named Plaintiff requests that this Court approve the proposed plans for giving notice to
the Class and administering the Settlement. The standard for determining the adequacy of notice
is whether it has "a reasonable chance of reaching a substantial percentage of the class

1 members.” *Cartt v. Sup. Ct.* (1975) 50 Cal.App.3d 960, 974. With respect to content, “. . .
2 notice given to the Settlement Class must fairly apprise the Settlement Class Members of the
3 terms of the proposed compromise and of the options open to dissenting Class Members.”
4 *Trotsky v. Los Angeles Fed. Sav. & Loan Assn.* (1975) 48 Cal.App.3d 134, 151-52. The purpose
5 of the notice in a class settlement is to give class members sufficient information to decide
6 whether they should accept the benefits offered, opt-out and pursue their own remedies, or object
7 to the settlement. *Id.*

8 Here, direct mail notice to Class Members’ last known addresses is the best possible
9 notice under the circumstances. *Mullane v. Central Hanover Bank & Trust Co.* (1950) 339 U.S.
10 306. Moreover, the proposed notice procedure described herein and in the Settlement
11 Agreement includes multiple measures to ensure that as many Class Members as practicable
12 receive actual notice of the Settlement and have sufficient time to exercise their rights. The
13 proposed Class Notice also provides Class Members with all pertinent information they need to
14 fully evaluate their options and exercise their rights under the Settlement Agreement.
15 Specifically, the Class Notice clearly and concisely explains, among other things: (1) the nature
16 of the lawsuit; (2) a summary of the terms of the Settlement; (3) the Class definition; (3) how
17 the Settlement will be allocated; (4) how payments to Class Members will be calculated; (5) the
18 estimated Settlement Share and/or PAGA Payment Share for each Class Member; (6) how to
19 dispute the Class Member’s estimated Workweeks; (7) how to object to or opt-out from the
20 Settlement; and (9) the date of the Final Approval Hearing.

21 Accordingly, the proposed Class Notice should be approved because it provides Class
22 Members with a clear and specific description regarding what this case is about, their rights
23 under the Settlement and how to exercise those rights. It therefore satisfies California Rule of
24 Court 3.769(f) and the requirements of due process. *Torrissi v. Tucson Electric Power* (9th Cir.
25 1993) 8 F.3d 1370.

26 **V. THE PROPOSED SETTLEMENT IS REASONABLE GIVEN THE STRENGTH OF**
27 **NAMED PLAINTIFF’S CLAIMS AND THE RISK OF CONTINUED LITIGATION.**

28 In *Kullar v. Foot Locker Retail, Inc.*, the Court set forth factors that a trial court should
consider in evaluating the reasonableness of a class action settlement, including “the strength of
plaintiffs’ case, the risk, expense, complexity and likely duration of further litigation, the risk of
maintaining class action status through trial, the amount offered in settlement, the extent of
discovery completed and the stage of the proceedings, the experience and views of counsel, the

1 presence of a governmental participant, and the reaction of the class members to the proposed
2 settlement.” *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128. Here, the
3 proposed Settlement is clearly reasonable in light of these factors.

4 Although Class Counsel and Named Plaintiff were and remain confident of the merits of
5 their claims, Class Counsel considered several factors in reaching the decision to settle at this
6 point in the litigation. Class Counsel has calculated the maximum damages of the Class
7 Members for damages and penalties to be approximately Seven Million Eight Hundred Forty-
8 Nine Thousand Seven Hundred Sixty-Six Dollars and Eighty-Three Cents (\$7,849,766.83). *Id.* at
9 ¶ 10. However, Plaintiff is aware that its damage analysis is based on a very narrow set of
10 samples as Defendant only provided a limited amount of Plaintiff timesheet data. *Id.* at ¶ 8. The
11 above-mentioned inconsistencies and data gaps present significant hurdles and pose a major risk
12 that Defendant would likely leverage to oppose class certifiability. Failure to certify a class
13 would entirely derail litigation to the detriment of the entire potential Class. *Id.* at ¶ 13.

14 Given the potential damages and substantial risks entailed by this case, the non-
15 reversionary Total Settlement Amount of Three Hundred Thousand Dollars (\$300,000.00) is
16 reasonable given the substantial risks entailed by this case. Although Named Plaintiff and Class
17 Counsel are confident of the merits of this case, they, nonetheless, had to balance the strengths of
18 this case against the risks in further litigating this Action. *Id.* at ¶¶ 10 & 12. A significant risk
19 that the Settlement obviates is whether this Action would be deemed suitable for class treatment.
20 *Brinker Restaurant Corp. vs. Superior Court* (presents a large hurdle in terms of class
21 certification. (2012) 53 Cal. 4th 1004. Although *Brinker* is favorable to plaintiffs in many
22 aspects, it established a “provide” standard for meal periods as opposed to an “ensure” standard,
23 creating a higher bar relating to certification of meal period claims. Based on the experience of
24 Class Counsel, trial courts have interpreted *Brinker* to find that common issues are outweighed
25 by individual inquiries related to why an employee may not have taken a compliant meal period.
26 *Id.* at ¶ 12. If the certification motion was not granted, in all likelihood Defendant would end up
27 paying only a tiny fraction of the amount it is agreeing to pay pursuant to the Settlement, which
28 would, of course, be nothing paid to the absent Class Members. *Id.* at ¶ 13.

25 **VI. THE COURT SHOULD ISSUE AN ORDER CONDITIONALLY CERTIFYING A** 26 **SETTLEMENT CLASS.**

27 **a. The Criteria For Conditional Certification Of A Settlement Class**

28 Three (3) basic requirements must be met in order to sustain any class action: (1) there

1 must be an ascertainable class; (2) there must be a well-defined community of interest in the
2 question of law or fact affecting the parties to be represented; and (3) certification will provide
3 substantial benefits to litigants and the courts (i.e., proceeding as a class is superior to other
4 methods). Cal. Code. Civ. Proc. §382; *Fireside Bank v. Sup. Ct. (Gonzalez)* (2007) 40 Cal.4th
5 1069, 1089; *Sav-On Drug Stores, Inc. v. Sup. Ct.* (2004) 34 Cal.4th 319, 326; *Dunk v. Ford*
6 *Motor Co.* (1996) 48 Cal.App.4th 1794, 1806; *Daar v. Yellow Cab Co.* (1967) 67 Cal.2d 695,
7 704. Any doubts as to the appropriateness of class treatment must be resolved in favor of
8 certification, subject to later modification. *Richmond v. Dart Indus. Inc.* (1981) 29 Cal.3d 462,
9 473-475.

10 Named Plaintiff contends that this Action, which is primarily based upon Defendant's
11 meal period and rest break practices, satisfies the class certification requirements under
12 California Code of Civil Procedure section 382. Defendant denies Named Plaintiff's allegations,
13 and also reserves the right to challenge whether class action certification is appropriate if this
14 matter is subject to further litigation. However, for purposes of the Settlement only, Defendant
15 has stipulated to certification of the proposed class action.

16 **b. There Is An Ascertainable Class.**

17 Whether an ascertainable class exists turns on three (3) factors: (1) the class definition;
18 (2) the size of the class; and (3) the means of identifying the class members. *See Miller v.*
19 *Woods*, 148 Cal.App.3d at 873. In this case, Named Plaintiff contends all three (3)
20 considerations strongly favor class certification.

21 **i. The Settlement Class Is Precisely Defined.**

22 The proposed Class and PAGA Group definitions, set forth above and in paragraphs 4
23 and 9 respectively of the Settlement Agreement, are sufficiently specific to enable the Parties,
24 potential Class Members and the Court to readily determine the parameters of the Class and the
25 PAGA Group. *See Clothesrigger, Inc. v. GTE Corp.* (1987) 191 Cal.App.3d 605, 617 (proposed
26 class defined as all persons nationwide subscribing to telephone service since January 1, 1981,
27 who were charged for one or more unanswered long-distance calls deemed "plainly"
28 ascertainable). Indeed, the Class Members are readily ascertainable from Defendant's records.

**ii. The Members Of The Class Are So Numerous That Individual Litigation
Is Impracticable.**

Class size plainly favors class certification in this case. Defendant's records show that
there are approximately ninety-three (93) potential Class Members. It is impracticable to bring

1 all these persons before the Court, or to resolve their claims individually. There is no magic
2 number that satisfies the numerosity requirement. Under the Federal Rules, the minimum
3 number of a class is 100 individuals. Under California law, that number is significantly less.
4 See e.g., *Rose v. City of Haywood* (1981) 126 Cal.App.3d 926, 934 (holding that forty-two (42)
5 class members are quantitatively sufficient to satisfy the numerosity requirement).

6 **iii. Members Of The Class Are Easily Identifiable.**

7 The question of whether class members are easily identifiable turns on whether a plaintiff
8 can establish “the existence of an ascertainable class,” not whether the plaintiff can “identify the
9 individual members of such class as a prerequisite to the class suit.” *Daar*, supra, 67 Cal.2d at
10 706. See also, *Reyes v. San Diego County Bd. of Supervisors* (1987) 196 Cal.App.3d 1263,
11 1275. Here, the existence of an ascertainable class can be established through Defendant’s
12 payroll records, which will identify persons falling within the proposed Class.

13 **c. The Proposed Class Share A Well-Defined Community Of Interest.**

14 The community of interest requirement embodies three (3) factors: (1) predominant
15 questions of law and fact; (2) class representatives with claims or defenses typical of the class;
16 and (3) class representatives who can adequately represent the class. *Dunk*, supra, 48 Cal. App.
17 4th at 1806; *Richmond*, supra, 29 Cal. 3d at 473-75. In this case, Named Plaintiff’s claims easily
18 satisfy all these requirements.

19 **i. Common Issues Of Law And Fact Predominate.**

20 The commonality criterion requires the existence of common question of law or fact and
21 is generally established with the issues of predominance and typicality. See *Daar*, supra, 67 Cal.
22 2d at 695; *In re United Energy Corp. Solar Power Modules Tax Shelter Investment Securities*
23 *Lit.* (C.D. Cal. 1988) 122 F.R.D. 251, 254. What is required is that a common question of fact or
24 law exist which predominates over issues unique to individual plaintiffs. The existence of
25 individual issues or facts – generally present in any case arising from employment – is not a bar
26 to class certification as long as they do not render class litigation unmanageable or predominate
27 over the common issues. See *Kelley v. SBC, Inc.* (N.D. Cal. 1988) 1998 U.S. Dist. LEXIS 18643
28 40-42; *B.W.I. Custom Kitchen v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1354
29 (“presence of individual damages issues cannot bar certification”). In this Action, the Named
30 Plaintiff’s claims present sufficient common issues of law and fact that predominate over
31 individual issues and warrant class certification.

32 **ii. Named Plaintiff’s Claims Are Typical Of The Class.**

1 To satisfy the typicality requirement, California law does not require that Named Plaintiff
2 have claims identical to the Class. Rather, the test of typicality for a class representative is
3 whether other members have the same or similar injury, whether the action is based on conduct
4 which is not unique to the named plaintiffs, and whether other class members have been injured
5 by the same course of conduct. *Seastrom v. Neways, Inc.* (2007) 149 Cal.App. 4th 1496, 1502.
6 The typicality requirement for a class representative refers to the nature of the claim or defense
7 of the representative, and not to the specific facts from which it arose or the relief sought. *Id.*
8 Here, Named Plaintiff alleges that his claims are similar to that of the other Class Members as
9 they arise out of the same alleged facts and course of conduct giving rise to the claims of the
10 other Class Members. Because Named Plaintiff's and Class Members' claims are based upon
the same alleged policies and practices, the typicality requirement has been satisfied.

11 **iii. Named Plaintiff And His Counsel Will Fairly And Adequately Represent**
12 **The Class.**

13 The question of adequacy of representation "depends on whether the plaintiff's attorney
14 qualifies to conduct the proposed litigation in the plaintiff's interest or not antagonistic to the
15 interests of the class." *McGee v. Bank of America* (1976) 60 Cal.App.3d 442, 450. Here, these
16 considerations are satisfied. Counsel for Named Plaintiff are well-regarded and accomplished
17 employment litigation lawyers who are qualified and experienced in class action litigation.
18 Rastegar Dec. at ¶ 26. Named Plaintiff vigorously, adequately and fairly represented the
19 interests of the Class. Valenzuela Dec. at ¶¶ 8 & 10. Further, because Named Plaintiff's claims
20 are typical of other Class Members and are not based on unique circumstances that might
jeopardize the Class claims, there is no antagonism between the interests of Named Plaintiff and
those of the Class. *Id.* at ¶¶ 5 & 8.

21 **d. Proceeding As A Class Action Is Superior To Individual Actions.**

22 Under the circumstances, proceeding as a class action is a superior means of resolving
23 this dispute, as the Class Members and the Court will derive substantial benefits. Class
24 certification would serve as the only means to deter and redress the alleged Labor Code
25 violations. See *Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 434 (relevant considerations
26 include the probability that each Class Member will come forward ultimately to prove his or her
27 separate claim to a portion of the total recovery and whether the class approach would actually
28 serve to deter redress of the alleged wrongdoing). Furthermore, individual actions arising out of
the same operative facts would unduly burden the courts and could result in inconsistent results,

1 which could be avoided by class certification.

2 **VII. THE CLASS REPRESENTATIVE PAYMENT IS REASONABLE AND**
3 **STANDARD IN CLASS ACTIONS.**

4 Named plaintiffs in class action lawsuits are eligible for reasonable incentive payments as
5 compensation “for the expense or risk they have incurred in conferring a benefit on other
6 members of the class.” *Munoz v. BCI Coca-Cola Bottling Company of Los Angeles* (2010) 186
7 Cal.App.4th 399, 412. Enhancements are especially appropriate where the named plaintiff seeks
8 to vindicate the rights of fellow employees, and thereby takes on potentially career-damaging risks of
9 filing a lawsuit against their current or former employers. See *Cook v. Niedert* (7th Cir. 1998) 142
10 F.3d 1004, 1015; *Roberts v. Texaco* (S.D.N.Y. 1997) 979 F.Supp. 185; *Thornton v. East Texas*
11 *Motor Freight* (6th Cir. 1974) 497 F.2d 416, 420; *Staton v. Boeing* (9th Cir. 2003) 327 F.3d 938,
976; *Bell v. Farmers Ins. Exch.* (2004) 115 Cal. App. 4th 715, 726; *Van Vranken v. Atlantic*
12 *Richfield Co.* (ND. Cal. 1995) 901 F. Supp. 294, 299.

13 Here, the Settlement Agreement provides for a Class Representative Payment of Seven
14 Thousand Five Hundred Dollars (\$7,500.00) to Named Plaintiff. Settlement Agreement at ¶¶ 15
15 & 63(a). The requested incentive award is fair and reasonable in light of Named Plaintiff’s
16 efforts as a Class Representative. Rastegar Dec. at ¶ 19. The information and documentation
17 provided by the Named Plaintiff was instrumental in establishing the wage and hour violations
18 alleged in this Action, and the recovery provided for in the Settlement Agreement would have
19 been impossible to obtain without his participation. Id.

20 **VIII. ATTORNEY’S FEES AND COSTS**

21 The Settlement Agreement provides for attorney’s fees payable to Class Counsel in an
22 amount up to one-third (1/3) of the Total Settlement Amount, for a maximum fees award of One
23 Hundred Thousand Dollars (\$100,000.00), plus actual costs and expenses not to exceed Eighteen
24 Thousand Dollars (\$18,000.00). Settlement Agreement at ¶¶ 13, 14 & 63(b). This fee
25 percentage is less than Class Counsel’s contingency fee percentage charged in other employment
26 cases. Rastegar Dec. at ¶ 21. The fee is supported by the “common fund theory” where “one
27 who expends attorney’s fees in winning a suit which creates a fund from which others derive
28 benefits, may require those passive beneficiaries to bear a fair share of the litigation costs.”
Serrano v. Priest (1977) 20 Cal.3d 25, 35. See also *Quinn v. State of California* (1975) 15
Cal.3d 162, and *Samura v. Kaiser Foundation Health Plan, Inc.* (1993) 17 Cal.App.4th 1284.

1 The percentage of the gross fund method of calculation is supported by a number of
2 federal cases, including *Boeing v. Van Gemert* (1980) 444 U.S. 472, 478; *Mashburn v. National*
3 *Healthcare, Inc.* (M.D. Ala. 1988) 684 F.Supp. 679; *In re Hill*, 775 F.2d 1037 (9th Cir. 1985).
4 The percentage is also properly based upon the gross settlement, rather than upon the amount of
5 claims made. *Williams v. MGM-Pathe Communications Co.* (9th Cir. 1997) 129 F.3d 1026;
6 *Boeing v. Van Gemert. Id.* Attorney fee applications in California class actions based upon a
7 percentage of a common fund now have substantial support by the Ninth Circuit Court of
8 Appeals, as well as various state courts. *See, e.g., Paul, Johnson, Alston & Hunt v. Graulity* (9th
9 Cir. 1989) 886 F.2d 268; *Washington Public Power Supply Secur. Lit. v. City of Seattle* (9th Cir.
10 1994) 19 F.3d 1291. Other Federal Courts of Appeals now mandate use of the percentage
11 method. *Camden I Condominium Ass'n v. Dunkle* (11th Cir. 1991) 946 F.2d 768, 774; *Swedish*
Hosp. Corp. v. Shalala (D.C. Cir. 1993) 1 F.3d 1261, 1271.

12 In the case at hand, the fee and costs provision is clearly reasonable. Rastegar Dec. at ¶
13 21. Class Counsel is qualified to handle this litigation because the attorneys Currently, more than
14 half of Rastegar Law Group's active caseload includes wage and hour class action cases. *Id.* at ¶
15 25. Moreover, the firm consists of six (6) attorneys, all of whom are actively and continuously
16 practicing in employment litigation, representing almost entirely employee plaintiffs, in both
17 individual and class actions, in Superior Courts throughout the State, in the Court of Appeals,
18 and in various Federal courts. *Id.* Thus, Class Counsel are "qualified, experienced, and generally
19 able to conduct the proposed litigation" as required under existing law. *Miller v. Woods* (1983)
20 148 Cal.App.3d 862, 874. *See* Rastegar Dec. at ¶¶ 26.

21 IX. CONCLUSION

22 For the reasons set forth above, Named Plaintiff respectfully requests that the Court: (1)
23 certify a provisional Class; (2) grant preliminary approval of the proposed class action
24 Settlement; (3) approve the Class Notice; and (4) schedule a Final Approval Hearing.

25 Respectfully submitted,

26 DATED: May 19, 2021

27 RASTEGAR LAW GROUP, APC

28 

Farzad Rastegar

Danielle Sherrod

Attorneys for Plaintiff Guillermo Valenzuela,
individually, and on behalf of all other similarly
situated current and former employees of Defendants

EXHIBIT 1

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Attorneys for Defendant
NU LINE TECHNOLOGIES, LLC
(erroneously sued as NULINE TECHNOLOGIES, LLC)

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO – HALL OF JUSTICE

GUILLERMO VALENZUELA, individually,
and on behalf of all other aggrieved employees,

Plaintiff,

vs.

NULINE TECHNOLOGIES, LLC, a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 37-2020-00015352-CU-OE-CTL

CLASS ACTION

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND
RELEASE OF CLAIMS**

*[Assigned for All Purposes to the Hon.
Ronald L. Styn; Dept. C-74]*

Complaint Filed: May 26, 2020
Trial: TBD

This Joint Stipulation of Class Action Settlement and Release of Claims ("Settlement" or "Agreement") is made and entered into by and between Plaintiff GUILLERMO VALENZUELA ("Plaintiff" or "Class Representative"), individually and on behalf of all putative class members, and Defendant NU LINE TECHNOLOGIES, LLC ("Defendant"). Plaintiff and Defendant are collectively referred to herein as "the Parties."

I. DEFINITIONS

The following definitions are applicable to this Settlement, in addition to other terms defined

elsewhere in this Settlement:

1. “Superior Court” shall mean the Superior Court of California for the County of San Diego.

2. The “Action” shall mean the operative Complaint of the civil action commenced on May 26, 2020, filed and maintained by Plaintiff against Defendant in the Superior Court of California, County of San Diego, Case No. 37-2020-00015352-CU-OE-CTL.

3. The “Class Period” shall mean the period of time from May 26, 2019, through February 9, 2021.

4. “Class” shall mean all persons who, during the Class Period, have previously been or currently are employed in California by Defendant, as an hourly-paid, non-exempt employee. “Class Member” shall mean an individual who is a member of the Class (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification).

5. “Class Counsel” shall mean the attorneys representing Plaintiff in the Action, Farzad Rastegar, Esq. and Danielle Sherrod, Esq. of Rastegar Law Group, APC.

6. “Defense Counsel” shall mean the attorneys representing Defendant in the Action, Matthew C. Sgnilek, Esq. and Andrea Rosenkranz, Esq. of O’Hagan Meyer.

7. “Non-Participating Class Member” shall mean a Class Member who submits a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions provided in the Class Notice.

8. The “PAGA Period” shall mean the period of time from May 26, 2019, through February 9, 2021.

9. The “PAGA Group” shall mean all persons who, during the PAGA Period, have previously been or currently are employed in California by Defendant, as an hourly-paid, non-exempt employee. “PAGA Group Member” shall mean an individual who is a member of the PAGA Group (or if any such person is incompetent, deceased, or unavailable due to military service, the person’s legal representative or successor in interest evidenced by reasonable verification).

1 10. “Participating Class Member” shall mean all Class Members who have not submitted
2 a complete, valid, and timely request to be excluded from the Settlement pursuant to the instructions
3 provided in the Class Notice.

4 11. “Preliminary Approval” shall mean the Superior Court’s preliminary approval of the
5 Settlement without material change that the Parties anticipate will be made following submission of
6 this Agreement to the Court.

7 12. “Settlement Administrator” shall mean Phoenix Settlement Administrators proposed
8 by the Parties and appointed by the Superior Court to administer the Settlement.

9 13. “Class Counsel Fees Payment” shall mean One Hundred Thousand Dollars and Zero
10 Cents (\$100,000.00) subject to approval by the Superior Court as Class Counsel’s attorney’s fees
11 incurred in connection with the Action, including fees incurred in pre-filing investigation, filing of
12 the Action, and all related litigation activities, this Settlement, and all post-Settlement compliance
13 procedures.

14 14. “Class Counsel Litigation Expenses Payment” shall mean the actual litigation
15 expenses and/or costs expended by Class Counsel subject to approval by the Superior Court
16 incurred in connection with the Action, including pre-filing investigation, filing of the Action, and
17 all related litigation activities, this Settlement, and all post-Settlement compliance procedures. Class
18 Counsel’s expenses are not to exceed Eighteen Thousand Dollars and Zero Cents (\$18,000.00).

19 15. “Class Representative Payment” shall mean the special payment made to Plaintiff in
20 his capacity as Class Representative to compensate him for prosecuting the Action, and performing
21 work in support of the Action, in the amount of Seven Thousand, Five Hundred Dollars and Zero
22 Cents (\$7,500.00), subject to approval by the Superior Court.

23 16. “LWDA Payment” shall mean the payment to the California Labor and Workforce
24 Development Agency (“LWDA”) constituting seventy-five percent (75%) of the value assigned to
25 the claim for penalties under the California Labor Code Private Attorneys General Act, California
26 Labor Code Section 2698, *et seq.* (“PAGA”). Specifically, Four Thousand, Five Hundred Dollars
27 and Zero Cents (\$4,500.00), which shall constitute the LWDA’s seventy-five percent (75%) share
28 of Six Thousand Dollars and Zero Cents (\$6,000.00) in civil penalties paid under this Settlement.

1 The remaining One Thousand, Five Hundred Dollars and Zero Cents (\$1,500.00) in civil penalties
2 shall be distributed on a *pro rata* basis based upon the number of pay periods worked by each
3 PAGA Group Member ("PAGA Payment").

4 17. "Settlement Administrator Payment" shall mean the payment to the Settlement
5 Administrator for its fees and expenses in administering this Settlement.

6 18. "Workweek" shall mean any week in which a Class Member actually performed paid
7 work for Defendant during the Class Period as an hourly-paid, non-exempt employee.

8 19. "Individual Workweeks" shall mean the number of Workweeks for an individual
9 Class Member.

10 20. "Pay Period" shall mean any pay period in which a Class Member actually received
11 payment from Defendant as an hourly-paid, non-exempt employee.

12 21. "Individual Pay Periods" shall mean the number of Pay Periods for an individual
13 PAGA Group Member.

14 22. "Settlement Share" shall mean the value of each Participating Class Member's share
15 of the Net Settlement Amount as provided by this Agreement.

16 23. "PAGA Payment Share" shall mean the value of each PAGA Group Member's share
17 of the PAGA Payment as provided by this Agreement.

18 24. "Total Settlement Amount" shall mean the Total Settlement Amount of Three
19 Hundred Thousand Dollars and Zero Cents (\$300,000.00) payable by Defendant as provided by this
20 Agreement, exclusive of the normal employer's share of any payroll taxes attributable to the
21 Settlement Share payments allocated to wages. Defendant's payment of its share of payroll taxes
22 on unpaid wages will be made separately and shall not come from the Total Settlement Amount.

23 25. Defendant represents that as of October 16, 2020, the number of Workweeks and
24 pay periods in the Class Period is 2,023. Should the number of Workweeks as of October 16, 2020,
25 increase by 5% or more, i.e., more than 2,125 workweeks, the Total Settlement Amount shall
26 increase by the additional Workweeks multiplied by the Workweek value calculated off the 2,203
27 Workweeks and the Net Settlement Amount exclusive of this escalator provision, as defined in
28 Paragraph 26. For example, if the Workweeks are 2,200 and the Workweek value is \$20 then the

1 Total Settlement Amount increases by \$3,540.00 (2,200 Workweeks – 2,023 Workweeks = 177
2 Workweeks x \$20.00 per Workweek = \$3,540.00).

3 26. “Net Settlement Amount” shall mean the Total Settlement Amount, less (i) the Class
4 Representative Payment approved by the Superior Court; (iii) the Class Counsel Fees Payment
5 approved by the Superior Court; (iv) the Class Counsel Litigation Expenses Payment approved by
6 the Superior Court; (v) the LWDA Payment approved by the Superior Court; (vi) the PAGA
7 Payment approved by the Superior Court; (vii) the Settlement Administrator Payment approved by
8 the Superior Court; and (viii) any other fees or expenses (other than Class Counsel Fees Payment
9 and Class Counsel Litigation Expenses Payment) incurred in implementing the terms and conditions
10 of this Agreement as approved by the Superior Court.

11 27. “Class Notice” shall mean the Notice of Proposed Settlement, Preliminary Approval
12 of Settlement, and Hearing Date for Final Court Approval, a sample of which is attached hereto as
13 **Exhibit A**. The Class Notice shall further contain (i) a Class Member’s first and last name, (ii) last
14 known address, (iii) last four digits of their Social Security number, (iv) employee identification
15 number, if applicable, (v) the Class Member’s Individual Workweeks, (vi) the PAGA Group
16 Member’s Individual Pay Periods; (vi) the Class Member’s estimated amount of the Settlement
17 Share; and (vii) the PAGA Group Member’s estimated amount of the PAGA Payment. The Class
18 Notice shall also provide the Class Members with instructions on how to opt-out of and/or object to
19 the Settlement.

20 28. “Effective Date” shall mean the date on which the Court’s order granting final
21 approval of this Agreement becomes final. Such order becomes final upon the following events: (i)
22 upon the Court issuing the Final Approval Order (as hereinafter defined) granting approval of this
23 Agreement if no objections to the settlement are filed, or if an objection is filed but is withdrawn
24 prior to the Court’s Final Approval Hearing (as hereinafter defined); or (ii) in the event there are
25 written objections filed prior to the Final Approval Hearing which are not thereafter withdrawn
26 prior to the hearing, the later of the following events: (a) the day after the last day by which a notice
27 of appeal of the order may be timely filed with the California Court of Appeals, and none is filed;
28 (b) if an appeal is filed and is finally disposed of by ruling, dismissal, denial, or otherwise, the day

1 after the last date for filing a request for further review of the Court of Appeal's decision passes and
2 no further review is requested; (c) if an appeal is filed and there is a final disposition by ruling,
3 dismissal, denial, or otherwise by the Court of Appeal, and further review of the Court of Appeal's
4 decision is requested, the day after the request for review is denied with prejudice and/or no further
5 review of the order can be requested; or (d) if review is accepted, the day the Supreme Court of the
6 State of California affirms the Settlement. The occurrence of the Effective Date is a prerequisite to
7 any obligation of Defendant to pay any funds into the Settlement Account.

8 29. "Final Approval Hearing" shall mean the hearing to be conducted by the Superior
9 Court to determine whether to finally approve and implement the terms of this Settlement.

10 30. "Judgment" shall mean the Order of Final Judgment entered by the Superior Court
11 that the Parties anticipate will be entered following a Final Approval Hearing on the Settlement in
12 this Action.

13 31. "Employer's Payroll Taxes" shall mean Defendant's share of all payroll taxes
14 payable to any and all government agencies incurred for any payments of Settlement Shares to
15 Participating Class Members pursuant to this Settlement.

16 **II. RECITALS**

17 32. On May 26, 2020, Plaintiff GUILLERMO VALENZUELA ("Plaintiff") commenced
18 the Action against Defendant by filing a Complaint in the Superior Court. In the Complaint,
19 Plaintiff, on behalf of himself and all others similarly situated, alleged a cause of action for Civil
20 Penalties pursuant to the Private Attorneys' General Act ("PAGA").

21 33. On March 16, 2021, Plaintiff filed a First Amended Complaint in the Superior Court
22 ("FAC"). In the FAC, Plaintiff, on behalf of himself and all others similarly situated, alleged, in
23 addition to his claim for PAGA penalties, causes of action for: (1) Failure to Provide Meal Periods;
24 (2) Failure to Provide Required Rest Breaks; (3) Failure to Provide Accurate Records of Meal
25 Periods; (4) Failure to Pay Minimum Wage; (5) Failure to Pay Overtime Compensation; (6). Failure
26 to Timely Pay All Wages at Termination; (7) Failure to Furnish Accurate Itemized Wage
27 Statements; and (8) Unlawful Business Practices. Based on these allegations, Plaintiff alleged that
28 he and all others similarly situated were entitled to unpaid wages, liquidated damages, statutory

1 penalties, civil penalties, attorney's fees, and costs of litigation, among other remedies.

2 34. Defendant denies and continue to deny all of Plaintiff's material allegations.
3 Specifically, Defendant contends (1) it did not fail to pay the Class the minimum wage or overtime
4 compensation; (2) it provided the Class with all meal periods according to law and kept accurate
5 records of the same; (3) it provided the Class with all rest periods according to law; (4) it did not
6 fail to timely pay the Class wages due and owing upon separation; (5) it provided the Class with
7 accurate itemized wage statements, consistent with Labor Code Section 226; (6) it properly
8 maintained all payroll records; (7) it did not violate Business & Professions Code Section 17200, *et*
9 *seq.*; (8) the PAGA Group is not entitled to penalties under PAGA; and (9) Defendant is not liable
10 for damages, liquidated damages, penalties, attorney's fees, or costs of litigation to the Class.

11 35. In connection with the Action, and in order to work toward a mediated resolution
12 without the time and expense of formal discovery, the Parties produced voluminous documents and
13 data (including, by Defendant, human resources documents and policies, time records, and payroll
14 data during the Class Period) which were reviewed, investigated, and analyzed by Class Counsel.

15 36. On December 9, 2020, the Parties in Action participated in a full day of mediation
16 before an experienced employment and class action mediator, Steve Rottman, Esq., which resulted
17 in a settlement of the Action (the "Mediation").

18 37. The Settlement described in this Agreement represents a compromise and settlement
19 of highly disputed claims. Nothing in this Settlement is intended or will be construed as an
20 admission by Defendant that Plaintiff's claims in the Action have any merit or that it has any
21 liability to Plaintiff, the Class, the PAGA Group, or the State on those claims, or as an admission by
22 Plaintiff that Defendant's defenses in Action have any merit. This Settlement is intended to fully,
23 finally, and forever compromise, release, resolve, discharge, and settle the released claims subject to
24 the terms and conditions set forth in this Settlement.

25 38. Based on its own thorough, independent investigation and evaluation of this case,
26 Class Counsel is of the opinion that the Settlement of the Action with Defendant for the
27 consideration and on the terms set forth in this Settlement is fair, reasonable, adequate, and in the
28 best interest of the Class in light of all known facts and circumstances, including the risk of

1 significant costs and delay, the risk of non-certification of the Class, the defenses asserted by
2 Defendant including the risks of adverse determinations on the merits and numerous potential
3 appellate issues. Although Defendant contends that it has no liability in the Action, Defense
4 Counsel shares Class Counsel's belief that the Settlement represents a fair and adequate settlement
5 given the respective risks associated with the case.

6 39. Based on the foregoing Recitals, the Parties agree as follows:

7 **III. PROCEDURE FOR APPROVING SETTLEMENT**

8 40. **Motion for Preliminary Approval of Settlement by the Superior Court.** Plaintiff
9 will move the Superior Court for an order granting Preliminary Approval of the Settlement, setting
10 a date for the Final Approval Hearing no earlier than 90 days from the date of the order granting
11 Preliminary Approval of the Settlement, and approving the Class Notice (attached as **Exhibit A** to
12 this Stipulation) ("Motion for Preliminary Approval"). The hearing on the motion for Preliminary
13 Approval of Settlement shall be scheduled as soon as the matter may be heard. Any unresolved
14 disagreement among the Parties concerning the Class Notice or other documents necessary to
15 implement the Settlement will be referred first to Steve Rottman, Esq., and if no resolution is
16 reached, then to the Superior Court.

17 41. At the hearing on the Motion for Preliminary Approval, the Parties anticipate that
18 they will jointly appear, support the granting of the Motion for Preliminary Approval, and obtain an
19 order granting Preliminary Approval, granting approval of the Class Notice, and setting a date for
20 the Final Approval Hearing no earlier than 90 days from the date of the order granting Preliminary
21 Approval. All Parties agree to work diligently and cooperatively to have this matter and the
22 Settlement presented to the Court for preliminary approval. The Order shall provide for the Class
23 Notice to be sent to the Class Members as specified herein.

24 42. Should the Superior Court require any amendments to this Agreement or the Motion
25 for Preliminary Approval, the Parties agree to work jointly to resolve any issues in order to secure
26 the Superior Court's Preliminary Approval.

27 43. In the event that: (i) the Court denies preliminary approval of the Settlement; (ii) the
28 Court denies final approval of the Settlement; (iii) the Court refuses to enter a Final Approval Order

1 and Judgement as provided herein; or (iv) the Settlement does not become final for any other
2 reason, this Settlement Agreement shall be null and void and any order or judgement entered by the
3 Court in furtherance of this Settlement shall be treated as void from the beginning. In such event,
4 the Parties shall be returned to their respective positions as of the date and time immediately prior to
5 the execution of this Agreement, and the Parties shall proceed in all respects as if this Agreement
6 had not been executed.

7 **44. Class Notice.** After the Superior Court enters its order granting Preliminary
8 Approval, every Class Member will be provided with the Class Notice (in English and Spanish)
9 which will include the Class Notice completed to reflect the order granting Preliminary Approval of
10 the Settlement and the Class Member's information as follows:

11 (a) Within fourteen days (14) days after the Motion for Preliminary Approval is
12 granted, Defendant will provide to the Settlement Administrator the "Class Members' Data," which
13 shall consist of an electronic database containing (i) each Class Member's first and last name, (ii)
14 last known mailing address, (ii) last four digits of the Class Member's Social Security number, (iii)
15 the Class Member's employee identification number, if applicable, and based on Defendant's
16 payroll records, (iv) the Class Member's total number of Individual Workweeks, and (v) the PAGA
17 Group Members' total number of Individual Pay Periods. If any or all of the Class Members' Data
18 are unavailable to Defendant, Defendant will so inform Class Counsel prior to the date on which
19 Defendant is required to submit the Class Members' Data to the Settlement Administrator and the
20 Parties will make their best efforts to reconstruct or otherwise agree upon the Class Members' Data
21 prior to when it must be submitted to the Settlement Administrator. If the Parties are unable to
22 agree, the dispute will be resolved by the Settlement Administrator as provided in Paragraph 45.
23 This information will otherwise remain confidential and will not be disclosed to anyone, except as
24 required to applicable taxing authorities, as required to carry out the reasonable efforts to identify
25 Class Member information as described in this Paragraph 44(c), pursuant to Defendant's express
26 written authorization, or by order of the Superior Court.

27 (b) Within seven (7) days after receiving the Class Members' Data, or as soon
28 thereafter as it is able to do so, the Settlement Administrator will mail the Class Notice to all

1 identified Class Members via first-class U.S. Mail using the mailing address information provided
2 by Defendant, unless modified by any updated address information that the Settlement
3 Administrator obtains in the course of administration of the Settlement.

4 (c) If a Class Notice is returned by the U.S. Postal Service because of an
5 incorrect address, the Settlement Administrator will promptly, and not later than five (5) days from
6 receipt of the returned packet, search for a more current address for the Class Member and re-mail
7 the Class Notice to the Class Member. The Settlement Administrator will use the Class Members'
8 Data and otherwise work with Defense Counsel or utilize its own resources such as skip traces to
9 find a more current address. The Settlement Administrator will be responsible for taking reasonable
10 steps, consistent with its agreed-upon job parameters, court orders, and fee, to trace the mailing
11 address of any Class Member for whom a Class Notice is returned by the U.S. Postal Service.
12 These reasonable steps shall include the tracking of all undelivered mail; performing address
13 searches for all mail returned without a forwarding address; and promptly re-mailing to Class
14 Members for whom new addresses are found. Any such Class Members who failed to receive a
15 Class Notice, or who were subject to a re-mailing of the Class Notice as described herein shall be
16 given an additional fourteen (14) days to opt out or object to the Settlement.

17 (d) The Settlement Administrator will inform Class Counsel and Defense
18 Counsel of the number of returned Class Notices it receives and Class Notices re-mailed in a
19 weekly status report.

20 (e) Not later than ten (10) court days prior to the Final Approval Hearing, the
21 Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its
22 compliance with its obligations under this Settlement. The declaration will be filed with the papers
23 submitted with the Motion for Final Approval. Prior to the Final Approval Hearing, the Settlement
24 Administrator will supplement its declaration of due diligence if any material changes occur from
25 the date of the filing of its prior declaration.

26 **45. Participating Class Members; Requests for Exclusion from Class Settlement;**
27 **and Objections to Settlement.** Class Members may submit requests to be excluded from the effect
28 of the Settlement; or objections to the Settlement, pursuant to the following procedures:

1 (a) **Participating Class Members.** Each Class Member shall be deemed to be a
2 Participating Class Member unless they submit a complete, timely, and valid request to be excluded
3 from the effect of the Settlement as provided below. All Participating Class Members shall be
4 bound by the provisions and releases contained in this Settlement.

5 (b) **Request for Exclusion from Settlement.** Class Members who wish to
6 exclude themselves from the Settlement (i.e., “opt out” of the Settlement) must submit to the
7 Settlement Administrator, not later than forty-five (45) days after the date that the Settlement
8 Administrator first mails the Class Notices, an Exclusion Request (as hereinafter defined) (“the
9 Exclusion Period”). Exclusion Requests may be submitted to the Settlement Administrator via U.S.
10 Mail only. Class Members must complete, sign, date, and timely return a request for exclusion
11 (“Exclusion Request”) to the Settlement Administrator to exclude themselves from the Settlement,
12 setting forth their (i) name, (ii) address, (iii) last four digits of their Social Security number, and (iv)
13 the following statement or a similar statement: “I wish to exclude myself from the settlement
14 reached in the matter of *Valenzuela v. Nu Line Technologies, LLC*. I understand that by excluding
15 myself, I will not receive any money from the Class Settlement reached in this matter.” A Class
16 Member who does not complete and submit a valid and timely Exclusion Request in the manner and
17 by the deadline specified above will remain a Participating Class Member and, if the Court
18 approves the Settlement, will be bound by all terms and conditions of the Settlement and by the
19 Judgment. A Class Member who timely submits a valid Exclusion Request will not participate in,
20 or be bound by, the Settlement of the Judgment and will not receive any payment pursuant to the
21 Settlement except for a payment from the portion of the PAGA Payment to the PAGA Group if the
22 Class Member is a PAGA Group Member, and will not be bound by the terms of the Settlement,
23 except for the release of the PAGA Group Released Claims if the Class Member is a PAGA Group
24 Member, and will not have any right to object, appeal, or comment thereon. To be valid, Exclusion
25 Requests must be completed in full, signed, and returned to the Settlement Administrator before the
26 expiration of the Exclusion Period. Non-Participating Class Members will not be permitted to file
27 objections to the Settlement and/or appear at the Final Approval Hearing to voice any objections to
28 the Settlement. Members of the PAGA Group cannot seek to exclude themselves from the

1 Settlement of the PAGA claim but retain all rights to exclude themselves from the Class Settlement
2 as delineated herein. The Settlement Administrator will provide Class Counsel, Defense Counsel,
3 and the Superior Court with the names of the Non-Participating Class Members.

4 (c) **Objections to Settlement.** The Class Notice will provide that any Class
5 Member who does not request exclusion from the Settlement and who wishes to object to the
6 Settlement must serve on the Settlement Administrator, not later than forty-five (45) days after the
7 Settlement Administrator initially mails the Class Notice, a written objection to the Settlement
8 which sets forth the grounds for the objection and the other information required by Paragraph
9 43(d). The objection must be served as follows:

10
11 *Valenzuela v. Nu Line Technologies, LLC*

12 c/o _____

13 _____

14 _____

15
16 (d) The written objection must state the Class Member's (i) name, (ii) address,
17 (iii) last four digits of their Social Security number, and (iv) the dates of the Class Member's
18 employment with Defendant. The written objection must state the basis for each objection in clear
19 and concise terms. The written objection shall also state whether the Class Member intends to
20 appear and object at the Final Approval Hearing. A Class Member who does not serve a written
21 objection in the manner and by the deadline specified may appear at the Final Approval Hearing to
22 state their objection to the Settlement. If a Class Member fails to submit a written objection or to
23 appear at the Final Approval hearing to make an oral objection, the Class Member will be deemed
24 to have waived all objections and will be foreclosed from making any objections – whether by
25 appeal or otherwise – to the Settlement.

26 (e) If the Superior Court rejects the Class Member's objection, or if the Superior
27 Court approves the Settlement despite any objections, the Class Member will be deemed to be a
28 Participating Class Member and will be bound by the terms of this Settlement.

(f) A Class Member who timely submits a valid Exclusion Request will not participate in, or be bound by, the Settlement of the Judgment and will not receive any payment pursuant to the Settlement except for a payment from the portion of the PAGA Payment to the PAGA Group if the Class Member is a PAGA Group Member, and will not be bound by the terms of the Settlement and Judgment, except for the release of the PAGA Group Released Claims if the Class Member is a PAGA Group Member, and will not have any right to object, appeal, or comment thereon.

46. **Report.** Not later than seven (7) days after the deadline for submission of requests to be excluded and/or objections, the Settlement Administrator will provide Defendant, through Defense Counsel, with a complete and accurate list of names for all Participating Class Members, all Non-Participating Class Members, all PAGA Group members, and all Class Members who objected to the Settlement. The report shall also be accompanied by an itemized calculation of the Settlement Shares for each Participating Class Member. The Settlement Administrator shall also provide both Parties with a report identifying the number of Participating Class Members, the number of Non-Participating Class Members, the number of PAGA Group members, and the number of Class Members who submitted a valid, timely, and complete objection. Class Counsel shall also receive a list of Class Members who object to the Settlement.

47. **Resolution of Class Member and PAGA Group Member Disputes.** If a Class Member and/or PAGA Group Member disputes the number of his or her Individual Workweeks and/or Individual Pay Periods stated in his or her Class Notice, the Class Member and/or PAGA Group Member must, within forty-five (45) days after the Settlement Administrator initially mails the Class Notice, ask the Settlement Administrator to resolve the matter by returning the Class Notice with a statement of the number of Workweeks and/or Pay Periods that he or she contends were worked and include any documentation the Class Member and/or PAGA Group Member has to support his or her contention. The Settlement Administrator shall notify Defendant of the dispute and provide them with a copy of the Class Notice and any documentation received in support of the dispute within three (3) court days of receipt thereof. Defendant shall review their payroll and personnel records and verify the correct number of Workweeks and/or Pay Periods within five (5)

1 court days of the Settlement Administrator's notification. Defendant's records will have a
2 rebuttable presumption of accuracy. After consultation with Class Counsel, Defense Counsel, and
3 the applicable Class Member and/or PAGA Group Member, the Settlement Administrator will,
4 within three (3) court days of Defendant's verification, make a determination of the Class Member's
5 and/or PAGA Group Member's number of Workweeks and/or Pay Periods and that determination
6 will be final, binding on the Parties and the Class Member and/or PAGA Group Member, and is not
7 appealable.

8 **48. No Solicitation of Objection; Right to Void.** Neither the Parties, nor their
9 respective counsel, will directly or indirectly solicit or otherwise encourage any Class Member to
10 exclude him or herself from the Settlement, object to the Settlement, and/or appeal from the
11 Judgment. If ten percent (10%) or more of the Class Members submit a complete, valid, and timely
12 request to be excluded from the Settlement and are deemed to be Non-Participating Class Members,
13 then Defendant shall have the unilateral right to void this Settlement. Defendant may do so by
14 giving notice to Plaintiff and the Court of its election to void the Settlement not later than fourteen
15 (14) days after the Settlement Administrator issues its report identifying the number of Participating
16 Class Members, the number of Non-Participating Class Members, and the number of Class
17 Members who objected to the settlement as described in Paragraph 45(c). Notwithstanding any
18 other provisions in this Settlement, no sums shall be payable by Defendant in the event that this
19 Settlement is voided as provided for herein.

20 **49. Additional Briefing and Final Approval.**

21 (a) Not later than sixteen (16) court days before the Final Approval Hearing, the
22 Plaintiff will prepare and the Parties will jointly file with the Superior Court a Motion for Final
23 Approval of the Settlement, including payment of the Settlement Administrator's Payment, and a
24 memorandum in support of their motion ("Motion for Final Approval"). Not later than sixteen (16)
25 court days before the Final Approval Hearing, Plaintiff and Class Counsel will serve on Defendant
26 and file with the Superior Court a Motion for Awards of the Class Representative Payment, Class
27 Counsel Fees Payment, and the Class Counsel Litigation Expenses Payment, pursuant to this
28 Settlement, and memoranda in support of its motion. Plaintiff will seek fees pursuant to *Laffitte v.*

1 *Robert Half Intern, Inc.* (2016) 1 Cal. 5th 480, 503. Plaintiff will not seek additional fees from
2 Defendant or an increase in the Total Settlement Amount as part of the Motion for awards of the
3 Class Representative Payment, Class Counsel Fees Payment, and the Class Counsel Litigation
4 Expenses Payment.

5 (b) Not later than five (5) court days before the Final Approval Hearing, the
6 Parties shall be entitled to file and serve a response to any Class Member's objection to the
7 Settlement and/or reply in support of their Motion for Final Approval, to the extent that any
8 opposition to said Motion is filed. Plaintiff and Class Counsel may file a reply in support of their
9 Motion for Awards of the Class Representative Payment, Class Counsel Fees Payment, and the
10 Class Counsel Litigation Expenses Payment, to the extent that any opposition to said Motion is
11 filed.

12 (c) If the Superior Court ultimately does not grant final approval of the
13 Settlement or grants final approval conditioned on any material change to the Settlement that is not
14 agreed to by one of the Parties, then either Party will have the right to void the Settlement. If the
15 Settlement is voided in this manner, the Parties will have no further obligations under the
16 Settlement, including any obligation by Defendant to pay any amounts that otherwise would have
17 been payable under this Settlement, except that the voiding Party will pay the Settlement
18 Administrator's reasonable fees and expenses incurred as of the date that the Party exercises the
19 right to void the Settlement under this paragraph. For the purposes of this paragraph, a "material
20 change" is a change to the terms outlined in the Memorandum of Understanding, a copy of which is
21 attached hereto as **Exhibit B**. However, an award by the Superior Court of a lesser amount than
22 that sought by Plaintiff and Class Counsel for the Class Representative Payment, the Class Counsel
23 Fees Payment, and/or the Class Counsel Litigation Expenses Payment, will not constitute a material
24 change to the Settlement within the meaning of this paragraph.

25 (d) Upon final approval of the Settlement by the Superior Court at or after the
26 Final Approval Hearing, the Parties will present for the Superior Court's approval and entry a
27 Proposed Final Order and Judgment. The entry of the Final Order and Judgment shall permanently
28 bar all Participating Class Members from prosecuting against Defendant any claims or causes of

1 action of any kind up through the date of Final Approval, which were or could have been brought in
2 this Action, whether known or unknown, as well as all claims as set forth in the Release contained
3 in Section V of this Agreement.

4 (e) After entry of the Judgment, the Superior Court will have continuing
5 jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Settlement,
6 (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as
7 may be appropriate under court rules or applicable law.

8 50. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the terms
9 and conditions of this Settlement, Plaintiff, Participating Class Members, Defendant, and their
10 respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights
11 to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a
12 motion for new trial, a motion under Code of Civil Procedure Section 473, and any extraordinary
13 writ, and the Judgment therefore will become non-appealable by them at the time it is entered. The
14 waiver of appeal does not include any waiver of the right to oppose any appeal, appellate
15 proceedings, or post-judgment proceedings. If an appeal is taken from the Judgment, the time for
16 consummation of the Settlement (including making payments under the Settlement) will be
17 suspended until such time as the appeal is finally resolved and the Judgment, consistent with the
18 terms of this Settlement, becomes Final.

19 51. **Vacating, Reversal, or Material Modification of Judgment on Appeal or**
20 **Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other
21 motion, petition, writ, or application, the reviewing court vacates, reverses, or modifies the
22 Judgment such that there is a material modification to the Settlement, and that court's decision is
23 not completely reversed and the Judgment is not fully affirmed on review by a higher court, then
24 either Party will have the right to void the Settlement, which the Party must do by giving written
25 notice to the other Parties, the reviewing court, and the Superior Court, not later than fourteen (14)
26 days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment
27 becomes final. For the purposes of this paragraph, a "material change" is a change to the terms
28 outlined in the accepted Memorandum of Understanding, a copy of which is attached hereto as

1 **Exhibit B.** A vacation, reversal, or modification of the Superior Court's award of the Class
2 Representative Payment, the Class Counsel Fees Payment, and/or Class Counsel Litigation
3 Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment
4 within the meaning of this paragraph.

5 52. **Establishment of Settlement Account.** The Settlement Administrator shall
6 establish a Settlement Account within ten (10) days of the Effective Date and notify the Parties
7 when the Settlement Account has been established. The Settlement Administrator shall also
8 provide Defendant with an itemized statement for the total amount to be deposited into the
9 Settlement Account, which shall equal the Total Settlement Amount (i.e., the "Settlement Account
10 Deposit"). Within ten (10) days after receiving notification of the Settlement Account and
11 statement for the Settlement Account Deposit, Defendant shall pay into the Settlement Account an
12 amount equal to the Settlement Account Deposit. Defendant shall have no obligation to pay any
13 additional funds into the Settlement Account.

14 53. **Payment of Settlement Shares and PAGA Payment Shares.** The Settlement
15 Administrator shall pay to each Participating Class Member his or her Settlement Share and to each
16 PAGA Group Member his or her PAGA Payment Share from the Settlement Account. The
17 Settlement Administrator shall pay each Settlement Share by sending a check in the appropriate
18 amount after withholdings to the Participating Class Member at the address indicated in the Class
19 Member's Data. The Settlement Administrator shall pay each PAGA Payment Share by sending a
20 check in the appropriate amount to the PAGA Group Member at the address indicated in the PAGA
21 Group Member's Data. Such payment shall be sent by the Settlement Administrator via U.S. Mail
22 within fourteen (14) days of its receipt of the Settlement Account Deposit from Defendant.

23 54. **Uncashed Settlement Share and PAGA Payment Share Checks.** Any checks
24 paid to Participating Class Members and/or PAGA Group Members shall be negotiable for one
25 hundred eighty (180) calendar days from the date of their issuance. A Participating Class Member
26 must cash his or her Settlement Share check within one hundred eighty days (180) calendar days
27 after it is mailed to him or her. A PAGA Group Member must cash his or her PAGA Payment
28 Share check within one hundred eighty days (180) calendar days after it is mailed to him or her. If a

1 check remains uncashed after one hundred eighty (180) calendar days from the initial mailing, or if
2 a check is returned to the Settlement Administrator as undeliverable during the one hundred eighty-
3 day period, the Settlement Administrator shall take all reasonable efforts to identify the
4 Participating Class Member's and/or PAGA Group Member's correct address, including the
5 performance of a "skip-trace." If an updated address can be identified, the Settlement
6 Administrator shall issue another check to the Participating Class Member and/or PAGA Group
7 Member and mail it to the Participating Class Member and/or PAGA Group Member at his or her
8 updated address. If an updated address for the Participating Class Member and/or PAGA Group
9 Member cannot be identified, if a reissued check is once again returned to the Settlement
10 Administrator as undeliverable, or if the reissued check remains uncashed after one hundred eighty
11 (180) calendar days, the Settlement Administrator will keep an accounting of such funds and shall
12 give notice to the Parties of the total balance of uncashed Settlement Shares and/or PAGA Payment
13 Shares. A Participating Class Member who fails to negotiate or receive their Settlement Share
14 check despite the procedures described above shall nevertheless remain bound by the Settlement
15 and the releases contained herein. A PAGA Group Member who fails to negotiate or receive their
16 PAGA Payment Share check despite the procedures described above shall nevertheless remain
17 bound by the Settlement and the releases contained herein.

18 55. The funds represented by Settlement Share and/or PAGA Payment Share checks
19 remaining uncashed for more than 180 days after issuance shall be voided and then shall be
20 transmitted to the Controller of the State of California to be held pursuant to the Unclaimed
21 Property Law, California Code of Civil Procedure § 1500, *et seq.* in the names of those Participating
22 Class Members and/or PAGA Group Members who did not cash their checks until such time they
23 claim their property. After the expiration of the 180-calendar day check cashing period, as outlined
24 above, the Settlement Administrator shall begin the process of transferring the funds in accordance
25 with California Code of Civil Procedure §§ 1500-1582 and the timing requirements set forth by the
26 Office of the State Controller. The Parties agree that this disposition results in no "unpaid residue"
27 under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out
28 to Participating Class Members, whether or not they all cash their settlement checks.

1 **56. Final Report by Settlement Administrator to Superior Court.** Within ten (10)
2 days after final disbursement of all funds from the Settlement Account, the Settlement
3 Administrator will serve on the Parties and file with the Superior Court a declaration providing a
4 final summary report on the disbursements of all funds from the Settlement Account.

5 **IV. SETTLEMENT TERMS AND CONDITIONS**

6 **57. Conditional Certification for Settlement Purposes.** Solely for the purposes of
7 effectuating this Settlement, and subject to Court approval, the Parties hereby stipulate to the
8 conditional certification of the following Settlement Class: “all persons who, during the Class
9 Period, have previously been or currently are employed in California by Defendant as an hourly-
10 paid non-exempt employee.” The Parties agree that if for any reason the Settlement is not
11 preliminarily and/or finally approved, the conditional certification of the Settlement Class will be of
12 no force or effect, does not constitute an admission by Defendant that class certification is proper,
13 and will not be deemed admissible in this or any other proceeding, and that the Parties will litigate
14 the issue of class certification.

15 **58. Settlement Shares.** Subject to the terms and conditions of this Settlement, the
16 Settlement Administrator will calculate the Settlement Shares for each Class Member within ten
17 (10) days after Defendant provide the Settlement Administrator with the Class Members’ Data. The
18 Settlement Share for each Class Member will be calculated as follows, understanding that the
19 formulas below do not constitute an admission by either Party, and are intended only to provide a
20 practical means to simplify and administer the claims process:

21 (a) **Number of Class Members and Workweeks.** Defendant shall determine
22 the total number of Class Members and the aggregate number of Workweeks for those Class
23 Members as of the time of Preliminary Approval. This information shall be provided to the
24 Settlement Administrator along with the Class Members’ Data as described in Paragraph 44(a)
25 above.

26 (b) **Calculation of the Workweek Value.** The Settlement Administrator shall
27 determine the value of a Workweek (“Workweek Value”) by taking the Net Settlement Amount and
28 dividing it by the sum of all Class Members’ Workweeks who do not opt out of the Settlement.

1 (c) **Calculation of Settlement Shares.** The Settlement Administrator shall
2 assign to each Participating Class Member a Settlement Share which shall be equal to the
3 Workweek Value multiplied by each Participating Class Member's Individual Workweeks. Upon
4 calculation of the Participating Class Members' Settlement Shares, the Settlement Administrator
5 shall furnish to Class Counsel and Defense Counsel a worksheet containing a list of employee
6 identification numbers for the Class Members with their corresponding Individual Workweeks and
7 Settlement Shares.

8 59. **PAGA Payment Shares.** Subject to the terms and conditions of this Settlement, the
9 Settlement Administrator will calculate the PAGA Payment Shares for each PAGA Group Member
10 within ten (10) days after Defendant provide the Settlement Administrator with the PAGA Group
11 Members' Data. The PAGA Payment Share for each PAGA Group Member will be calculated as
12 follows, understanding that the formulas below do not constitute an admission by either Party, and
13 are intended only to provide a practical means to simplify and administer the claims process:

14 (a) **Number of PAGA Group Members and Pay Periods.** Defendant shall
15 determine the total number of PAGA Group Members and the aggregate number of Pay Periods for
16 those PAGA Group Members as of the time of Preliminary Approval. This information shall be
17 provided to the Settlement Administrator along with the Class Members' Data as described in
18 Paragraph 44(a) above.

19 (b) **Calculation of the Pay Period Value.** The Settlement Administrator shall
20 determine the value of a Pay Period ("Pay Period Value") by taking the PAGA Payment amount
21 and dividing it by the sum of all PAGA Group Members' Pay Periods.

22 (c) **Calculation of PAGA Payment Shares.** The Settlement Administrator shall
23 assign to each PAGA Group Member a PAGA Payment Share which shall be equal to the Pay
24 Period Value multiplied by each PAGA Group Member's Individual Pay Periods. Upon calculation
25 of the PAGA Group Members' PAGA Payment Shares, the Settlement Administrator shall furnish
26 to Class Counsel and Defense Counsel a worksheet containing a list of employee identification
27 numbers for the PAGA Group Members with their corresponding Individual Pay Periods and
28 PAGA Payment Shares.

1 **60. Taxes and Withholdings.** Each Settlement Share is intended to settle the Class
2 Members' claims for unpaid wages and penalties. Accordingly, twenty percent (20%) of each
3 Settlement Share shall represent unpaid wages and the remaining eighty percent (80%) of each
4 Settlement Share shall represent penalties and interest. The portion of the Settlement Share
5 representing unpaid wages shall be paid to each Participating Class Member subject to any
6 applicable employee-side tax withholdings and deductions, and the Settlement Administrator shall
7 issue an IRS Form W-2 to each Participating Class Member for that amount. The portion of the
8 Settlement Share representing penalties shall be paid to the Participating Class Member in full
9 without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form 1099
10 to each Participating Class Member for that amount. Each Participating Class Member shall be
11 individually responsible for their own share of applicable income tax withholdings and deductions
12 from the Settlement Share attributable to the portion of the settlement for which an IRS Form 1099
13 will be issued. Defendant shall be responsible for payment of the Employer Payroll Tax attributable
14 to the Settlement Share payments constituting wages. The Employer's Payroll Tax shall not be
15 deducted from the Total Settlement Amount and shall not be included in any payments of
16 Settlement Shares. The Parties agree and understand that Defendant have not made any
17 representations regarding the tax obligations or consequences, if any, related to this Settlement. The
18 Parties agree that Defendant and each Participating Class Member are solely responsible for
19 determining the tax consequences of payments made pursuant to this Settlement and for paying
20 taxes, if any, which are determined to be owed by each of them on such payments (including
21 penalties and interest related thereto) by any taxing authority, whether state, local, or federal.

22 **61.** Each PAGA Payment Share is intended to settle the PAGA Group Members' claims
23 for civil penalties. Accordingly, one hundred percent (100%) of each PAGA Payment Share shall
24 represent civil penalties. The PAGA Payment Share shall be paid to the PAGA Group Member in
25 full without deductions or withholdings, and the Settlement Administrator shall issue an IRS Form
26 1099 to each PAGA Group Member for that amount. Each PAGA Group Member shall be
27 individually responsible for their own share of applicable income tax withholdings and deductions
28 for his or her PAGA Payment Share.

1 **62. Total Payment Amount.** In no event will Defendant be required to pay more than
2 the Total Settlement Amount for distribution to the Plaintiff, Class Counsel, Participating Class
3 Members, PAGA Group Members, LWDA, Settlement Administrator, or for any other costs or
4 expenses not otherwise enumerated. However, Defendant shall be responsible for paying any
5 Employer Payroll Taxes for the payment of Settlement Shares attributable to wages, which shall not
6 be paid from the Settlement Account and shall not be included in the Total Settlement Amount.

7 **63. Payments to Plaintiff and Class Counsel and Others.** Subject to the terms and
8 conditions of this Settlement, the Settlement Administrator will make the following payments out of
9 the Total Settlement Amount as follows:

10 **(a) To Plaintiff:** In addition to his Settlement Share, Plaintiff will apply to the
11 Superior Court for a Class Representative Payment in an amount not to exceed Seven Thousand,
12 Five Hundred Dollars and Zero Cents (\$7,500.00). Defendant will not oppose this Class
13 Representative Payment. The Settlement Administrator will pay the Class Representative Payment
14 approved by the Superior Court out of the Total Settlement Amount. Payroll tax withholding and
15 deductions will not be taken from the Class Representative Payment and an IRS Form 1099 will be
16 issued to Plaintiff for this payment.

17 **(b) To Class Counsel:** Class Counsel will apply to the Superior Court for the
18 Class Counsel Fees Payment in an amount not to exceed One Hundred Thousand Dollars and Zero
19 Cents (\$100,000.00), or one-third (1/3) of the Total Settlement Amount. Class Counsel will also
20 submit to the Superior Court a memorandum of costs for the Class Counsel Litigation Expenses
21 Payment in an amount not to Exceed Eighteen Thousand Dollars and Zero Cents (\$18,000.00) as request
22 reasonable costs of suit to be paid from the Total Settlement Amount. Defendant will not oppose
23 these requests. The Settlement Administrator will pay the amounts approved by the Superior Court
24 out of the Total Settlement Amount. Withholding and deductions will not be taken from the Class
25 Counsel Fees Payment or Class Counsel Litigation Expenses Payment and one or more IRS Forms
26 1099 will be issued to Class Counsel with respect to those payments.

27 **(c) To the LWDA:** As part of their Motions for Preliminary and Final
28 Approval, the Parties will jointly apply to the Superior Court for approval of the LWDA Payment in

1 the amount of Four Thousand, Five Hundred Dollars and Zero Cents (\$4,500.00), which shall
2 constitute the LWDA's seventy-five percent (75%) share of Six Thousand Dollars and Zero Cents
3 (\$6,000.00) in civil penalties paid under this Settlement. The remaining One Thousand, Five
4 Hundred Dollars and Zero Cents (\$1,500.00) in civil penalties shall be distributed on a *pro rata*
5 basis based upon the number of pay periods worked by each PAGA Group Member ("PAGA
6 Payment").

7 (d) **To the Settlement Administrator:** The Settlement Administrator will be
8 paid from the Total Settlement Amount its reasonable fees and expenses as approved by the
9 Superior Court, which are estimated to be Twelve Thousand Dollars and Zero Cents (\$12,000.00).

10 64. **Appointment of Settlement Administrator.** The Parties will ask the Superior
11 Court to appoint Phoenix Settlement Administrators, a qualified and experienced administrator
12 based in California where the Action is venued, to serve as the Settlement Administrator, which, as
13 a condition of appointment, will agree to be bound by this Agreement with respect to the
14 performance of its duties and its compensation. The Settlement Administrator's duties will include
15 (i) calculating Settlement and PAGA Payment Shares; (ii) preparing, printing, and mailing the Class
16 Notice to all Class Members; (iii) using reasonable measures to contact all Class Members,
17 including conducting a National Change of Address search on all Class Members before mailing the
18 Class Notice to each Class Member's address; (iv) re-mailing the Class Notice to the Class
19 Member's new address for those Class Members whose address had changed; (v) setting up a toll-
20 free telephone number to receive calls from Class Members; (vi) receiving requests for exclusion
21 and objections to the Settlement; (vii) providing the Parties with weekly status reports about the
22 delivery of Class Notices and any requests for exclusion and objections; (viii) issuing the checks to
23 effectuate the payments due under the Settlement; (ix) using reasonable measures to deliver issued
24 checks to Participating Class Members, including use of a "skip-trace" for undeliverable checks;
25 and (x) otherwise administering the Settlement pursuant to this Agreement including paying and
26 reporting the employer's share of the payroll taxes to the appropriate taxing agency. The Settlement
27 Administrator will have the final authority to resolve all disputes concerning the calculation of a
28 Participating Class Member's Settlement Share and/or PAGA Group Member's PAGA Payment

1 Share, subject to the terms set forth in this Agreement. The Settlement Administrator's reasonable
2 fees and expenses are estimated to be Twelve Thousand Dollars and Zero Cents (\$12,000.00) and
3 will be paid out of the Total Settlement Amount, as set forth herein, subject to Court approval.

4 **V. RELEASE OF CLAIMS**

5 65. **Participating Class Members' Released Claims.** As of the date of the Judgment,
6 each Participating Class Member, and without the need to manually sign a release document, in
7 exchange for the consideration recited in this Agreement, on behalf of himself or herself and on
8 behalf of his/her current, former, and future heirs, executors, administrators, attorneys, agents, and
9 assigns, shall and does hereby fully and finally release Defendant and Defendant's parents,
10 predecessors, successors, subsidiaries, affiliates, partners, owners, assigns, franchisors, and trusts,
11 and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, and other service
12 providers including, but not limited to, O'Hagan Meyer (collectively hereinafter the "Releasees"),
13 from any and all claims, demands, rights, liabilities, and causes of action that were or could have
14 been brought against the Releasees in the Action based on the facts, allegations or issues set forth in
15 the Action (the "Released Claims"). Released Claims for Class Members who worked for
16 Defendant in California during the Class Period shall have their claims released during the Class
17 Period. The Released Claims release all causes of action and claims that were alleged in the Action
18 or reasonably could have been alleged based on the facts and legal theories contained in the
19 operative complaint, including, but not limited to, all of the following claims for relief: (a) failure
20 to pay all minimum and overtime wages due; (b) failure to provide meal periods or compensation in
21 lieu thereof; (c) failure to keep accurate records of meal periods; (d) failure to provide rest periods
22 or compensation in lieu thereof; (e) failure to pay wages timely at time of termination or
23 resignation; (f) failure to provide complete, accurate wage statements; (g) unfair business practices
24 that could have been premised on the claims, causes of action or legal theories of relief described
25 above or any of the claims, causes of action or legal theories of relief pleaded in the operative
26 complaint; and (h) all claims under PAGA that could have been premised on the claims, causes of
27 action or legal theories described above or any of the claims, causes of action or legal theories of
28 relief pleaded in Plaintiff's Complaint; any claim for costs and attorneys' fees and expenses, and

any claim arising from the claims described above under applicable federal, state, local or territorial law as well as applicable regulations and Wage Orders. Participating Class Members who cash their checks are deemed to have waived all claims under the settlement inclusive of claims under the Fair Labor Standards Act. Participating Class Members who do not cash their checks shall be deemed to waive all claims under the Settlement that were or could have been pled in Plaintiff's Complaint based on the allegations in the Plaintiff's Complaint except for a claim under the Fair Labor Standards Act.

66. **PAGA Group Released Claims.** As of the date of the Judgment, each PAGA Group Member, and without the need to manually sign a release document, in exchange for the consideration recited in this Agreement, on behalf of himself or herself and on behalf of his/her current, former, and future heirs, executors, administrators, attorneys, agents, and assigns, shall and does hereby fully and finally release Defendant and Defendant's parents, predecessors, successors, subsidiaries, affiliates, partners, owners, assigns, franchisors, and trusts, and all of its employees, officers, agents, attorneys, stockholders, fiduciaries, and other service providers including, but not limited to, O'Hagan Meyer (collectively hereinafter the "Releasees"), from any and all claims, demands, rights, liabilities, and causes of action that were or could have been brought against the Releasees in the Action for civil penalties pursuant to the PAGA that were alleged or could have been alleged under the Labor Code, state or local wage and hour laws and Wage Orders, whether known or unknown, based on the facts and legal theories contained in the Action, including but not limited to (a) failure to pay all minimum and overtime wages due; (b) failure to provide meal periods or compensation in lieu thereof; (c) failure to keep accurate records of meal periods; (d) failure to provide rest periods or compensation in lieu thereof; (e) failure to pay wages timely at time of termination or resignation; (f) failure to provide complete, accurate wage statements; and (g) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint (the "PAGA Released Claims"). Following the Effective Date and Defendant funding the Settlement, all PAGA Group Members will release the Releasees from the PAGA Released Claims that accrued during the PAGA Period. PAGA Group Members cannot

1 opt out of or object to the within PAGA Release.

2 67. The Released Claims and PAGA Released Claims described in Paragraphs 65 & 66
3 expressly exclude all claims made by a Participating Class Member and/or PAGA Group Member
4 for vested benefits, wrongful termination, unemployment insurance, disability, social security,
5 workers' compensation, claims while classified as exempt, and claims outside of the Class Period
6 and/or PAGA Period.

7 68. **Plaintiff's General Release of Claims.** As of the Effective Date, in exchange for the
8 consideration set forth in this Agreement, Plaintiff does hereby waive, release, acquit and forever
9 discharge the Releasees, from any and all claims, actions, charges, complaints, grievances and
10 causes of action, of whatever nature, whether known or unknown, which exist or may exist on
11 Plaintiff's behalf as of the date of this Agreement, including, but not limited to, any and all tort
12 claims, contract claims, wage claims, wrongful termination claims, retaliation claims, disability
13 claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury
14 claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims,
15 *quantum meruit* claims, and any and all claims arising under any federal, state or other
16 governmental statute, law, regulation or ordinance, including, but not limited to, claims for violation
17 the California Labor Code, the Wage Orders of California's Industrial Welfare Commission, the
18 Americans with Disabilities Act, the Employee Retirement Income Security Act, Title VII of the
19 Civil Rights Act of 1964, the California Fair Employment and Housing Act, the California Family
20 Rights Act, the Family Medical Leave Act, California's Whistleblower Protection Act, California
21 Business & Professions Code Section 17200, *et seq.*, and any and all claims arising under any
22 federal, state or other governmental statute, law, regulation or ordinance. This release by Plaintiff is
23 not intended to release any claims that cannot be waived or released as a matter of law, including
24 specifically, without limitation, any claim under the California workers' compensation statute.

25 69. **Plaintiff's Waiver Of California Civil Code § 1542.** As of the Effective Date, in
26 exchange for the consideration set forth in this Agreement, Plaintiff also agrees to expressly waive
27 the provisions of California Civil Code § 1542, which provides as follows:
28

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

8 Plaintiff's general release and waiver of California Civil Code §1542 shall cover the time period
9 from the start of his employment with Defendant up to the Effective Date.

10 70. **Class Counsel.** As of the Effective Date, and except as otherwise provided by this
11 Settlement, Class Counsel and any counsel associated with Class Counsel waive any further claims
12 to costs and attorney's fees and expenses against Defendant or the Releasees arising from or related
13 to the Action, including but not limited to claims based on the Labor Code, the Code of Civil
14 Procedure, PAGA, the Fair Labor and Standards Act, the Business and Professions Code, or any
15 other contract, statute or law .

16 71. **No Effect on Other Benefits.** The payment of Settlement Shares and/or PAGA
17 Payment Shares will not result in any additional employee benefit payments (such as 401(k),
18 vacation, or bonus) and shall not have any effect on the eligibility for, or calculation of, any
19 employee benefit.

20 **VI. MISCELLANEOUS TERMS**

21 72. **No Admission of Liability.** Defendant denies that it has engaged in any unlawful
22 activity, has failed to comply with the law in any respect, or has any liability to anyone under the
23 claims asserted in the Action. This Settlement is entered into solely for the purpose of
24 compromising highly disputed claims. Nothing in this Settlement is intended or will be construed
25 as an admission of liability or wrongdoing by Defendant, an admission by Plaintiff that any of his
26 claims were non-meritorious, or any defense asserted by Defendant was meritorious. This
27 Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have no
28 bearing on, and will not be admissible in connection with, any litigation (other than solely in
connection with the Settlement).

73. The Parties also agree that this release constitutes a resolution of a good faith dispute

1 concerning wages and complies with Labor Code Section 206.5(a), which reads:

2
3 “An employer shall not require the execution of a release of a
4 claim or right on account of wages due, or to become due, or made
5 as an advance on wages to be earned, unless payment of those
6 wages has been made. A release required or executed in violation
7 of the provisions of this section shall be null and void as between
8 the employer and the employee. Violation of this section by the
9 employer is a misdemeanor.”

10
11 74. Whether or not the Judgment becomes final, neither the Settlement, any document,
12 statement, proceeding or conduct related to the Settlement, nor any reports or accounting of those
13 matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be
14 evidence for any purpose adverse to the Releasees , including, but not limited to, evidence of a
15 presumption, concession, indication or admission by any of the Releasees of any liability, fault,
16 wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence
17 against any of the Releasees, or any other civil, criminal or administrative action or proceeding
18 except for purposes of effectuating this Settlement.

19 75. Notwithstanding Paragraph 73 of this Settlement, any and all provisions of this
20 Settlement may be admitted in evidence and otherwise used in any and all proceedings to enforce
21 any or all terms of this Settlement, or in defense of any claims released or barred by this Settlement.

22 76. **Non-Disparagement.** Plaintiff and Class Counsel agree not to make any untruthful,
23 malicious, disparaging or defamatory statements, allegations, comments or communications,
24 regardless of form (whether written, oral, electronic, including but not limited to Glassdoor, Yelp,
25 or otherwise), regarding the Releasees. Plaintiff and Class Counsel further agree not to encourage
26 authorize or permit any such statements, allegations, comments or communications to be made by
27 others on their behalf. To the extent Plaintiff and/or Class Counsel have posted any negative
28 comments about the Releasees on Glassdoor, Yelp, or other websites, Plaintiff and/or Class Counsel

1 agree to request that these comments be removed and to provide a copy of such request to Defense
2 Counsel within thirty (30) days of the execution of this Agreement. Defendant agree not to make
3 any untruthful, malicious, disparaging or defamatory statements, allegations, comments or
4 communications, regardless of form (whether written, oral, electronic, including but not limited to
5 Glassdoor, Yelp, or otherwise), regarding Plaintiff. Defendant further agree not to encourage
6 authorize or permit any such statements, allegations, comments or communications to be made by
7 others on their respective behalves.

8 **77. Waiver of Reemployment.** Plaintiff acknowledges that he has no intent to apply
9 and/or re-apply for employment at Defendant. Plaintiff further acknowledges that Defendant or any
10 related, successor, parent, or subsidiary companies has the right to refuse rehire Plaintiff for non-
11 discriminatory and non-retaliatory reasons and Plaintiff acknowledges that Defendant's position is
12 that such legitimate non-discriminatory and non-retaliatory reasons exist.

13 **78. Integrated Agreement.** After this Settlement is signed and delivered by all Parties
14 and their counsel, this Settlement and its exhibits will constitute the entire agreement between the
15 Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties,
16 covenants, or inducements have been made to any Party concerning this Settlement or its exhibits
17 other than the representations, warranties, covenants, and inducements expressly stated in this
18 Settlement and its exhibits.

19 **79. Attorney Authorization.** Class Counsel and Defense Counsel warrant and represent
20 that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action
21 required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms,
22 and to execute any other documents required to effectuate the terms of this Settlement. The Parties
23 and their counsel will cooperate with each other and use their best efforts to affect the
24 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
25 form or content of any document needed to implement the Settlement, or on any supplemental
26 provisions that may become necessary to effectuate the terms of this Settlement, the Parties will
27 seek the assistance of the mediator Steve Rottman, Esq., and if no resolution is reached Superior
28 Court, and in all cases all such documents, supplemental provisions and assistance of the Court will

1 be consistent with this Settlement.

2 **80. Modification of Agreement.** This Agreement, and any and all parts of it, may be
3 amended, modified, changed, or waived only by an express written instrument signed by all Parties,
4 their successors-in-interest, and/or the Parties' respective counsel, as authorized.

5 **81. Settlement Binding on Successors.** This Settlement Agreement will be binding
6 upon, and inure to the benefit of, the successors of each of the Parties.

7 **82. Applicable Law.** All terms and conditions of this Settlement and its exhibits will be
8 governed by and interpreted according to the laws of the State of California, without giving effect to
9 any conflict of law principles or choice of law principles.

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

13 **84. Fair Settlement.** The Parties and their respective counsel believe and warrant that
14 this Settlement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at
15 this Settlement through arms-length negotiations, taking into account all relevant factors, current
16 and potential.

17 **85. Headings.** The descriptive heading of any section or paragraph of this Settlement is
18 inserted for convenience of reference only and does not constitute a part of this Settlement.

19 **86. Notice.** All notices, demands or other communications given under this Settlement
20 will be in writing and deemed to have been duly given as of the third business day after mailing by
21 U.S. Mail, addressed as follows:

22 *To Class Counsel:*

Farzad Rastegar, Esq.
Danielle Sherrod, Esq.
RASTEGAR LAW GROUP, APC
22760 Hawthorne Boulevard, Suite 200
Torrance, CA 90505

25 *To Defense Counsel:*

Matthew C. Sgnilek, Esq.
Andrea Rosenkranz, Esq.
O'HAGAN MEYER
4695 MacArthur Court, Suite 210
Newport Beach, CA 92660

87. **Execution in Counterpart.** This Settlement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures, scanned PDF signatures, and electronic signatures will be presumptive evidence of execution of the original, which shall be produced on reasonable request. Any executed counterpart will be admissible to prove the existence and contents of this Settlement.

DATED: 4/16/21

GUILLERMO VALENZUELA



DATED: 4/8/2021

NU LINE TECHNOLOGIES, LLC

By: _____

DocuSigned by:

Dominic Burtch

3B43473F9405450...

President

Its: _____

DATED: 4/2/2021

RASTEGAR LAW GROUP, APC

By: _____

DocuSigned by:

Farzad Rastegar

Farzad Rastegar, Esq.
Danielle Sherrod, Esq.

Attorney for Plaintiff
GUILLERMO VALENZUELA

DATED: 4/2/2021

O'HAGAN MEYER

By: _____

DocuSigned by:

Andrea Rosenkranz

Matthew C. Sgiller, Esq.
Andrea Rosenkranz, Esq.

Attorneys for Defendant
NU LINE TECHNOLOGIES, LLC

EXHIBIT A

Guillermo Valenzuela v. Nu Line Technologies, LLC
San Diego County Superior Court Case No. 37-2020-00015352-CU-OE-CTL



<<PSA ID>>

<<Last 4 Digits of SSN>>

<<First Last>>

<<Address>>

<<City, State, Zip, Country>>

Name/Address Changes (if any):

NOTICE OF CLASS ACTION SETTLEMENT

If you are or were a non-exempt, hourly employee of Nu Line Technologies, LLC at any time between May 26, 2019, and February 9, 2021, you may be able entitled to receive money from a Class Action Settlement.

*A court approved this notice. This is not a solicitation from a lawyer.
You are not being sued.*

PLEASE READ THIS NOTICE.

Your legal rights are affected whether you act or don't act. Your legal rights and options—and the deadlines to use them—are explained in this notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE SETTLEMENT PAYMENT	You are not required to take action to receive a payment. If you do nothing, you will automatically receive a payment from the Settlement if the Court finally approves the Settlement. In exchange, you will be bound by the Settlement including the release of all claims covered by the Settlement.
REQUEST EXCLUSION	Request to be excluded and receive no benefits from the Settlement. If you submit a Request for Exclusion, you will not receive a settlement payment.
OBJECT	If you wish to object to the Settlement, you may submit a written objection and supporting papers to the Settlement Administrator. Any written objections will be provided to the Court. You may also offer your oral comments at the Final Approval Hearing. In order to object, you must not have excluded yourself from the Settlement.

1. Why should you read this notice?

A proposed settlement (the "Settlement") has been reached in a class action lawsuit entitled *Guillermo Valenzuela v. Nu Line Technologies, LLC, et al.*, San Diego County Superior Court Case No. 37-2020-00015352-CU-OE-CTL (the "Action" or "Lawsuit"). The Defendant in the Action is Nu Line Technologies, LLC (referred to in this Notice as "Defendant.")

QUESTIONS? CALL TOLL FREE 1-800-###-####

The Court has granted preliminary approval of a “Settlement Class” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Nu Line Technologies, LLC at any time between May 26, 2019, and February 9, 2021.

The Court has also granted preliminary approval of a “PAGA Group” defined as follows:

All persons employed in the State of California as hourly, non-exempt employees by Nu Line Technologies, LLC at any time between May 26, 2019, and February 9, 2021.

Defendant’s employment records indicate that you meet one or both of these definitions, which makes you a member of the Settlement Class (referred to in this Notice as a “Class Member”) and possibly a member of the PAGA Group (referred to in this Notice as a “PAGA Group Member”). The Court directed that this Notice be sent to all Class Members and PAGA Group Members to inform you about the case and your rights and options before the Court decides to approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Class Members who have not opted out of the Settlement and all PAGA Group Members.

This Notice explains the Lawsuit, the Settlement, your legal rights and options, what benefits are available and how to get them.

2. What is this Lawsuit about?

On March 16, 2021, Plaintiff Guillermo Valenzuela (“Plaintiff” or “Class Representative”) filed the operative class action complaint against the Defendant alleging several violations of California wage and hour laws. Plaintiff filed the Action on behalf of himself and on behalf of all current and former non-exempt, hourly employees. By Plaintiff’s Complaint, Plaintiff alleges that the Defendant: (1) failed to provide meal periods; (2) failed to provide rest periods; (3) failed to pay minimum wages; (4) failed to pay overtime compensation; (5) failed to timely pay all wages at termination; (6) failure to furnish accurate itemized wage statements; (7) violated California’s Unfair Competition Law; and (8) owed penalties under California’s Private Attorneys General Act of 2004, California Labor Code §§ 2698-2699.5 (“PAGA”). Defendant vigorously deny all the claims and contentions made in the Lawsuit and maintain they have fully complied with the law, but have agreed to settle the Lawsuit to avoid the expense of litigation.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees who have not opted out of the Settlement will receive compensation. The Settlement is not an admission of liability by Defendant. The Class Representative and the attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Class Members.

4. What are the terms of the Settlement?

Defendant will pay Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) to settle the Action (the “Maximum Settlement Amount”). The Maximum Settlement Amount includes: (a) all Settlement Payments to Participating Class Members; (b) the Service Award to the Class Representative; (c) the Class Counsel’s attorney’s fees and costs; (d) a payment to the California Labor and Workforce Development Agency (“LWDA”) for civil penalties brought under PAGA; (d) all PAGA Payments to the PAGA Group Members; and (e) the

reasonable fees and costs of Phoenix Settlement Administrators (the “Settlement Administrator”). Defendant will pay its portion of all payroll taxes resulting from the Settlement in addition to the Maximum Settlement Amount.

The Court has preliminarily approved the following payments from the Maximum Settlement Amount. Class Counsel will request that the Court award Class Counsel up to one-third (1/3) of the Maximum Settlement Amount or up to One Hundred Thousand Dollars and Zero Cents (\$100,000.00) in attorney’s fees and up to Eighteen Thousand Dollars and Zero Cents (\$18,000.0000) in out-of-pocket litigation costs, up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) for “Settlement Administration Costs” for the third-party Settlement Administrator, and up to Seven Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00) for the “Service Award” for the Class Representative in recognition of his time and service to the Class in pursuing the Action and in fulfilling his obligations as the Class Representative. Additionally, the Settlement provides for a payment of Six Thousand Dollars and Zero Cents (\$6,000.00) (the “LWDA Payment”) to resolve class member’ claims under PAGA, of which One Thousand, Five Hundred Dollars and Zero Cents (\$1,500.00) will be distributed to the PAGA Group Members and Four Thousand, Five Hundred Dollars and Zero Cents (\$4,500.00) will be paid to the LWDA. This allocation of the PAGA Payment is required by PAGA. The final amounts of these various payments are all subject to Court approval.

After deductions of the preceding Court-approved payments, the remaining amount—the “Net Settlement Amount”—will be distributed to those Class Members who have not opted out of the Settlement (i.e., the “Participating Class Members”). No portion of the Maximum Settlement Amount will be returned to Defendant.

5. How much can I expect to receive?

Each Participating Class Member will receive a *pro rata* share of the Net Settlement Amount (“Individual Settlement Payment”) based on the number of workweeks (each, a “Workweek”) the person worked for Defendant as a non-exempt, hourly employee during the “Class Period”, defined as the period of time from May 26, 2019, through February 9, 2021. Any Workweek in which a Class Member worked at least one day shall be counted as a workweek (each, a “Compensable Workweek”).

To calculate a Class Member’s Individual Settlement Payment, the Net Settlement Amount will be divided by the aggregate total number of Workweeks of all Participating Class Members, resulting in the “Workweek Value.” Each Participating Class Member’s Individual Settlement Payment will be calculated by multiplying each individual Participating Class Member’s total number of Workweeks by the Workweek Value.

Your Compensable Workweeks are: <<Workweeks>>

Your Estimated Individual Settlement Payment is: \$<<Est.SettlementAmt>>

All settlement payments are subject to taxation. Each Individual Settlement Payment will be allocated as follows: (a) 25% as wages that will be subject to deductions and withholdings for the employee’s share of state and federal payroll taxes; and (b) 75% as penalties and interest that will not be subject to deductions and withholdings. Each Participating Class Member will receive an IRS Form W-2 with respect to the portion of the Settlement Payment allocated to wages and an IRS Form-1099 with respect to the portion of the Settlement Payment allocated to penalties and interest. Prior to mailing Settlement checks, the Settlement Administrator will calculate and deduct the employee’s required withholdings and payroll taxes from the “wage” portion of the Settlement payment. Defendant will separately pay the employer’s share of payroll taxes with respect to the “wage” portion of each Settlement payment.

Please note that each Participating Class Member will be responsible for their share of taxes attributable to the

receipt of an Individual Settlement Payment. The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

Each PAGA Group Member will receive a *pro rata* share of the PAGA Payment based on the number of pay periods (each, a “Pay Period”) the person worked for Defendant as a non-exempt, hourly employee during the PAGA Period, defined as the period of time from May 29, 2019, through February 9, 2021. Any Pay Period in which a Class Member worked at least one day shall be counted as a Pay Period.

To calculate a PAGA Group Member’s Individual PAGA Payment, the PAGA Payment will be divided by the aggregate total number of Pay Periods of all PAGA Group Members, resulting in the “Pay Period Value.” Each PAGA Group Member’s Individual Settlement Payment will be calculated by multiplying each individual PAGA Group Member’s total number of Pay Periods (each a “Compensable Pay Period”) by the Pay Period Value.

Your Compensable Pay Periods are: <<PayPeriods>>

Your Estimated Individual PAGA Payment is: \$<<Est.PAGAPaymentAmt>>

All settlement payments are subject to taxation. Each Individual PAGA Payment will be allocated as follows: 100% as penalties that will not be subject to deductions and withholdings. Each PAGA Group Member will receive an IRS Form-1099 for his or her Individual PAGA Payment.

Please note that each Participating Class Member will be responsible for his/her share of taxes attributable to the receipt of an Individual Settlement Payment. The Parties and their attorneys cannot provide and will not provide any advice regarding tax obligations. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement.

6. What if I disagree with the number of Workweeks and/or Pay Periods credited to me in this Notice?

The information concerning the number of Workweeks and/or Pay Periods you worked as an hourly, non-exempt employee during the Class Period and/or PAGA Period is based on Defendant’s records. To dispute this number of Workweeks and/or Pay Periods credited to you, you must send written notice to the Settlement Administrator. To be valid, your written dispute of weeks worked must: (1) include your full name, address, telephone number, and last four digits of the Social Security number; and (2) be accompanied by satisfactory evidence of the actual weeks worked as an hourly, non-exempt employee for Defendant during the Class Period and/or PAGA Period, including any supporting documentation, e.g., copies of your pay stubs. To be timely, your written dispute of weeks and/or Pay Periods worked must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator *at the address provided below*, and be postmarked on or before , 2021.

The Parties and the Settlement Administrator will promptly evaluate the evidence submitted and discuss in good faith how many Workweeks and/or Pay Periods should be credited to the Class Member and/or PAGA Group Member. The Settlement Administrator will make the final decision as to how many Workweeks and/or Pay Periods should be credited to the Class Member and/or PAGA Group Member and report the outcome to the Class Member and/or PAGA Group Member.

7. How and when will I get a payment? How do I update my address?

How do I receive money from the Settlement? You do not need to do anything to receive your Individual

Settlement Payment. Just watch your mail for a check and cash it when you get it. If you do not exclude yourself from the Settlement, you will automatically receive money from the Settlement. You do not need to make a claim or take any other action to receive your share of the Settlement.

When will I receive my Settlement payment? Class Members who do not opt out of the Settlement will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. PAGA Group Members will receive their payments only after the Court grants final approval to the Settlement and after any appeals are resolved. If there are appeals, resolving them can take time. Please be patient.

Settlement payment checks must be cashed soon after receipt. The Settlement checks will be able to be cashed for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for more than 180 days after issuance shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500, *et seq.* in the names of those Participating Class Members and/or PAGA Group Members who did not cash their Settlement checks until such time they claim their property.

Change of address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure that you receive your Settlement payment. If you change your address, or if this notice was not mailed to your correct address, you should immediately provide your current address to the Settlement Administrator. The Settlement Administrator can be reached at (800) ###-####, or at the address provided below.

8. What claims are being released by the Settlement?

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all Participating Class Members shall release the Released Parties from the Released Claims for the Class Period, which is defined as the period of time between May 26, 2019, and February 9, 2021.

The Released Claims are defined as all causes of action and claims that were alleged or could have been alleged under the Labor Code, state or local wage and hour laws and Wage Orders, whether known or unknown, based on the facts and legal theories contained in the Complaint, including but not limited to: (i) claims for unpaid minimum wages (Lab. Code §§ 1194, 1197, 1197.1); (ii) claims for unpaid overtime (Lab. Code §§ 510, 1198); (iii) claims for non-compliant meal periods and/or associated premiums (Lab. Code §§ 226.7, 512(a)); (iv) claims for non-compliant rest periods and/or associated premiums (Lab. Code § 226.7); (v) claims for wage statement violations (Lab. Code § 226(a)); (vi) claims for failure to timely pay wages upon termination of employment and associated waiting time penalties (Cal. Lab. Code §§ 201-203); (vii) claims for violations of California Business & Professions Code, §§ 17200, *et seq.* arising out of the aforementioned claims; (viii) claims for civil penalties arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698-2699.5) (“PAGA”) arising out of the aforementioned claims; (ix) claims that the Class Member is an “aggrieved employee” under PAGA with respect to any of the aforementioned claims released herein; and (x) claims for attorneys’ fees, costs and expenses for all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Complaint. The Participating Class Members who cash their Settlement checks further acknowledge that they are releasing any claims they have against Defendant under the Fair Labor Standards Act (“FLSA”) (collectively, the “Released Claims”). Other than for Plaintiff, claims of Participating Class Members, if any, for vested benefits, wrongful termination, unemployment insurance, disability benefits, social security, workers’ compensation, claims while classified as exempt, and claims outside of the Class Period are not encompassed within the definition of “Released Claims.”

The Released Parties are defined as Defendant and their parents, predecessors, successors, subsidiaries, affiliates, partners, owners, assigns, trusts, employees, officers, agents, attorneys, and stockholders.

Any Class Member who does not request exclusion by the applicable deadline will be considered to have accepted the release and to have waived any and all of the Released Claims against the Released Parties.

If the Settlement is approved by the Court, a Judgment will be entered by the Court. Upon the Effective Date of the Judgment, all PAGA Members shall release the Released Parties from the PAGA Released Claims for the PAGA Period, which is defined as the period of time between May 29, 2019, and February 9, 2021.

The PAGA Released Claims are defined as all claims for civil penalties pursuant to PAGA that were alleged or could have been alleged under the Labor Code, state or local wage and hour laws and Wage Orders, whether known or unknown, based on the facts and legal theories contained in the Complaint, including but not limited to: (i) claims for unpaid minimum wages (Lab. Code §§ 1194, 1197, 1197.1); (ii) claims for unpaid overtime (Lab. Code §§ 510, 1198); (iii) claims for non-compliant meal periods and/or associated premiums (Lab. Code §§ 226.7, 512(a)); (iv) claims for non-compliant rest periods and/or associated premiums (Lab. Code § 226.7); (v) claims for wage statement violations (Lab. Code § 226(a)); (vi) claims for failure to timely pay wages upon termination of employment and associated waiting time penalties (Cal. Lab. Code §§ 201-203); (vii) claims for violations of California Business & Professions Code, §§ 17200, *et seq.* arising out of the aforementioned claims; (viii) claims that the Class Member is an “aggrieved employee” under PAGA with respect to any of the aforementioned claims released herein; and (ix) claims for attorneys’ fees, costs and expenses for all causes of action and claims that were alleged in the Action or reasonably could have been alleged based on the facts and legal theories contained in the Complaint. Other than for Plaintiff, claims of PAGA Group Members, if any, for vested benefits, wrongful termination, unemployment insurance, disability benefits, social security, workers’ compensation, claims while classified as exempt, and claims outside of the PAGA Period are not encompassed within the definition of “PAGA Released Claims.”

The Released Parties are defined as Defendant and their parents, predecessors, successors, subsidiaries, affiliates, partners, owners, assigns, trusts, employees, officers, agents, attorneys, and stockholders.

9. What are my options?

a. **Participate in the Settlement and Receive a Settlement Payment.** If you want to participate in the Settlement, you do not have to do anything. You will receive your Individual Settlement Payment automatically if the Settlement is finally approved by the Court. If applicable, you will receive your Individual PAGA Payment automatically if the Settlement is finally approved by the Court.

b. **Exclude yourself from the Settlement.** If you do not want to be part of the Settlement, you can request to be excluded from the Settlement by mailing a written request to be excluded from the Settlement (“Request for Exclusion”) to the Settlement Administrator. If you exclude yourself, you will not receive your Individual Settlement Payment, you will not be subject to the terms of the Settlement, and you will retain whatever rights you may currently have. To be valid, your Request for Exclusion must include: (1) include your full name, address, and last four digits of the Social Security number; (2) a clear statement that you wish to opt out of, or be excluded from, the Settlement in *Valenzuela v. Nu Line Technologies, LLC*, San Diego County Superior Court Case No. 37-2020-00015352-CU-OE-CTL; (3) a clear statement that you understand that by opting out, you will not receive any monies from the Settlement; and (4) your signature. To be timely, a Request for Exclusion must be mailed by first-class U.S. Mail, or the equivalent, to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2021.

If applicable, you may not exclude yourself from the PAGA Group and will be bound by the PAGA Released Claims.

b. **Object to the Settlement.** If you're a Class Member, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve the Settlement. The Court will consider your views. If the Court rejects your objection and finally approves the Settlement, you will still be bound by the terms of the Settlement, but you will also receive a monetary award.

To object, you may submit a written objection stating why you object to the Settlement (a "Notice of Objection"), or you may simply appear at the Final Approval Hearing set for [REDACTED], 2021 at [REDACTED] a.m. in the San Diego County Superior Court and discuss your objection with the Court and the Parties at your own expense. Written objections must include: (i) your full name, current address, and last four digits of the Social Security number; (ii) the approximate dates of your employment at Defendant; (iii) the case name and number (e.g., *Valenzuela v. Nu Line Technologies, LLC*, San Diego County Superior Court Case No. 37-2020-00015352-CU-OE-CTL); (iv) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents on which the objection is based, if any; (v) your signature; and (vi) a statement of whether you intend to appear at the Final Approval Hearing, either in person or by counsel. To be timely, a written objection must be mailed by first-class U.S. Mail to the Settlement Administrator at the address provided below and be postmarked on or before [REDACTED], 2021.

Please note that you cannot both exclude yourself and object to the Settlement. In order for you to object to this Settlement, or any term of it, you may not submit a Request for Exclusion.

10. Who are the attorneys representing the Plaintiff and the Settlement Class and the PAGA Group?

The Court has appointed the following lawyers as "Class Counsel" to represent all Class Members and PAGA Group Members:

Farzad Rastegar, Esq.
Danielle Sherrod, Esq.
RASTEGAR LAW GROUP, APC
22760 Hawthorne Boulevard, Suite 200
Torrance, CA 90505
Telephone: 310-961-9600

You will not be charged for these lawyers.

11. How will the attorneys for the Settlement Class and the PAGA Group be paid?

All payments for Class Counsel's attorney's fees and costs will be made from the Maximum Settlement Amount. Class Counsel intends to request an award of attorney's fees up to one-third (1/3) of the Maximum Settlement Amount, or up to One Hundred Thousand Dollars and Zero Cents (\$100,000.00), plus reimbursement of reasonable, actual out-of-pocket costs incurred in the litigation, up to Eighteen Thousand Dollars and Zero Cents (\$18,000.00). Class Counsel has been prosecuting this Action on behalf of Plaintiff, the Settlement Class, and PAGA Group on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs. The Court will decide the amount of fees and expenses to award at the Final Approval Hearing.

12. When and where will the Court decide to approve the Settlement?

The Court has preliminarily approved the Settlement and will hold a hearing, called a Final Approval Hearing, to

decide whether to give final approval to the Settlement. The Court will hold the Final Approval Hearing on [REDACTED], 2021, at [REDACTED] a.m., in Department C-74 of the San Diego County Superior Court located at 330 W. Broadway, San Diego, California 92101, before the Honorable Ronald L. Styn. At the Final Approval Hearing, the Court will rule on Class Counsel's request for attorney's fees and litigation costs, the Class Representative Service Award and the Settlement Administration Costs.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the hearing. If you did not submit a Request for Exclusion, you or your attorney may appear at the hearing at your own expense and request to be heard. The Final Approval Hearing may be postponed without further notice.

13. Will I be subject to discipline if I participate in the Settlement?

No. Defendant approves of the Settlement and will not retaliate in any way against any Class Member for participating in the Settlement. Your decision to participate, not participate, or object to this Settlement will not affect your employment with Defendant or Defendant's treatment of you as a former employee.

14. What is the Settlement Administrator's address?

Any Request for Exclusion, Notice of Objection, address change request, and all other correspondence intended for the Settlement Administrator must be mailed to the Settlement Administrator at the following address:

Valenzuela v. Nu Line Technologies, LLC, et al.

c/o [REDACTED]
[REDACTED]
[REDACTED]

Telephone: [REDACTED]

15. How Can I Get Additional Information?

If you have questions, you can call the Settlement Administrator at [REDACTED] and/or Class Counsel at (310) 961-9600.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS, SUPERVISORS,
OR ATTORNEYS ABOUT THIS SETTLEMENT
They will not be able to assist you.