

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
GAINES & GAINES, APLC
27200 Agoura Rd., Suite 101
Calabasas, CA 91301
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiff SAL ROJAS, on behalf of
himself, all similarly situated Class Members, and all
"aggrieved employees" pursuant to Labor Code § 2698
et seq.,

PETER J. WOO, ESQ. SBN 306083
Peter.Woo@Jacksonlewis.com
JOHN ANDREW SCHAFFER, ESQ. SBN 320905
John.Schaffer@Jacksonlewis.com
JACKSON LEWIS P.C.
200 Spectrum Center Dr., Suite 500
Irvine, CA 92618
Telephone: (949) 885-1360
Facsimile: (949) 885-1380

Attorneys for Defendant
THE PRECISION COIL SPRING COMPANY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

SAL ROJAS, on behalf of himself, all similarly
situated Class Members, and all "aggrieved
employees" pursuant to Labor Code § 2698 et
seq.,

Plaintiffs,

v.

THE PRECISION COIL SPRING COMPANY,
a California corporation, and DOES 1 through
10, inclusive,

Defendants.

CASE NO: 20PSCV00430

*Assigned to for all Purposes to the
Honorable Peter A. Hernandez, Department
O*

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND
RELEASE BETWEEN PLAINTIFF
AND DEFENDANT**

1 Subject to the approval of the Court, this Joint Stipulation of Class Settlement and Release
2 is made and entered into by and between plaintiff Sal Rojas, individually, as a class representative
3 of all Class Members (defined below), and as a representative of all PAGA Aggrieved Employees
4 (defined below), on the one hand, and defendant The Precision Coil Spring Company, Inc. on the
5 other hand.

6 **1. DEFINITIONS**

7 The terms below shall have the following meanings:

8 1.1 "Action" means the civil action entitled "*Sal Rojas, on behalf of himself, all*
9 *similarly situated Class Members, and all "aggrieved employees" pursuant to Labor Code § 2698*
10 *et seq. vs. The Precision Coil Spring Company, a California corporation, and DOES 1 through 10,*
11 *inclusive.*", pending before the Superior Court of California, County of Los Angeles, Pomona
12 Courthouse South, Case No. 20PSCV00430.

13 1.2 "Class Counsel" means Daniel F. Gaines and Alex P. Katofsky of Gaines & Gaines,
14 APLC.

15 1.3 "Class Counsel Fees and Expenses Payment" means the total amount of attorneys'
16 fees, litigation costs, and expenses awarded to Class Counsel by the Court to compensate Class
17 Counsel for their representation of the Class Members in this Action, including their pre-filing
18 investigation, their filing of the Action, all related litigation activities, this Settlement, and all post-
19 Settlement compliance procedures.

20 1.4 "Class Member" or "Class" means all of Defendant's non-exempt employees who
21 worked in California during the Class Period. It is estimated there are approximately 117 Class
22 Members.

23 1.5 "Class Notice" shall mean the Notice of Class Action Settlement substantially in the
24 form of Exhibit 1.

25 1.6 "Class Period" shall mean the period of time from July 2, 2016 through the earlier
26 of March 31, 2022 or the date Preliminary Approval is granted.

27 1.7 "Class Representative Payment" means the amount approved by the Court to be paid
28 to the Plaintiff, Sal Rojas, for his service as class representative.

1 1.8 "Court" means the Superior Court of California, County of Los Angeles.

2 1.9 "Defendant" means The Precision Coil Spring Company.

3 1.10 "Defendant's Counsel" means Peter J. Woo and John Andrew Schaffer of Jackson
4 Lewis P.C.

5 1.11 "Effective Date" means the date when: (1) the Court has held a formal fairness
6 hearing and entered a final Order and Judgment certifying the Settlement Class and approving the
7 Stipulation of Settlement and 10 calendar days have passed since the Court has entered a final Order
8 and Judgment certifying the Settlement Class and approving the Settlement; or (2) in the event there
9 are written objections filed prior to the final fairness hearing which are not later withdrawn or denied,
10 the later of the following events: ten business days after the period for filing any appeal, writ or other
11 appellate proceeding opposing the Court's final Order approving the Settlement has elapsed without
12 any appeal, writ or other appellate proceeding having been filed; or, if any appeal, writ or other
13 appellate proceeding opposing the Court's final Order approving the Settlement has been filed, ten
14 business days after any appeal, writ or other appellate proceedings opposing the Settlement has been
15 finally and conclusively dismissed with no right to pursue further remedies or relief.

16 1.12 "Final Approval" means the Court's order finally approving the Settlement without
17 material change.

18 1.13 "Final Approval Hearing" means the hearing to be conducted by the Court to
19 determine whether to finally approve and implement the terms of this Settlement.

20 1.14 "Gross Settlement Amount" means the maximum, non-reversionary payment of
21 Eight Hundred Thousand U.S. Dollars (\$800,000.00), payable by Defendant in accordance with the
22 terms of this Settlement. The Gross Settlement Amount is inclusive of all payments to Class
23 Members, the Class Counsel Fees and Expenses Payment, the Class Representative Payment, the
24 Settlement Administration Costs, and the PAGA Payment. The employer share of payroll taxes on
25 the 20% allocated to payment of wages from the Net Settlement Amount shall be paid by Defendant
26 separate and apart from, and in addition to, the Gross Settlement Amount.

27 1.15 "Individual Settlement Payment" means each Participating Class Member's share
28 of the Net Settlement Amount.

1 1.16 "Judgment" means the judgment entered by the Court at the time it grants final
2 approval of this Settlement.

3 1.17 "Net Settlement Amount" means the Gross Settlement Amount less the Class
4 Counsel Fees and Expenses Payment, the Class Representative Payment, the Settlement
5 Administration Costs, and the PAGA Payment.

6 1.18 "Non-Participating Class Member" means a Class Member who submits a valid and
7 timely Request to be Excluded.

8 1.19 "PAGA Aggrieved Employees" means all Class Members who, at any point during
9 the PAGA Period (defined below), were employed or are currently employed as a non-exempt
10 employee for Defendant in California.

11 1.20 "PAGA Payment" means the payment of \$80,000 from the Gross Settlement
12 Amount which is allocated to PAGA penalties, 75% of which shall be paid to the to the LWDA
13 and 25% of which shall be paid to PAGA Aggrieved Employees, to settle claims and remedies
14 under Labor Code Sections 2699 et seq. Subject to Court approval, the sum of \$60,000 shall be
15 paid to the LWDA and the sum of \$20,000 to PAGA Aggrieved Employees.

16 1.21 "PAGA Period" shall mean the period of time from April 24, 2019 through the
17 earlier of March 31, 2022 or the date of Preliminary Approval.

18 1.22 "Participating Class Member" means a Class Member who does not submit a valid
19 and timely request to be excluded from the Settlement.

20 1.23 "Parties" means the Plaintiff and Defendant.

21 1.24 "Plaintiff" means Sal Rojas.

22 1.25 "Preliminary Approval" means the Court's preliminary approval of the Settlement
23 without material change.

24 1.26 "Released Claims" has the meaning contained in paragraph 4.27 of this Settlement.

25 1.27 "Released Parties" has the meaning contained in paragraph 4.27 of this Settlement.

26 1.28 "Releasing Persons" has the meaning contained in paragraph 4.27 of this Settlement.

27 1.29 "Request to be Excluded" means a written request made by a Class Member to "opt
28 out" or "exclude" oneself from the Settlement Class. In order to be considered valid, a Request to

1 be Excluded must: (1) contain the Class Member's name, address, telephone number, last four
2 digits of the social security number, and signature; (2) state the Class Member's intent to opt out or
3 be excluded from the Settlement; (3) be returned by first-class U.S. mail to the Settlement
4 Administrator at the specified address; and (4) be postmarked on or before 45 days after the
5 Settlement Administrator initially mails the Class Notice.

6 1.30 "Request for Exclusion Form" means the form Class Members can use to make a
7 Request to be Excluded, which is substantially in the form of Exhibit 2.

8 1.31 "Settlement" means this Joint Stipulation of Class Action Settlement and Release
9 between Plaintiff and Defendant.

10 1.32 "Settlement Administration Costs" means the fees and expenses reasonably and
11 necessarily incurred by the Settlement Administrator as a result of administering the Settlement, as
12 approved by the Court, including all costs of administering the Settlement, including but not limited
13 to: all costs and fees associated with preparing, issuing, and mailing any and all notices and other
14 correspondence to Class Members; all costs and fees associated with mailing the Individual
15 Settlement Payments and all other payments required by this Settlement; all costs and fees
16 associated with preparing any other notices, reports, or filings to be prepared in the course of
17 administering the Settlement; and any other costs and fees incurred or charged by the Settlement
18 Administrator in connection with the execution of its duties under this Settlement, including
19 without limitation printing, distributing, and tracking documents for this Settlement, tax reporting,
20 and providing necessary reports and declarations at the Parties' request.

21 1.33 "Settlement Administrator" means ILYM Group, Inc., which is the entity selected
22 by the Parties to provide notice to the Class and administer the settlement process, including
23 issuance of payments to Participating Class Members, subject to approval of the Court.

24 1.34 "Workweek" means any week in which Defendant's records indicate Class
25 Members performed work for Defendant as a non-exempt employee in California for which
26 Defendant paid the Class Member.

2. RECITALS

2.1 On April 24, 2020, Plaintiff sent a letter to the LWDA, alleging Defendant violated the California Labor Code and seeking penalties under PAGA. Specifically, Plaintiff alleged Defendant failed to pay wages and premium wages to Defendant's non-exempt California employees, denied employees meal periods and rest periods, failed to provide accurate itemized wage statements, and failed to timely pay wages at the separation of employment.

2.2 On July 2, 2020, Plaintiff filed a representative action complaint in the Los Angeles County Superior court titled *Sal Rojas, et al. vs. The Precision Coil Spring Company, et al.*, case no. 20PSCV00430. Plaintiff alleges Defendant violated various sections of the California Labor Code and applicable wage orders as alleged in his letter to the LWDA.

2.3 As part of this Stipulation, and in connection with the motion for Preliminary Approval, Plaintiff will file a First Amended Complaint, attached hereto as Exhibit 3, which includes class and PAGA allegations predicated on the same facts as alleged in the Complaint. The claims alleged in the First Amended Complaint are (1) failure to pay all wages due (Lab. Code §§ 510 and 1194); (2) failure to provide rest periods or compensation in lieu thereof (Lab. Code § 226.7); (3) failure to provide meal periods or compensation in lieu thereof (Lab. Code §§ 226.7 and 512); (4) knowing and intentional failure to comply with itemized employee wage statement provisions (Lab. Code § 226(a) and (e)); (5) failure to timely pay wages due at separation of employment (Labor Code §§ 201 to 203); (6) violation of Business and Professions Code § 17200 et seq.; and (7) penalties pursuant to Labor Code § 2699(f) for violations of Labor Code §§ 201, 202, 226(a), 226.7, 510, 512, and 1194, and pursuant to Labor Code § 2699(a) for violations of Labor Code § 226.3.

2.4 The Parties engaged in informal discovery prior to attending mediation in the Action, including but not limited to: pre-litigation investigation, exchange of informal discovery, including Workweek data, number of class members, written policies, payroll records, and timekeeping records for the purposes of mediation. The Parties thoroughly investigated all of the claims in the Action prior to negotiating a settlement in the Action.

1 2.5 On September 2, 2021, the Parties attended a formal mediation with Marc Feder,
2 Esq. The Parties reached a settlement agreement at the conclusion of the mediation and executed a
3 memorandum of understanding which is superseded in full by this Agreement.

4 2.6 Defendant has determined to settle the Action in the manner and upon the terms and
5 conditions set forth herein solely to avoid the expense, inconvenience, and burden of further legal
6 proceedings and the uncertainties of trials and appeals.

7 2.7 Defendant has denied and continues to deny each and all of the claims and
8 allegations in the Action. Defendant has asserted and continues to assert many defenses thereto and
9 has expressly denied and continues to deny any fault, wrongdoing, or liability whatsoever arising
10 out of the conduct alleged in the Action. Defendant contends that it has complied at all times with
11 the provisions of the California Labor Code, the California Business and Professions Code, and all
12 applicable federal and California regulations. Neither this Settlement (including all drafts hereof)
13 nor any document referred to herein, nor any action taken to carry out this Settlement is, may be
14 construed as or may be used in any proceeding as an admission by or against Defendant of any
15 fault, wrongdoing, infirmity of defense, or liability whatsoever. Defendant expressly denies any
16 fault, wrongdoing, or liability whatsoever, and expressly denies the validity of each and every of
17 the causes of action and prayers for relief asserted in the Action.

18 2.8 Based on these Recitals, the Parties hereby agree as follows:

19 **3. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY**

20 The Parties stipulate and agree to the certification of the Class solely for purposes of this
21 Settlement. Should, for whatever reason, the Court not grant final approval of this Settlement, the
22 fact that the Parties stipulate and agree to the certification as part of the Settlement shall have no
23 bearing on, and shall not be admissible in connection with, the issue of whether any class should
24 be certified in a non-settlement context in this or any other action. Defendant reserves all of its
25 rights to oppose class certification if the Court does not grant final approval of this Settlement.

26 **4. SETTLEMENT TERMS AND CONDITIONS**

27 4.1 Gross Settlement Amount. In full and complete settlement of the Action, and as
28 consideration for this Settlement and the release of the Plaintiff and Participating Class Members'

1 and PAGA Aggrieved Employees' claims, Defendant agrees to pay the Gross Settlement Amount
2 of Eight Hundred Thousand U.S. Dollars (\$800,000.00) which shall be inclusive of all monies to
3 be paid by Defendant, including but not limited to Individual Settlement Payments, Class Counsel
4 Fees and Expenses Payment, Class Representative Payment, PAGA Payment, and Settlement
5 Administration Costs. Employer payroll taxes due on wage payments to be made hereunder shall
6 be paid separate and apart from, and in addition to, the Gross Settlement Amount.

7 4.1 Common Fund Settlement. This Settlement is on a common fund basis. No amount
8 of the Gross Settlement Amount shall revert to Defendant. There will be no claim form requirement,
9 all Class Members who do not opt out shall be issued an Individual Settlement Payment.

10 4.2 Funding of Settlement. Defendant will pay the Gross Settlement Amount and all
11 employer side payroll taxes to the Settlement Administrator within 30 calendar days after the
12 Effective Date or June 4, 2022, whichever is later, and the Settlement Administrator shall distribute
13 the Gross Settlement Amount within fifteen (15) calendar days thereafter.

14 4.3 Class Counsel Fees and Expense Payment. Plaintiff will apply for an award of
15 attorneys' fees and costs equal to: (1) thirty-five percent (35%) of the Gross Settlement Amount,
16 which equals Two Hundred Eighty Thousand Dollars (\$280,000) for attorneys' fees (and is subject
17 to increase if the Gross Settlement Amount increases) and (2) up to Fifteen Thousand Dollars
18 (\$15,000) for reimbursement of Class Counsel's actual litigation costs. Class Counsel will file their
19 request for fees and costs as part of Plaintiff's Motion for Final Approval of Class Action
20 Settlement. Defendant will not object to or oppose Plaintiff's application for attorneys' fees and
21 costs up to the amounts set forth in this paragraph. Plaintiff, PAGA Aggrieved Employees,
22 Participating Class Members, and Class Counsel shall not seek payment of attorneys' fees or
23 reimbursement of costs or expenses except as set forth herein. The Court's award of Class Counsel
24 Fees and Costs will be paid from the Gross Settlement Amount. The Settlement Administrator will
25 issue an IRS Form 1099 to Class Counsel with respect to the Class Counsel Fees and Costs awarded
26 to them. The failure of the Court to grant Plaintiff's application for attorneys' fees and costs in the
27 amounts set forth in this paragraph shall not be grounds to void the Settlement. To the extent that
28 the Court approves less than the amount of the attorneys' fees and costs that Plaintiff requests, the

1 difference between the requested and awarded amount will be reallocated to the Net Settlement
2 Amount

3 4.4 Class Representative Payment. Plaintiff will request, and Defendant will not oppose,
4 payment of an enhancement award and general release payment to Plaintiff Rojas in an amount not
5 to exceed Twelve Thousand Dollars (\$12,000), as reasonable additional compensation for his
6 service as class representative, including the risk and all other factors presented to this Court by
7 Plaintiff in connection with the initiation and maintenance of this Action. The Class Representative
8 Payment will be paid from the Gross Settlement Amount and is in addition to whatever payment
9 Plaintiff is otherwise entitled to as a Participating Class Member and PAGA Aggrieved Employee.
10 Defendant shall not object to or otherwise oppose any request consistent with this paragraph. The
11 Class Representative Payment will be reported to the taxing authorities by means of an IRS Form
12 1099. The failure of the Court to grant Plaintiff's application for an enhancement award to Plaintiff
13 in the amount set forth in this paragraph shall not be grounds to void the Settlement. To the extent
14 that the Court approves less than the amount of the enhancement award that Plaintiff requests, the
15 difference between the requested and awarded amount will be reallocated to the Net Settlement
16 Amount.

17 4.5 Settlement Administration Costs. The Settlement Administration Costs, which the
18 parties estimate will not exceed Six Thousand Dollars (\$6,000), will be paid to the Settlement
19 Administrator from the Gross Settlement Amount and the specific amount shall be subject to Court
20 approval. To the extent that the Settlement Administration Costs are more than the amount specified
21 in this paragraph, any additional costs will be deducted from the Gross Settlement Amount. To the
22 extent that the Settlement Administration Costs are less than the amount specified in this paragraph,
23 the difference will be reallocated to the Net Settlement Amount.

24 4.6 PAGA Payment. The PAGA Payment, to be paid from the Gross Settlement
25 Amount, shall be Eighty Thousand Dollars (\$80,000), which shall be distributed 75% (\$60,000) to
26 the LWDA and 25% (\$20,000) to PAGA Aggrieved Employees.

1 4.7 Calculation and Allocation of Class Members' and PAGA Aggrieved Employees'
2 Settlement Payments. The Individual Settlement Payments to be paid to Class Members and PAGA
3 Aggrieved Employees shall be calculated and allocated as follows:

4 (a) Calculation of Preliminary Settlement Payment for Class Notice: The
5 following steps shall be used to calculate each Class Member's and PAGA Aggrieved Employee's
6 potential Individual Settlement Payment for inclusion in the Class Notice (i.e., the "Preliminary
7 Settlement Payment"): As to the class portion of the Individual Settlement Payments, to be paid
8 from the Net Settlement Amount, the Net Settlement Amount will be divided by the total
9 Workweeks for all Class Members to determine the estimated "Class Benefit Amount" (i.e. the
10 amount to be allocated for each Workweek). Then, each Class Member's preliminary class portion
11 of the Individual Settlement Payment will be determined by multiplying their individual
12 Workweeks times the Class Benefit Amount. As to the PAGA portion of the Individual Settlement
13 Payments, to be paid from the PAGA Payment, the amount to be paid to each PAGA Aggrieved
14 Employee will not change between the preliminary and final calculations. The employee portion
15 of the PAGA Payment (\$20,000) shall be divided by the total PAGA Period Workweeks for all
16 PAGA Aggrieved Employees to determine the estimated PAGA Benefit Amount. Then, each
17 PAGA Aggrieved Employee's PAGA portion of the Individual Settlement Payment will be
18 determined by multiplying their individual PAGA Period Workweeks times the PAGA Benefit
19 Amount.

20 (b) Calculation of Final Settlement Payment: Following Final Approval, the
21 Individual Settlement Payments shall be calculated using the same steps described above using the
22 actual and final figures for Participating Class Members, the Net Settlement Amount, Class Counsel
23 Fees and Expenses Payment, Class Representative Payment, Settlement Administration Costs, and
24 the PAGA Payment.

25 4.8 Payment of Individual Settlement Payments and Other Amounts. The Settlement
26 Administrator shall be solely responsible for issuing all settlement payments, including the
27 Individual Settlement Payments, Class Counsel Fees and Expenses Payment, Class Representative
28 Payment, the Settlement Administration Costs, and the PAGA Payment. The Settlement

1 Administrator shall send all settlement payments within 14 days of Defendant's deposit of the Gross
2 Settlement Amount.

3 4.9 Taxes.

4 (a) Characterization of Individual Settlement Payments: The Individual
5 Settlement Payments paid to Participating Class Members and PAGA Aggrieved Employees shall
6 be characterized as 20% for payment of wages and shall be reported by the Settlement
7 Administrator using IRS Form W-2 and 80% for payment of penalties and interest (half attributed
8 to penalties and half attributed to interest) and shall be reported by the Settlement Administrator
9 using IRS Form 1099. The PAGA Payment to the PAGA Aggrieved Employees shall be
10 characterized as penalties and reported by the Settlement Administrator using IRS Form 1099. The
11 Class Counsel Fees and Costs Payment, Class Representative Payment, and Settlement
12 Administration Costs shall be reported by the Settlement Administrator using IRS Form 1099.
13 Plaintiff and Class Members should consult with their tax advisors concerning the tax consequences
14 of the payments they receive under the Settlement.

15 (b) Reporting and Withholding Requirements: The Settlement Administrator
16 shall be responsible for ensuring that all taxes associated with the Settlement are timely paid to the
17 appropriate authorities. The Settlement Administrator's responsibilities include the following: (i)
18 ensuring that all taxes associated with the Settlement, including, but not limited to, Defendant's
19 portion of any taxes due on the Individual Settlement Payments, including FICA, FUTA, SUTA,
20 and payroll taxes due on the wages paid, are timely paid to the appropriate authorities; (ii) filing all
21 federal, state, and local employment tax returns, income tax returns, and other tax returns associated
22 with the taxes, (iii) timely and proper filing of all required federal, state and local information
23 returns (e.g., 1099s, W-2s, etc.) with the appropriate taxing authorities, and (iv) completing any
24 other steps necessary for compliance with any tax obligations under federal, state, or local law. In
25 addition, the Settlement Administrator shall timely make such elections as necessary or advisable
26 to carry out the provisions of this paragraph. Such elections shall be made in compliance with the
27 procedures and requirements contained in the regulations. It shall be the responsibility of the
28 Settlement Administrator to timely and properly prepare and deliver all necessary documentation

1 for signature as may be required and thereafter to cause the appropriate filing of such documentation
2 to occur.

3 (c) Payment of Settlement Fund Tax Expenses: All expenses and costs incurred
4 in connection with the operation and implementation of this section (including without limitation,
5 expenses of attorneys or accountants, mailing, and distribution related to filing (or failing to file)
6 the IRS W-2 or 1099 forms described herein) shall be included in the Settlement Administration
7 Costs and paid from the Gross Settlement Amount.

8 4.10 Motion for Preliminary Approval.

9 (a) Promptly upon the full execution of this Settlement, Plaintiff shall file a
10 motion for Preliminary Approval with the Court seeking an order granting Preliminary Approval,
11 setting a date for the Final Approval Hearing and briefing schedule, approving the Class Notice and
12 Request for Exclusion Form (in the forms attached hereto as Exhibits 1 and 2), approving the
13 procedure for objecting to and requesting exclusion from the Settlement, and granting Plaintiff
14 leave to file the First Amended Complaint attached hereto as Exhibit 3.

15 (b) The Parties will jointly appear at the hearing on the motion for Preliminary
16 Approval and support the granting of Preliminary Approval and leave to file the First Amended
17 Complaint in accordance with the terms of the Settlement.

18 (c) Should the Court fail to approve preliminarily all material aspects of the
19 Settlement, the Settlement will be null and void, and the Parties will have no further obligations
20 under it.

21 4.11 Mailing of Class Notice to Class Members. After the Court enters Preliminary
22 Approval, all Class Members will be provided with the Class Notice (completed to reflect
23 Preliminary Approval) as follows:

24 (a) Within fourteen (14) days after the Court grants Preliminary Approval,
25 Defendant will provide to the Administrator a list in Microsoft Excel format containing each
26 Settlement Class Member's (i) full name, (ii) last known address, (iii) Social Security Number, and
27 (iv) dates worked for Defendant in California during the Class Period as a non-exempt employee
28 ("Class List").

1 (b) Within fourteen (14) days after receiving the Class List from Defendant, the
2 Settlement Administrator will mail the Class Notice and Request for Exclusion Form to all
3 identified Class Members via first-class U.S. mail, using the last known address information
4 provided by Defendant, unless such address is modified by any updated address information that
5 the Settlement Administrator obtains in the course of administration of the Settlement. Prior to
6 completing this mailing, the Settlement Administrator will perform a National Change of Address
7 search to confirm the validity of each Class Member's address.

8 (c) If Class Notices are returned as undeliverable within thirty (30) days of the
9 initial mailing of the Class Notice with a forwarding address, then the Settlement Administrator
10 shall have three (3) days to re-mail the applicable Class Notice to the forwarding address. If Class
11 Notices are returned as undeliverable within thirty (30) days of the initial mailing of the Class
12 Notice without a forwarding address, then the Settlement Administrator will have ten (10) days
13 from receipt of the returned Class Notice to search for a more current address for the Class Member
14 and to re-mail the applicable Class Notice to the Class Member. This inquiry shall include a skip-
15 trace search. The Settlement Administrator will be responsible for taking reasonable steps,
16 consistent with its agreed upon job parameters, Court orders, and fee, as agreed to with Class
17 Counsel and according to the deadlines set forth in this Settlement, to trace the mailing address of
18 any Class Member for whom a Class Notice is returned by the U.S. Postal Service as undeliverable.
19 These reasonable steps will include, at a minimum, the tracking of all undelivered mail, performing
20 an address search for all mail returned without a forwarding address, and promptly re-mailing the
21 applicable Class Notice to Class Members for whom new addresses are found. If the Class Notice
22 is re-mailed, the Settlement Administrator will note for its own records the date and address of each
23 such re-mailing and so notify Defendant's Counsel.

24 (d) The Settlement Administrator will inform Class Counsel and Defendant's
25 Counsel of the number of undeliverable Class Notices on a weekly basis.

26 (e) No later than twelve (12) calendar days before the Final Approval Hearing,
27 or earlier if the Court sets an earlier deadline for the Settlement Administrator's certification of
28 completion, the Settlement Administrator will provide the Parties, for filing with the Court in

1 support of Plaintiff's motion for final approval of the Settlement, a declaration of due diligence
2 under oath setting forth its compliance with its obligations under this Settlement.

3 4.12 Objections to Settlement. Class Members may submit objections to the Settlement
4 under the following procedures:

5 (a) Class Members who wish to object to the Settlement must do so in writing.
6 To be considered, an objection must be mailed via first-class U.S. mail to the Settlement
7 Administrator at the address provided and be postmarked no later than sixty (60) days from the date
8 of initial mailing of the Class Notice (the "Response Deadline"). The objection should include all
9 reasons for the objection. Any reasons not included in the written objection will not be considered.
10 The written objection must also include the name, mailing address, telephone number, last four
11 digits of the social security number, and signature of the Class Member making the objection. The
12 Settlement Administrator will stamp the date received on the original and send copies of each
13 objection to Class Counsel and Defendant's Counsel by email no later than three (3) business days
14 after receipt thereof.

15 (b) A Class Member who mails a valid objection to the Settlement ("Objector")
16 also has the right to appear at the Final Approval Hearing either in person or through counsel hired
17 by the Objector, but is not required to appear in order for the Court to consider the objection. An
18 Objector who wishes to appear at the Final Approval Hearing should state his or her intention to
19 do so in the objection by including the words, "I intend to appear at the Final Approval Hearing"
20 in his or her objection. An Objector may withdraw his or her objections at any time.

21 (c) A Class Member may not submit both an objection and a Request to be
22 Excluded. If a Class Members submits an objection and a Request to be Excluded, the objection
23 will control and the Request to be Excluded will be void.

24 (d) The Parties may file with the Court written responses to any filed objections
25 no later than three (3) business days before the Final Approval Hearing.

26 4.13 Request to be Excluded from Settlement (opt out). Class Members may Request to
27 be Excluded under the procedures set forth in this paragraph. Class Members who wish to exclude
28 themselves from the Settlement (opt out of the Settlement) must mail by first-class U.S. mail to the

1 Settlement Administrator, not later than the Response Deadline. The Request for Exclusion Form
2 (attached as Exhibit 2) may be used for this purpose. To be considered valid, a Request to be
3 Excluded must be signed by the individual, and contain their name, address, the last four digits of
4 their Social Security number, telephone number and a statement that they wish to exclude
5 themselves from the Settlement. The date of the postmark on the Request to be Excluded shall be
6 the exclusive means to determine whether a Request to be Excluded has been timely submitted.
7 Class Members who do not submit valid Requests to be Excluded shall be bound by all terms of
8 the Settlement Agreement, Release, and any Final Approval of the Settlement. Except as described
9 below, an eligible Class Member who timely submits a Request to be Excluded will be a Non-
10 Participating Class Member and will not participate in or be bound by the Settlement or the
11 Judgment in any respect. A Class Member cannot submit both a Request to be Excluded and an
12 objection. If a Class Members submits an objection and a Request to be Excluded, the objection
13 will control and the Request to be Excluded will be void. Class Members who submit a valid
14 Request to be Excluded will still be deemed a PAGA Aggrieved Employee and will still receive a
15 pro rata share of the PAGA Payment.

16 4.14 Notification Reports Regarding Requests to be Excluded and Objections. The
17 Settlement Administrator shall provide Defendant's Counsel and Class Counsel a weekly report
18 showing at a minimum: (i) the number of Class Members who have submitted timely, valid
19 Requests to be Excluded or Objections, and copies thereof; (ii) whether any Class Member has
20 submitted a challenge to their inclusion in this Action; and (iii) statistics showing which disputes
21 that have been resolved and which have not been resolved. Additionally, the Settlement
22 Administrator will provide to counsel for both Parties any updated reports as needed or requested.

23 4.15 Resolution of Disputes Regarding Workweeks. If a Class Member disputes the
24 number of Workweeks stated for that Class Member in the Class Notice, the Class Member must
25 mail to the Settlement Administrator, not later than sixty (60) days after the date that the Settlement
26 Administrator first mails the Class Notice, a letter disputing the number of Workweeks that he or
27 she claims to have worked for Defendant in California. Such Class Members also will be asked to
28 submit any supporting documentation for their assertion. If such a dispute arises, Defendant will

1 review its records and any documentation submitted by the Class Member to determine the correct
2 number of Workweeks. Defendant's records will have a rebuttable presumption of correctness.
3 After consultation with Class Counsel, the Class Member, and Defendant, if no agreement can be
4 reached, the Parties will have the Settlement Administrator make a determination of the Class
5 Member's Workweeks, and that determination will be final and binding on the Parties and the Class
6 Member and will be non-appealable.

7 4.16 Resolution of Disputes Concerning Individual Settlement Payments. Should any
8 questions arise regarding the determination of eligibility for the amounts of any Individual
9 Settlement Payments under the terms of this Settlement that are not otherwise resolved by the
10 Settlement Administrator, counsel for the Parties shall meet and confer in an attempt to reach an
11 agreement. If Class Counsel and Defendant's Counsel cannot agree, the Settlement Administrator
12 shall then make the final determination, and that determination shall be conclusive, final, and
13 binding.

14 4.17 Binding Effect on Participating Class Members. Except for those Class Members
15 who submit a valid, timely Request to be Excluded, all Class Members (1) will be deemed to be
16 Participating Class Members for all purposes under this Settlement; (2) will be bound by the terms
17 and conditions of this Settlement, the Final Approval and Judgment, and the releases set forth
18 herein; and (3) except as provided in other sections of this Settlement, will be deemed to have
19 waived all objections and opposition to the fairness, reasonableness, and adequacy of the
20 Settlement.

21 4.18 Reporting of Settlement Payments. No later than five (5) calendar days after the
22 Court grants Final Approval, the Settlement Administrator shall advise counsel for the Parties of
23 the amount of Settlement Administration Costs incurred and reasonably anticipated to be incurred
24 by the Settlement Administrator, the amount of each Individual Settlement Payment, and the name
25 of each Class Member who has submitted a valid Request to be Excluded.

26 4.19 Parties' Right to Revoke. Either Party has the right to terminate and withdraw from
27 the Settlement at any time prior to the Effective Date if: (a) the Settlement is construed in such a
28 fashion that Defendant is required to pay more than the Gross Settlement Amount; (b) the Court

1 makes an order inconsistent with any of the material terms of this Settlement including, but not
2 limited to, certifying for settlement purposes a class or representative action that is different from
3 the Class as defined in Paragraph 1.4, or any modification relating to any release in this Settlement
4 (except for an order reducing the Class Counsel's Fees and Expenses Payment or the Class
5 Representative Payment); or (c) the Court denies final approval of the Settlement or if the Court's
6 Final Approval of the Settlement is reversed or materially modified on appellate review. If a Party
7 terminates the Settlement under this provision, the Parties will have no further obligations under
8 the Settlement, including any obligation by Defendant to pay the Gross Settlement amount, or any
9 part of the Gross Settlement Amount, or any amounts that otherwise would have been owed under
10 this Settlement, except that the Parties will pay the Settlement Administrator's reasonable fees and
11 expenses incurred by the Settlement Administrator as of the date that the Settlement is terminated.

12 4.20 Defendant's Option to Terminate Settlement. In the event 10% or more Class
13 Members submit a Request to be Excluded from the Settlement, or Class Members representing
14 more than 10% of the total Workweeks submit a Request to be Excluded, Defendant will have the
15 right, but not the obligation, to revoke and terminate this Settlement in its entirety. Should
16 Defendant elect to terminate the Settlement under this paragraph, Defendant will pay the Settlement
17 Administration Costs incurred through the date of Defendant's election. In order to revoke and
18 terminate this Settlement, Defendant must provide notice of its intent to trigger its right of
19 termination within twenty-one (21) calendar days after the Response Deadline.

20 4.21 Plaintiff's Right to Revoke. Defendant represents that there are an estimated 117
21 total Class Members who worked 20,557 Workweeks during the Class Period. If the final number
22 of Workweeks during the Class Period is more than 10% greater than 20,557, Defendant shall pay
23 an increased Gross Settlement Amount proportionate to the increase above this threshold (i.e., if
24 there is a 12% increase in the number of Workweeks during the Class Period, the Gross Settlement
25 Amount shall increase by 2%).

26 4.22 Termination of Settlement Agreement.

27 (a) This Settlement is being entered into for Settlement purposes only. If (1)
28 either Party invokes Paragraph 4.19; (2) Defendant invokes Paragraph 4.20; (3) the Court

1 conditions its approval of either the Preliminary Approval or the Final Approval on any
2 modifications of a material term to this Settlement that are not acceptable to all Parties; (4) the
3 Court does not approve the Settlement or enter the Judgment; or (5) the Effective Date does not
4 occur for any reason, then this Settlement will be deemed null and void *ab initio*, in which case: (a)
5 the Preliminary Approval or Final Approval, and all of its or their provisions, will be vacated by its
6 or their own terms, including, but not limited to, vacating conditional certification of the Class,
7 conditional appointment of Plaintiff as class representative, and, conditional appointment of Gaines
8 & Gaines, APLC as Class Counsel; (b) no term or draft of this Settlement, or any part of the Parties'
9 settlement discussions, negotiations, or documentation will have any effect or be admissible into
10 evidence for any purpose in the Action or any other proceeding; (c) Defendant shall retain all rights
11 to object to the maintenance of the Action as a class action; and (d) nothing in this Settlement or
12 other papers or proceedings related to the Settlement shall be used as evidence or argument by any
13 Party concerning whether the Action may properly be maintained as a class action..

14 (b) Any order or proceeding relating to the application by Class Counsel for an
15 award of attorneys' fees and costs or enhancement award to the Plaintiff or any appeal from any
16 order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel
17 this Settlement.

18 4.23 No Solicitation of Objections or Requests for Exclusion. Neither the Parties nor their
19 respective counsel will solicit or otherwise encourage any Class Member, directly or indirectly, to
20 submit a Request to be Excluded from the Settlement, object to the Settlement, or appeal from the
21 Judgment.

22 4.24 Additional Briefing and Final Approval.

23 (a) No later than ten (10) calendar days prior to the Final Approval Hearing, but
24 as soon as practicable following the deadline for objecting to the Settlement or making a Request
25 to be Excluded, Plaintiff will file with the Court a motion for Final Approval and a memorandum
26 in support of his motion, which Defendant will not oppose. The Court may set a different deadline
27 which the Parties agree to comply with.
28

1 (b) Not later than five (5) court days before the Final Approval Hearing, the
2 Parties may file, jointly or separately, a reply in support of their motion for final approval of the
3 Settlement if any opposition to the motion for final approval has been filed. Plaintiff and Class
4 Counsel may file replies in support of their motions for the Class Representative Payment and Class
5 Counsels Fees and Expenses Payment. The Court may set a different deadline which the Parties
6 agree to comply with.

7 (c) Upon Final Approval at or after the Final Approval Hearing, Plaintiff will
8 present a proposed final approval order and judgment for the Court's approval and entry. After
9 entry of Final Approval and Judgment, the Court will have continuing jurisdiction over the Action
10 and the Settlement solely for purposes of (i) enforcing this Settlement, (ii) addressing settlement
11 administration matters, and (iii) addressing such post-judgment matters as may be appropriate
12 under court rules or applicable law.

13 4.25 Dispute Resolution. Any disputes not resolved by the Settlement Administrator will
14 be resolved by the Court. Before any such resort to the Court, counsel for the Parties will confer in
15 good faith in an attempt to resolve the dispute.

16 4.26 Waiver of Right to Appeal.

17 (a) The Parties agree to waive all appeals from the Court's Final Approval,
18 unless the Court materially modifies the Settlement, except that Plaintiff may appeal any reduction
19 in the Class Counsel's Fees and Expenses Payment or the Class Representative Payment. Any
20 reduction in the Class Counsel's Fees and Expenses Payment or the Class Representative Payment
21 will not, however, constitute a material modification of the Settlement and will not be grounds to
22 void the Settlement.

23 (b) Any Participating Class Member who does not timely submit an objection
24 to the Settlement hereby waives any and all rights to move to vacate the Judgment or file an appeal
25 from the Final Approval order and Judgment. This waiver does not include a waiver of the right to
26 oppose any appeals, appellate proceedings, or post-judgment proceedings, if any.

27 4.27 Release of Claims by Class Members. Upon the Effective Date, and subject to
28 Defendant's full payment of all sums due hereunder, Plaintiff and Participating Class Members,

1 and their respective heirs, beneficiaries, guardians, and assigns (collectively "Releasing Persons")
2 hereby forever completely release and discharge, to the fullest extent permitted by law, Defendant,
3 together with its past, present, and future officers, directors, shareholders, members, interest-
4 holders, managers, employees, representatives, agents, attorneys, accountants, insurers, receivers
5 advisors, consultants, partners, partnerships, owners, members, parents, divisions, subsidiaries,
6 affiliates, assigns, independent contractors, successors, heirs, predecessors in interest, joint
7 ventures, and commonly-controlled corporations (collectively "Released Persons"), from any and
8 all claims under state, federal or local law, whether statutory, common law or administrative, arising
9 out of or related to allegations set forth in the First Amended Complaint and arising during the
10 Class Period during employment in a non-exempt position in California including, but not limited
11 to, claims for failure to pay earned wages, failure to pay minimum wages; failure to pay overtime
12 compensation, failure to provide meal breaks, failure to provide rest breaks, failure to provide
13 accurate wage statements, failure to timely pay final wages, unfair competition and all other alleged
14 violations of the California Business and Professions Code section 17200, et seq. based on the
15 aforementioned violations, and alleged violations of PAGA based on the aforementioned
16 violations, including, but not limited to, injunctive relief, liquidated damages, penalties of any
17 nature, including civil penalties under PAGA, interest, fees, including fees under California Code
18 of Civil Procedure section 1021.5; costs; and all other claims and allegations made or which could
19 have been made in the Action based on the facts and allegations pled in the First Amended
20 Complaint (collectively, "the Released Claims").

21 4.28 Res Judicata as to Claims by PAGA Aggrieved Employees. Upon the Effective
22 Date, and subject to Defendant's full payment of all sums due hereunder, any claims for penalties
23 under PAGA of the PAGA Aggrieved Employees relating to the Released Claims will be barred
24 consistent with principles of res judicata under California law regardless of whether the PAGA
25 Aggrieved Employee submits a valid Request to be Excluded or not.

26 4.29 California Labor Code Section 206.5. In connection with the above releases, and in
27 consideration of Defendant's payment of the sums provided herein, each and every Participating
28 Class Member will be deemed to also have acknowledged and agreed that California Labor Code

1 section 206.5 is not applicable to the Parties hereto or any Participating Class Member because
2 there is a good-faith dispute as to whether any wages are due at all to any Class Member. Section
3 206.5 provides in pertinent part as follows:

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

7 4.27 Release of Claims by Plaintiff Sal Rojas. Upon the Effective Date, and subject to
8 Defendant's full payment of all sums due hereunder, Plaintiff Rojas, on his own behalf, and on
9 behalf of his spouse, grantees, agents, employees, representatives, heirs, executors, administrators,
10 devisees, trustees, successors, assigns, assignors, partners, attorneys, insurers, and any other entities
11 in which Plaintiff has an interest, waives, releases, acquits, and forever discharges the Released
12 Parties from any and all claims, including but not limited to the Released Claims, whether known
13 or unknown, which exist or may exist as of the Parties' execution of this Settlement.

14 Section 1542 of the California Civil Code provides as follows:

15 **A general release does not extend to claims that the creditor or**
16 **releasing party does not know or suspect to exist in his or her**
17 **favor at the time of executing the release and that, if known by**
18 **him or her, would have materially affected his or her settlement**
19 **with the debtor or released party.**

18 Plaintiff's general release provided herein is made with an express waiver and
19 relinquishment of any claim, right, or benefit under California Civil Code § 1542. Plaintiff warrants
20 that he has read this Settlement, including this waiver of California Civil Code § 1542, and that he
21 has consulted with or had the opportunity to consult with counsel of his choosing about this
22 Settlement and specifically about the waiver of § 1542, and that he understands this Settlement and
23 the § 1542 waiver, and so he freely and knowingly enters into this Settlement. Plaintiff further
24 acknowledges that Plaintiff later may discover facts different from or in addition to those Plaintiff
25 now knows or believes to be true regarding the matters released or described in this Settlement, and
26 even so Plaintiff agrees that the releases and agreements contained in this Settlement shall remain
27 effective in all respects notwithstanding any later discovery of any different or additional facts.
28

1 4.30 Fair, Adequate, and Reasonable Settlement. This Settlement was reached after
2 extensive negotiations. The Parties believe and agree that this Settlement is a fair, adequate, and
3 reasonable resolution of the Action and have arrived at this Settlement in arms-length negotiations,
4 taking into account all relevant factors, present and potential, and will so represent it to the Court.

5 4.31 Uncashed Settlement Checks. A Participating Class Member or PAGA Aggrieved
6 Employee to whom a settlement check has been issued will have 180 calendar days after the mailing
7 of his or her Individual Settlement Payment check to cash it. In the event any Participating Class
8 Member or PAGA Aggrieved Employee does not cash a settlement check within 180 calendar days
9 after the mailing thereof, any amounts that remain unclaimed will be transmitted to the California
10 State Controller's Office Unclaimed Property Fund to be held in the name of the Participating Class
11 Member or PAGA Aggrieved Employee.

12 **5. INADMISSIBILITY OF SETTLEMENT AGREEMENT / DENIAL OF LIABILITY**

13 This Settlement is the result of a good faith compromise of disputed claims, and neither it
14 nor any statement or conduct in furtherance of the Settlement, shall be offered or construed to be
15 an admission or concession of any kind by any Party. In particular, but without limiting the
16 generality of the foregoing, nothing about this Settlement shall be offered or construed as an
17 admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever by Defendant,
18 who expressly denies any liability, wrongdoing, impropriety, responsibility, or fault whatsoever.
19 Additionally, and without limiting the generality of the foregoing, nothing about this Settlement
20 shall be offered or construed as an admission or evidence of the propriety or feasibility of certifying
21 a class in the Action or any other action for adversarial, rather than settlement purposes.

22 **6. INTERIM STAY OF PROCEEDINGS**

23 The Parties agree that the application of Code of Civil Procedure section 583.310 is stayed
24 from now through the date of entry of the Final Approval or the date upon which this Settlement
25 becomes null and void. Accordingly, pursuant to Code of Civil Procedure section 583.330, the
26 Parties stipulate that the time within which this action must be brought to trial is stayed. The Parties
27 agree to refrain from further litigation of this matter among themselves, except as to such
28 proceedings necessary to implement and obtain the Final Judgment. The Parties further agree that

1 the mutual, voluntary cessation of litigation as between Plaintiff and Defendant shall terminate if
2 the motion for final approval of the Settlement is denied by the Court or the settlement is otherwise
3 denied approval by the Court.

4 **7. ATTORNEYS' FEES AND COSTS**

5 Except as provided herein, the Parties hereto will bear responsibility for their own attorneys'
6 fees and costs, taxable or otherwise, incurred by them or arising out of the Action and will not seek
7 reimbursement thereof from any Party to this Settlement.

8 **8. NO PRIOR ASSIGNMENTS**

9 The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly,
10 assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or
11 entity any portion of any liability, claim, demand, action, cause of action, or rights released and
12 discharged by this Settlement.

13 **9. CIRCULAR 230 DISCLAIMER**

14 Each of the Parties acknowledges and agrees that (1) no provision of this Settlement, and
15 no written communication or disclosure between or among the Parties or their counsel and other
16 advisors, is or was intended to be tax advice within the meaning of United States Treasury Circular
17 230 (31 CFR part 10, as amended), nor shall any such communication or disclosure constitute or
18 be construed or be relied upon as, tax advice; (2) each of the Parties (a) has relied exclusively upon
19 his, her, or its own, independent legal and tax advisors for advice (including tax advice) in
20 connection with this Settlement, (b) has not entered into this Settlement based upon the
21 recommendation of any of the other Parties or any counsel or advisor to any of the other Parties,
22 and (c) is not entitled to rely upon any communication or disclosure by any other counsel or advisor
23 to any of the other Parties to avoid any tax penalty that may be imposed on any of the Parties; and
24 (3) no attorney or advisor to any other Party has imposed any limitation that protects the
25 confidentiality of any such attorney's or advisor's tax strategies (regardless of whether such
26 limitation is legally binding) upon disclosure by any of the Parties of the tax treatment or tax
27 structure of any transaction, including any transaction contemplated by this Settlement.

28 **10. MISCELLANEOUS TERMS.**

1 10.1 Minimization of Administrative Costs. The Parties agree to cooperate in the
2 settlement administration process and to make all reasonable efforts to control and minimize the
3 costs and expenses incurred in administering the Settlement.

4 10.2 Construction. The Parties hereto agree that the terms and conditions of this
5 Settlement are the result of lengthy, intensive, arms' length negotiations between the Parties and
6 that this Settlement shall not be construed in favor of or against any Party by reason of the extent
7 to which any Party or his or its counsel participated in the drafting of this Settlement.

8 10.3 Captions and Interpretations. Paragraph titles or captions contained herein are
9 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
10 describe the scope of this Settlement or any provision hereof. Each term of this Settlement is
11 contractual and not merely a recital.

12 10.4 Integrated Agreement. This Settlement and the attached Exhibits contain the entire
13 agreement between the Parties relating to the Settlement and transaction contemplated hereby, and
14 all prior or contemporaneous agreements, understandings, representations, and statements, whether
15 oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
16 hereunder may be waived except in writing.

17 10.5 Enforcement of Settlement. To the extent consistent with class action procedure,
18 this Settlement shall be enforceable by the Court pursuant to California Code of Civil Procedure
19 section 664.6, California Rule of Court 3.769(h), and as otherwise allowed by law.

20 10.6 Notices. Unless otherwise specifically provided herein, all notices, demands, or
21 other communications given hereunder shall be in writing and shall be deemed to have been duly
22 given as of the third business day after mailing by United States certified mail, return receipt
23 requested, addressed as follows:

24 To the Plaintiff and Class Counsel:

25 Daniel F. Gaines
26 Alex P. Katofsky
27 GAINES & GAINES APC
28 27200 Agoura Road, Suite 101
 Calabasas, California 91301

To Defendant and Defendant's Counsel:

Peter J. Woo
John Andrew Schaffer
JACKSON LEWIS P.C.
200 Spectrum Center Dr., Suite 500
Irvine, CA 92618

10.7 Modification of Settlement. This Settlement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

10.8 Settlement Binding on Successors. This Settlement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

10.9 Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Class are numerous, it is impossible or impractical to have each Class Member execute this Settlement. The Notice will advise all Class Members of the binding nature of the release provided herein and such shall have the same force and effect as if this Settlement were executed by each Class Member.

10.10 Confidentiality.

(a) The Plaintiff and Class Counsel agree not to discuss the Settlement amounts, the terms of the Settlement, or any of the issues discussed during mediation or surrounding terms of the Settlement or the amounts provided therein until the date of the filing of the Motion for Preliminary Approval.

(b) Following Preliminary Approval, Plaintiff and Class Counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about this case or the facts, amount, or terms of the Settlement. In addition, Plaintiff and Class Counsel agree that they will not engage in any advertising or distribute any marketing materials relating to the Settlement, including but not limited to any postings on any websites maintained by Class Counsel; provided, however, that Class

1 Counsel may state that it has settled a class action claim against a forging company so long as
2 neither Defendant, nor the Plaintiff are identified by name.

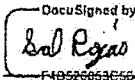
3 10.11 Applicable Law. All terms and conditions of this Settlement and its exhibits will be
4 governed by and interpreted according to the laws of the State of California, without giving effect
5 to any conflict of law or choice of law principles.

6 10.12 Counterparts. This Settlement may be executed in counterparts, and when each Party
7 has signed and delivered at least one such counterpart, each counterpart shall be deemed an original,
8 and, when taken together with other signed counterparts, shall constitute one fully-signed
9 Settlement, which shall be binding upon and effective as to all Parties.

10 10.13 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
11 of this Settlement. This Settlement will not be construed against any Party on the basis that the
12 Party was the drafter or participated in the drafting.

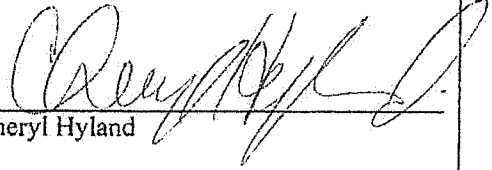
13 Dated: October 1, 2021

PLAINTIFF

14
15 By: 
16 Sal Rojas
17

18 Dated: 10-15-21

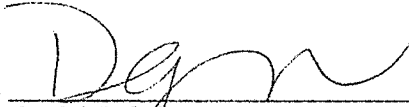
19 THE PRECISION COIL SPRING
20 COMPANY

21 By: 
22 Cheryl Hyland
23

24 APPROVED AS TO FORM:
25
26
27
28

1 October 1
2 Dated: ~~September~~ ___, 2021

GAINES & GAINES

3
4 By: 

Daniel F. Gaines
Alex P. Katofsky
Attorney for Plaintiff
Sal Rojas and the Class

5
6
7
8 October
9 Dated: ~~September~~ ___, 2021

JACKSON LEWIS P.C.

10 By: 

Peter J. Woo
John Andrew Schaffer
Attorney for Defendant
The Precision Coil Spring Company

11
12
13
14
15 4839-6253-8237, v. 1

EXHIBIT 1

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

SAL ROJAS, on behalf of himself, all
similarly situated Class Members, and all
“aggrieved employees” pursuant to Labor
Code § 2698 et seq,

Plaintiff,

v.

THE PRECISION COIL SPRING
COMPANY, a California corporation, and
DOES 1 through 10, inclusive,

Defendants.

CASE NO: 20PSCV00430

*Assigned to for all Purposes to the Honorable
Peter A. Hernandez, Dept. O*

**NOTICE OF CLASS ACTION
SETTLEMENT**

NOTICE OF CLASS ACTION SETTLEMENT

**You Are Receiving This Class Notice Because You Have Been Identified As A Class Member In
The Above-Captioned Case And A Settlement Has Been Reached That Entitles You To Money.**

**A Court approved this Class Notice. This is not an advertisement. You are not being sued.
Your legal rights will be affected whether or not you act.**

PLEASE READ THIS CLASS NOTICE

YOUR LEGAL RIGHTS AND OPTIONS IN THIS ACTION	
DO NOTHING	If you do nothing, you will automatically participate in the Settlement and receive an Individual Settlement Payment in exchange for a release of claims as more fully discussed below.
EXCLUDE YOURSELF	<u>If you exclude yourself, you will get no payment, except as described below.</u> This is the only option that allows you to maintain your claims and, if you wish, to file your own lawsuit against The Precision Coil Company for the claims released in this Settlement other than the Private Attorneys General Act claim.
OBJECT	If you choose, you may object to this Settlement. If the Court disagrees with your objection, and if the Court approves the Settlement, you will still receive an Individual Settlement Payment and you will still release your claims as more fully discussed below.

WHAT IS IN THIS CLASS NOTICE

1. Why Should You Read This Class Notice? Page 2
2. What Is the Settlement? Page 2
3. What Is This Action About? Page 2
4. How Much Can You Expect to Receive? Page 3
5. Why Did Defendant Join in This Settlement? Page 5
6. Who Is the Plaintiff in This Action? Page 5
7. Who Are the Attorneys Representing the Parties? Page 5
8. What Are Your Rights? How Will Your Rights Be Affected? Page 5
9. How Will the Attorneys for Plaintiff and the Class and Others Be Paid? Page 7

1. Why Should You Read This Class Notice?

You have received this Class Notice because records indicate that you are a Class Member (defined below) in the above-captioned lawsuit (the “Action”) pending against The Precision Coil Spring Company (“Defendant”) and a settlement has been negotiated that may entitle you to a share of the Net Settlement Amount (defined below) if the Settlement (defined below) is approved by the Court. This Class Notice explains your rights and how they may be affected by the Settlement, so please read it carefully.

The Class Members in the Action will be entitled to participate in the Settlement and receive money. The Class or Class Members are defined to include all of Defendant’s non-exempt employees who worked in California during the Class Period (July 2, 2016 through [class period end date]). It is estimated there are approximately 117 Class Members. The PAGA Period is from April 24, 2019 through [class period end date].

There was a hearing on _____ at _____ in the Los Angeles County Superior Court. Judge Peter A. Hernandez determined only that there is enough evidence to suggest that the proposed Settlement might be fair, adequate, and reasonable, and ordered a final determination of these issues be made at a Final Approval Hearing on _____, 2022 at ____ a.m., in Department ____ of the Los Angeles County Superior Court, located at 400 Civic Center Plaza, Pomona, California 91766. Judge Hernandez also ordered that you receive this Class Notice. IT IS NOT NECESSARY FOR YOU TO APPEAR AT THE FINAL APPROVAL HEARING.

2. What Is the Settlement?

To become final, the Court must approve the terms of the Settlement by finding them to be fair, adequate, and reasonable to the Class Members. The Settlement will affect all members of the Class. You may get money from the Settlement. This Class Notice will explain the terms of the Settlement and the amount of money you may receive under the Settlement.

3. What Is This Action About?

This Action is brought against Defendant by an individual who previously worked for Defendant as a

non-exempt employee ("Plaintiff"), on behalf of himself and all other Class Members. Plaintiff claims in the Action that Defendant: (1) failed to pay all wages due; (2) failed to provide meal periods; (3) failed to provide rest periods; (4) failed to provide accurate itemized wage statements; (5) failed to timely pay wages at separation of employment; (6) violated California Business & Professions Code § 17200; and (7) violated the Private Attorneys General Act.

Defendant denies any and all liability, including the claims that it failed to properly provide meal and rest breaks, timely pay employees at separation, or that it is liable for violations of the California Labor Code. Defendant denies each and all of the claims and contentions alleged by Plaintiff and claims that it fully complied with all applicable laws and does not owe any money to any of the Class Members. Defendant further denies that the Action is appropriate for class treatment for any purpose other than this Settlement. Defendant has and will assert numerous defenses to Plaintiff's claims. Nothing in this Class Notice, or the Settlement itself, or any actions to carry out the terms of the Settlement mean that Defendant admits any fault, guilt, negligence, wrongdoing, or liability whatsoever. The Court has made no findings regarding the merits of the Action.

Despite Plaintiff's and Defendant's (collectively the "Parties") positions and arguments, on or about September 2nd, 2021, the Parties agreed to settle the Action in accordance with the terms set forth in the Joint Stipulation of Class Action Settlement and Release Between Plaintiff and Defendant (the "Settlement") and subject to Court approval of the Settlement. Plaintiff and Class Counsel (defined below) support this Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation. Class Counsel believe that the Settlement is fair, reasonable, and adequate, and in the best interests of the Class Members.

4. How Much Can You Expect to Receive?

Subject to Court approval of this Settlement, Defendant has agreed to pay a total of \$800,000 (the "Gross Settlement Amount") to resolve all claims in the Action, which includes all Individual Settlement Payments, Class Counsel Fees and Expenses Payment, Settlement Administration Costs, the Class Representative Payment, and the PAGA payment. Class Counsel are seeking a Class Counsel Fees and Expenses Payment in the amounts of \$280,000 for fees and up to \$15,000 for reimbursement of their expenses. Plaintiff is seeking a Class Representative Payment of \$12,000 for his services as the class representative and in exchange for his general release of all claims. The Settlement Administrator estimates that the cost of administration will be approximately \$6,000. A total of \$80,000 of the Gross Settlement Amount will be allocated to PAGA penalties, \$60,000 of which will be paid to the California Labor Workforce and Development Agency ("LWDA") and \$20,000 of which will be paid to the PAGA Aggrieved Employees (those Class Members employed by Defendant in a non-exempt position during the PAGA Period). The employer share of payroll taxes shall be paid by Defendant separate and apart from, and in addition to, the Gross Settlement Amount. The balance after these deductions are made will be the Net Settlement Amount paid to Participating Class Members.

To participate in the Settlement and receive your share of the Net Settlement Amount, you do not have to do anything. The Settlement and entry of judgment of the Action will become effective upon Final Approval by the Court of the Settlement, subject to any appeals. In approximately _____ 2022, and unless you submit a valid and timely Request to be Excluded (as described below), you will be mailed a settlement check for your Individual Settlement Payment.

The following steps shall be used to calculate each Participating Class Member's and PAGA Aggrieved

Employee's Individual Settlement Payment: As to the class portion of the Individual Settlement Payments, to be paid from the Net Settlement Amount, the Net Settlement Amount will be divided by the total Workweeks for all Class Members to determine the estimated "Class Benefit Amount" (i.e. the amount to be allocated for each Workweek). Then, each Class Member's preliminary class portion of the Individual Settlement Payment will be determined by multiplying their individual Workweeks times the Class Benefit Amount. As to the PAGA portion of the Individual Settlement Payments, to be paid from the PAGA Payment, the amount to be paid to each PAGA Aggrieved Employee will not change between the preliminary and final calculations. The employee portion of the PAGA Payment (\$20,000) shall be divided by the total PAGA Period Workweeks for all PAGA Aggrieved Employees to determine the estimated PAGA Benefit Amount. Then, each PAGA Aggrieved Employee's PAGA portion of the Individual Settlement Payment will be determined by multiplying their individual PAGA Period Workweeks times the PAGA Benefit Amount.

Defendant's records indicate that you worked _____ Workweeks during the Class Period and _____ Workweeks during the PAGA Period. Based on these Workweeks, your Individual Settlement Payment for the class portion of the Settlement is \$_____ for the PAGA portion is \$_____.

If you contend the number of Workweeks identified above is inaccurate, you may dispute the number of Workweeks by contacting the Settlement Administrator or sending any documents or information to support your dispute to the Settlement Administrator on or before _____, 2022. The Settlement Administrator will attempt to resolve any disputes regarding Workweeks and, if unsuccessful, the Parties may seek Court intervention to resolve disputes regarding Workweeks.

NOTE: YOU WILL RECEIVE MONEY FROM THE SETTLEMENT BASED ON THE INFORMATION SUMMARIZED ABOVE. THEREFORE, IF YOU DISPUTE THE WORKWEEKS, YOU WILL NEED TO CONTACT THE SETTLEMENT ADMINISTRATOR.

It is also your responsibility to keep a current address on file with the Settlement Administrator to ensure you receive your payment under the Settlement.

5. Why Did Defendant Join in Settlement?

Defendant does not admit any claim alleged in the Action and denies that it owes money for any of the claims in this Action. Defendant is settling the Action as a compromise. Defendant reserves the right to object to and defend itself against any claim if, for any reason, the Settlement fails.

6. Who Is the Plaintiff in This Action?

Sal Rojas is the Plaintiff and class representative in this Action. He is acting on behalf of himself and all Class Members, including PAGA Aggrieved Employees.

7. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff & the Class are:

Attorneys for Defendant are:

Daniel F. Gaines
Alex P. Katofsky
GAINES & GAINES APC
27200 Agoura Road, Suite 101
Calabasas, California 91301
Telephone: (866) 550-0855

Peter J. Woo
John Andrew Schaffer
JACKSON LEWIS P.C.
200 Spectrum Center Dr., Suite 500
Irvine, CA 92618
Telephone: (949) 885-1360

8. What Are Your Rights? How Will Your Rights Be Affected?

Participating in the Settlement

Under the Settlement, you will automatically receive your Individual Settlement Payment. If you exclude yourself from the Settlement by following the Request to be Excluded from the Settlement (opt out) procedure set forth below, your Individual Settlement Payment will include a share of the PAGA Payment only.

IF YOU DO NOT EXCLUDE YOURSELF FROM THE SETTLEMENT, upon the Effective Date, and subject to Defendant's full payment of all sums due under the Settlement, Plaintiff and Participating Class Members, and their respective heirs, beneficiaries, guardians, and assigns (collectively "Releasing Persons") hereby forever completely release and discharge, to the fullest extent permitted by law, Defendant, together with its past, present, and future officers, directors, shareholders, members, interest-holders, managers, employees, representatives, agents, attorneys, accountants, insurers, receivers advisors, consultants, partners, partnerships, owners, members, parents, divisions, subsidiaries, affiliates, assigns, independent contractors, successors, heirs, predecessors in interest, joint ventures, and commonly-controlled corporations (collectively "Released Persons"), from any and all claims under state, federal or local law, whether statutory, common law or administrative, arising out of or related to allegations set forth in the First Amended Complaint and arising during the Class Period during employment in a non-exempt position in California including, but not limited to, claims for failure to pay earned wages, failure to pay minimum wages, failure to pay overtime compensation, failure to provide meal breaks, failure to provide rest breaks, failure to provide accurate wage statements, failure to timely pay final wages, unfair competition and all other alleged violations of the California Business and Professions Code section 17200, et seq. based on the aforementioned violations, and alleged violations of PAGA based on the aforementioned violations, including, but not limited to, injunctive relief, liquidated damages, penalties of any nature, including civil penalties under PAGA, interest, fees, including fees under California Code of Civil Procedure section 1021.5; costs; and all other claims and allegations made or which could have been made in the Action based on the facts and allegations pled in the First Amended Complaint (collectively, "the Released Claims").

WHETHER OR NOT YOU EXCLUDE YOURSELF FROM THE SETTLEMENT, upon the Effective Date, and subject to Defendant's full payment of all sums due under the Settlement, any claims for penalties under PAGA of the PAGA Aggrieved Employees relating to the Released Claims will be barred consistent with principles of res judicata under California law regardless of whether the PAGA Aggrieved Employee submits a valid Request to be Excluded or not.

Request to be Excluded from the Settlement (opt out)

If you wish to exclude yourself from participating in the Settlement, you must mail a Request to be Excluded to the Settlement Administrator, at the address below, requesting to be excluded from the Settlement. The enclosed Request for Exclusion Form may be used to make a Request to be Excluded.

To be considered valid, your Request to be Excluded must: (1) contain your name, address, telephone number, last four digits of your social security number, and your signature; (2) state your intent to opt out or be excluded from the Settlement; (3) be returned by first-class U.S. mail to the Settlement Administrator at the specified address; and (4) be postmarked on or before _____, 2022. Late Requests to be Excluded will not be considered.

If you mail a timely and valid Request to be Excluded, you will no longer be a member of the Class, and you will not be eligible to receive money under the Settlement (except your share of the PAGA Payment, if applicable) or object to the terms of the Settlement. However, you will not be bound by the terms of the Settlement, and may pursue any claims you may have, at your own expense, against Defendant. However, even if you make a valid Request to be Excluded, you will still remain a PAGA Aggrieved Employee, will receive a share of the PAGA Payment, if applicable, and will be bound by any release of the claims under the Private Attorneys General Act related to the Released Claims.

If you submit a Request to be Excluded, you may not submit objections to the Settlement (discussed below). If you submit both a Request to be Excluded and an objection, the objection will control and the Request to be Excluded will be void.

Objecting to the Settlement

If you wish to object to the Settlement, you may mail the Settlement Administrator an objection stating why you object to the Settlement. To be considered, an objection must be mailed via first-class U.S. mail to the Settlement Administrator at the address provided and be postmarked no later than _____, 2022. The objection should include all reasons for the objection. Any reasons not included in the written objection will not be considered. The written objection must also include your name, mailing address, telephone number, last four digits of your social security number, and your signature. Late objections will not be considered.

You may also, if you wish, appear at the Final Approval Hearing set for _____, 2022 at _____ in Dept. J of the Los Angeles County Superior Court, located at 400 Civic Center Plaza, Pomona, California 91766 and discuss your objections with the Court and the Parties. The Final Approval Hearing may be continued to another date without further notice. If you wish to appear at the Final Approval Hearing you should state your intention to do so in your written objection. You may withdraw your objection at any time.

You may not submit both a Request to be Excluded and an objection. If you submit both a Request to be Excluded and an objection, the objection will control and the Request to be Excluded will be void.

IF YOU OBJECT TO THE SETTLEMENT, YOU WILL STILL PARTICIPATE IN THE SETTLEMENT. IF THE COURT APPROVES THE SETTLEMENT DESPITE ANY OBJECTIONS, YOU WILL RECEIVE YOUR INDIVIDUAL SETTLEMENT PAYMENT AND YOU WILL BE BOUND BY THE RELEASE OF CLAIMS AS STATED ABOVE IN EXCHANGE FOR PARTICIPATING IN THE SETTLEMENT AND RECEIVING AN INDIVIDUAL SETTLEMENT PAYMENT.

Effect of the Settlement on Your Rights

If the Settlement is approved by the Court, a Judgment will be entered by the Court releasing all Participating Class Members' claims against Defendant, thereby ending the case.

9. How Will the Attorneys for Plaintiff and the Class and Others Be Paid?

Defendant will pay a maximum sum of \$800,000 which includes payment to the Participating Class Members, the Class Counsel Fees and Expenses Payment (up to \$280,000 in fees and \$15,000 in costs), the Class Representative Payment (up to \$12,000), the Settlement Administration Costs (estimated to be \$6,000), and the PAGA Payment (\$80,000).

When Defendant will fund this Settlement is uncertain at this time. The Court will hold a hearing on [DATE], to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the Settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed below.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may call Class Counsel, Daniel F. Gaines or Alex P. Katofsky at (866) 550-0855 or email them at daniel@gaineslawfirm.com or alex@gaineslawfirm.com. You may also call the Settlement Administrator, ILYM Group, Inc., at [ADMIN PHONE NUMBER] or write to it at:

SAL ROJAS V. THE PRECISION COIL SPRING COMPANY CLASS SETTLEMENT
ADMINISTRATOR
c/o ILYM GROUP, INC.
[ADMIN ADDRESS]

DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT.

By Order of the Los Angeles County Superior Court, the Honorable Judge Peter A. Hernandez.

4846-8428-6205, v. 1

EXHIBIT 2

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

SAL ROJAS, on behalf of himself, all
similarly situated Class Members, and all
“aggrieved employees” pursuant to Labor
Code § 2698 et seq.,

Plaintiff,

v.

THE PRECISION COIL SPRING
COMPANY, a California corporation, and
DOES 1 through 10, inclusive,

Defendants.

CASE NO: 20PSCV00430

*Assigned to for all Purposes to the Honorable
Peter A. Hernandez, Dept. O*

REQUEST FOR EXCLUSION FORM

REQUEST FOR EXCLUSION

THIS FORM MUST BE POSTMARKED NO LATER THAN xxx.

**DO NOT COMPLETE THIS FORM IF YOU WANT YOUR SHARE OF THE
SETTLEMENT.**

**ONLY RETURN THIS FORM IF YOU WANT TO EXCLUDE YOURSELF FROM THE
SETTLEMENT. YOU WILL BE BOUND BY THE RELEASE OF CLAIMS UNDER
THE PRIVATE ATTORNEYS GENERAL ACT (LABOR CODE SECTION 2698 ET
SEQ., “PAGA”) WHETHER OR NOT YOU PARTICIPATE IN THE SETTLEMENT.**

Name (First, Middle, Last)

[preprinted by claims administrator]

**EXCLUDE
YOURSELF**

Get no payment. This is the only option that allows you to maintain your claims and, if you wish, to file your own lawsuit against The Precision Coil Spring Company for the claims released in this Settlement. You will not be entitled to assert PAGA claims against The Precision Coil Spring Company, regardless of whether or not you exclude yourself from the Settlement.

If you wish to be excluded from the above-captioned lawsuit (the “Action”) pending against The Precision Coil Spring Company (“Defendant”), you can mail this “Request for Exclusion Form” by first-class U.S. mail to the Settlement Administrator, at the address below. To be considered valid, your Request for Exclusion Form must: (1) contain your name, address, telephone number, last four digits of your social security number, and your signature; (2) state your intent to opt out or be excluded from the Settlement; (3) be returned by first-class U.S. mail to the Settlement Administrator at the specified address; and (4) be postmarked on or before _____, 2022. Late Requests to be Excluded will not be considered.

If you mail a timely and valid “Request for Exclusion Form”, you will no longer be a member of the Class, and you will not be eligible to receive money under the Settlement (except for any applicable portion of the PAGA Payment as described in the Class Notice) or object to the terms of the Settlement. However, you will not be bound by the terms of the Settlement, and may pursue any claims you may have, at your own expense, against Defendant, except for any applicable claims under the Private Attorneys General Act, as described in the Class Notice.

By signing below, completing and returning this form to the Settlement Administrator, I indicate my intent to **BE EXCLUDED FROM OR OPT OUT OF THE SETTLEMENT.**

Dated: _____

(signature)

(typed or print name)

(address)

(telephone number)

(last four digits of social security number)

If you exclude yourself, mail the completed form by _____, 2022 to:

SAL ROJAS V. THE PRECISION COIL SPRING COMPANY CLASS SETTLEMENT
ADMINISTRATOR
c/o ILYM GROUP, INC.
[ADMIN ADDRESS]
[ADMIN PHONE NUMBER]

DO NOT USE THIS FORM IF YOU WANT YOUR SETTLEMENT SHARE

EXHIBIT 3

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
SEPIDEH ARDESTANI, ESQ. SBN274259
sepideh@gaineslawfirm.com
EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
GAINES & GAINES, APLC
27200 Agoura Rd., Suite 101
Calabasas, CA 91301
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiff Sal Rojas, on behalf of himself, all similarly situated Class Members and all "aggrieved employees" pursuant to Labor Code § 2698 *et seq.*,

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – POMONA COURTHOUSE SOUTH**

SAL ROJAS, on behalf of himself, all
similarly situated Class Members, and all
"aggrieved employees" pursuant to Labor
Code § 2698 *et seq.*,

Plaintiffs,

v.

THE PRECISION COIL SPRING
COMPANY, a California corporation, and
DOES 1 through 10, inclusive,

Defendants.

CASE NO: CIVDS1932945

*Assigned to the Hon. Peter A. Hernandez,
Dept. O*

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT FOR:**

**1. FAILURE TO PAY ALL MINIMUM
WAGES AND OVERTIME WAGES
(LABOR CODE §§ 510 AND 1194; IWC
WAGE ORDER 1-2001)**

**2. FAILURE TO PROVIDE MEAL
PERIODS OR COMPENSATION IN LIEU
THEREOF (LABOR CODE §§ 226.7 AND
512; IWC WAGE ORDER 1-2001)**

**3. FAILURE TO PROVIDE REST
PERIODS OR COMPENSATION IN LIEU
THEREOF (LABOR CODE §§ 226.7, 510
AND 1194; IWC WAGE ORDER 1-2001)**

**4. FAILURE TO ISSUE ACCURATELY
ITEMIZED WAGE STATEMENTS
(LABOR CODE §§ 226(a) AND 226(e))**

**5. VIOLATION OF BUSINESS AND
PROFESSIONS CODE § 17200**

6. PENALTIES PURSUANT TO LABOR CODE § 2699(f) FOR VIOLATIONS OF LABOR CODE §§ 201, 202, 226(a), 226.7, 510, 512, AND 1194 AND PURSUANT TO LABOR CODE § 2699(a) FOR VIOLATIONS OF LABOR CODE §§ 226.3 AND 558

Complaint Filed; July 2, 2020

DEMAND FOR JURY TRIAL

Plaintiff SAL ROJAS ("Plaintiff"), individually and on behalf of all similarly situated individuals (the "Class" or "Plaintiff Class"), on behalf of the general public, and as an "aggrieved employee" under the Labor Code Private Attorneys General Act of 2004, complains of Defendants, as defined below, and each of them, as follows:

I.

INTRODUCTION AND FACTUAL BACKGROUND

1. This is a Class and Representative Action, pursuant to Code of Civil Procedure § 382 and Labor Code § 2698 *et seq.*, on behalf of Plaintiff and Class Members (Defendant's non-exempt employees who worked in California from July 2, 2016 through the earlier of March 31, 2022 or the date preliminary approval is granted.)

2. For at least four (4) years prior to the filing of this action and continuing to the present (the "liability period"), Defendants have had consistent policies of failing to pay all minimum and overtime wages earned during the course of employment, failing to provide meal and rest periods, or compensation in lieu thereof; failing to issue accurately itemized wage statements, and failing to pay all wages upon separation of employment.

3. Plaintiff, on behalf of himself and members of the Class, brings this action pursuant to Labor Code §§ 201, 202, 203, 226, 226.3, 226.7, 510, 512, 558, and 1194, seeking compensation for all unpaid minimum wages and overtime wages, premium wages for missed and denied meal and rest periods, statutory penalties, injunctive and other equitable relief, and reasonable attorneys' fees and costs.

3. Plaintiff, on behalf of himself and all Aggrieved Employees pursuant to Labor Code § 2698 *et seq.*, seeks civil penalties for Defendants' violations of the California Labor Code.

4. Venue is proper in this judicial district, pursuant to Code of Civil Procedure § 395. The Labor Code violations alleged against Defendants herein arose in Los Angeles County, California.

II.

PARTIES

A. Plaintiff

5. Plaintiff SAL ROJAS was employed by Defendants from May 2001 through January 2020 as a non-exempt employee in Los Angeles County, California.

6. During his work with Defendants, Plaintiff was:

- a. Willfully denied the payment of all minimum wages and overtime wages;
- b. Willfully denied rest periods or compensation in lieu thereof;
- c. Willfully denied meal periods or compensation in lieu thereof;
- d. Willfully denied accurately itemized wage statements; and
- e. Denied the timely payment of wages upon separation of his employment

B. Defendant

7. Defendant THE PRECISION COIL SPRING COMPANY is a California corporation. Defendant THE PRECISION COIL SPRING COMPANY employed Plaintiff and Class Members throughout the State of California, including Los Angeles County, California.

8. The true names and capacities, whether individual, corporate, associate, or otherwise, of Defendants sued herein as DOES 1 to 10, inclusive, are currently unknown to Plaintiff, who therefore sues Defendants by such fictitious names under Code of Civil Procedure § 474. Plaintiff is informed and believes, and based thereon alleges, that each of the Defendants designated herein as a DOE is legally responsible in some manner for the unlawful acts referred to herein. Plaintiff will seek leave of court to amend this Complaint to reflect the true names and capacities of the Defendants designated hereinafter as DOES when such identities become known.

9. Plaintiff is informed and believes, and based thereon alleges, that each Defendant acted in all respects pertinent to this action as the agent of the other Defendant, carried out a joint scheme,

business plan or policy in all respects pertinent hereto, and the acts of each Defendant is legally attributable to the other Defendants.

10. The Defendants named herein as DOE 1 through DOE 10 are and were persons acting on behalf of, or acting jointly with, Defendants, who violated, or caused to be violated, one or more provisions of the California Labor Code as alleged herein.

III.

CLASS ACTION ALLEGATIONS

11. Plaintiff brings this action on behalf of himself and all others similarly situated as a Class Action pursuant to § 382 of the Code of Civil Procedure. Plaintiff seeks to represent the following class composed of and defined as follows:

THE CLASS

All of Defendant's non-exempt employees who worked in California from July 2, 2016 through the earlier of March 31, 2022 or the date preliminary approval is granted.

12. Plaintiff reserves the right under Rule 3.765, California Rules of Court, to amend or modify this class description with greater specificity or further division into subclasses or limitation to particular issues.

13. This action has been brought and may properly be maintained as a class action under the provisions of § 382 of the Code of Civil Procedure because there is a well-defined community of interest in the litigation and the proposed Class is easily ascertainable.

A. Numerosity

14. The potential members of the Class as defined are so numerous that joinder of all the members the Class is impracticable. While the precise number of members of the Class has not been ascertained at this time, Plaintiff is informed and believes, and based thereon allege, that Defendants currently employ, and during the relevant time periods employed, more than 75 persons in the State of California who fall within the Class definition.

15. Accounting for employee turnover during the relevant period necessarily increases this number. Plaintiff alleges Defendants' employment records would provide information as to the number and location of members of the Class. Joinder of members of the Class is not practicable.

B. Commonality

16. There are questions of law and fact common to the Class that predominate over any questions affecting only individual Class Members. These common questions of law and fact include, without limitation:

- a. Whether Defendants failed to pay Plaintiff and Class Members all minimum wages and overtime wages, in violation of Labor Code §§ 510 and 1194;
- b. Whether Defendants failed to properly provide rest periods or compensation in lieu thereof to Plaintiff and Class Members, in violation of Labor Code §§ 226.7, 510 and 1194, and IWC Wage Order 1-2001;
- c. Whether Defendants failed to properly provide meal periods or compensation in lieu thereof to Plaintiff and Class Members, in violation of Labor Code §§ 226.7, and 512, and IWC Wage Order 1-2001;
- d. Whether Defendants failed to provide Plaintiff and Class Members with accurately itemized wage statements, in accordance with Labor Code § 226(a) and (e);
- e. Whether Defendants failed to timely pay Plaintiff and Class Members all wages due and owing at the separation of their employment, in violation of Labor Code §§ 201-203; and
- f. Whether Plaintiff and Class Members are entitled to equitable relief pursuant to Business & Professions Code § 17200 *et seq.*

C. Typicality

17. The claims of the named Plaintiff are typical of the claims of members of the Class. Plaintiff and members of the Class sustained injuries and damages arising out of and caused by Defendants' common course of conduct in violation of laws, regulations that have the force and effect of law, and statutes as alleged herein.

D. Adequacy of Representation

18. Plaintiff will fairly and adequately represent and protect the interests of members of the Class. Counsel who represents Plaintiff are competent and experienced in litigating large employment class actions.

E. Superiority of Class Action

19. A class action is superior to other available means for the fair and efficient adjudication of this controversy. Individual joinder of all proposed members of the Class is not practicable, and questions of law and fact common to the proposed Class predominate over any questions affecting only individual members of the proposed Class. Each member of the proposed Class has been damaged and is entitled to recovery by reason of Defendants' illegal policies and/or practices.

20. Class action treatment will allow those similarly situated persons to litigate their claims in the manner that is most efficient and economical for the parties and the judicial system. Plaintiff is unaware of any difficulties that are likely to be encountered in the management of this action that would preclude its maintenance as a class action.

IV.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS

FAILURE TO PAY ALL MINIMUM WAGES AND OVERTIME WAGES

(LABOR CODE §§ 510 AND 1194)

20. Plaintiff incorporates paragraphs 1 through 19 of this Complaint as though fully set forth herein.

21. Labor Code § 510 provides that, "any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." Labor Code § 1194 provides that "any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this

1 minimum wage or overtime compensation, including interest thereon, reasonable attorney's fees, and
2 costs of suit."

3 22. Defendants failed to pay Plaintiff and Class Members all minimum and overtime
4 wages earned during the course of employment, in violation of Labor Code §§ 510, 558, and 1194.
5 Defendants rounded down the hours reflected on Plaintiff's and Class Members' time records to pay
6 fewer hours than were actually worked. On a weekly basis, this rounding deprived Plaintiff and other
7 Class Members of significant hours worked. These failures to pay all minimum and overtime wages
8 due constitute violations of Labor Code §§ 510, 558, and 1194.

9 23. As a result of the unlawful acts of Defendants in willfully failing to pay all minimum
10 wages and overtime wages, Plaintiff and Class Members have been deprived of wages in amounts to
11 be determined at trial, and are entitled to restitution and recovery of such amounts, plus interest
12 thereon, attorneys' fees, and costs pursuant to Labor Code § 1194, and liquidated damages as
13 authorized by Labor Code § 1194.2.

14 Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

15 V.

16 **SECOND CAUSE OF ACTION**

17 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

18 **FAILURE TO PROVIDE REST PERIODS OR COMPENSATION IN LIEU THEREOF**

19 **(LABOR CODE § 226.7, 510 AND 1194 AND IWC WAGE ORDER 1-2001)**

20 24. Plaintiff incorporates paragraphs 1 through 23 of this Complaint as though fully set
21 forth herein.

22 25. Plaintiff and Class Members are entitled to one hour of pay for each day that
23 Defendants failed to properly provide one or more rest periods as set forth in Labor Code §§ 226.7
24 and IWC Wage Order 1-2001.

25 26. Defendants failed to pay premium wages to Plaintiff and Class Members who were
26 denied rest periods, in violation of Labor Code § 226.7 and IWC Wage Order No. 1-2001. Plaintiff
27 and Class Members were routinely unable to take a 10-minute rest period for every four (4) hours of
28 work or major fraction thereof, but were not paid premium wages of one hour's pay for each missed

rest period. When they were able to take a rest period, they were not permitted to leave the Defendants' premises. Furthermore, when Plaintiff and Class Members could take a rest period off premises, they were impermissibly required to clock out for their rest period, thus also depriving them of all wages due. This violates Labor Code §§ 226.7, 510, and 1194 and IWC Wage Order 1-2001.

27. Pursuant to Labor Code § 226.7 and IWC Wage Order 1-2001, Plaintiff seeks the payment of all rest period compensation which he and Class Members are owed for four years preceding the filing of this Action, according to proof.

Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

VI.

THIRD CAUSE OF ACTION

PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS

FAILURE TO PROVIDE MEAL PERIODS OR COMPENSATION IN LIEU THEREOF

(LABOR CODE §§ 226.7, 512 AND IWC WAGE ORDER 1-2001)

28. Plaintiff incorporates paragraphs 1 through 26 of this Complaint as though fully set forth herein.

29. Plaintiff and Class Members are entitled to one hour of pay for each day that Defendants failed to properly provide one or more meal periods as set forth in Labor Code §§ 226.7, 512 and IWC Wage Order 1-2001.

30. Defendants failed to pay Plaintiff and Class Members premium wages for missed meal periods, in violation of Labor Code §§ 226.7, 512 and IWC Wage Order 1-2001. Plaintiff and Class Members were routinely denied, and not authorized to take, a proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded five hours, or a second proper, timely, uninterrupted, 30-minute meal period for every shift worked that exceeded ten hours, but were not paid premium wages of one hour's pay for each missed first or second meal period. When they were able to take a meal period, they were oftentimes late, cut short, or interrupted, in violation of Labor Code §§ 226.7, 512 and IWC Wage Order 1-2001.

31. Pursuant to Labor Code §§ 226.7, 512 and IWC Wage Order 1-2001, Plaintiff seeks the payment of all meal period compensation which he and Class Members are owed for four years preceding the filing of this Action, according to proof.

Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

VII.

FOURTH CAUSE OF ACTION

**PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS
KNOWING AND INTENTIONAL FAILURE TO COMPLY WITH ITEMIZED
EMPLOYEE WAGE STATEMENT PROVISIONS
(LABOR CODE §§ 226(a), (e))**

32. Plaintiff incorporates paragraphs 1 through 31 of this Complaint as though fully set forth herein.

33. Section 226(a) of the California Labor Code requires Defendants to provide wage statements to employees. In those wage statements, Defendants must provide an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee..., (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer..., and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. Defendants have knowingly and intentionally failed to comply with Labor Code § 226(a).

34. Defendants failed to issue Plaintiff and Class Members wage statements that fully and accurately itemized the requirements set forth in Labor Code § 226(a). Plaintiff and Class Members were not paid all minimum and overtime wages due and meal and rest period premium wages due. As such, the wage statements provided by Defendants failed to accurately state all gross wages earned,

in violation of Labor Code §§ 226(a)(1) and 226.3, total hours worked, in violation of Labor Code §§ 226(a)(2) and 226.3, net wages earned, in violation of Labor Code §§ 226(a)(5) and 226.3, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked, in violation of Labor Code §§ 226(a)(9) and 226.3.

35. As a consequence of Defendants' willful conduct in failing to provide Class Members with accurate itemized wage statements, Plaintiff and Class Members have been injured because they have not been paid all wages due and were issued wage statements which do not reflect, and fail to state, all information required by Labor Code § 226(a). The missing information cannot be discerned at all from the face of the wage statements themselves. As a result, Plaintiff and Class Members are entitled to penalties pursuant to Labor Code § 226(e) to recover the greater of all actual damages or \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period, not exceeding an aggregate penalty of \$4,000 per employee, and are entitled to an award of costs and reasonable attorneys' fees pursuant to Labor Code § 226(h).

Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

VIII.

FIFTH CAUSE OF ACTION

PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS

FAILURE TO TIMELY PAY WAGES DUE AT

SEPARATION OF EMPLOYMENT (LABOR CODE §§ 201-203)

36. Plaintiff incorporates paragraphs 1 through 35 of this Complaint as though fully set forth herein.

37. California Labor Code § 201 and § 202 require Defendants to pay employees all wages due within 72 hours after resignation of employment or the day of termination of employment. Labor Code § 203 provides that if an employer willfully fails to timely pay such wages, the employer must, as a penalty, continue to pay the subject employee's daily wages until the back wages are paid in full or an action is commenced. The penalty cannot exceed 30 days of wages.

1 38. Plaintiff and certain Class Members were not paid all premium wages due during the
2 course of their employment and, as a result of this failure, they were not timely paid all wages due at
3 the separation of their employment. This violates Labor Code §§ 201-202.

4 39. More than 30 days have passed since Plaintiff and certain Class Members have left
5 Defendants' employ.

6 40. As a consequence of Defendants' willful conduct in not paying wages owed timely
7 upon separation of employment, Plaintiff and certain Class Members are entitled to up to 30 days'
8 wages as a penalty under Labor Code § 203 for Defendants' failure to timely pay legal wages at
9 separation of employment.

10 Wherefore, Plaintiff and the Class he seeks to represent request relief as described below.

11 **IX.**

12 **SIXTH CAUSE OF ACTION**

13 **PLAINTIFF AND THE CLASS AGAINST ALL DEFENDANTS**

14 **UNFAIR COMPETITION PURSUANT TO**

15 **BUSINESS & PROFESSIONS CODE § 17200 ET SEQ.**

16 41. Plaintiff incorporates paragraphs 1 through 40 of this Complaint as though fully set
17 forth herein.

18 42. This is a Class Action for Unfair Business Practices. Plaintiff, on his own behalf and
19 on behalf of the general public, and on behalf of others similarly situated, bring this claim pursuant
20 to Business & Professions Code § 17200 *et seq.* The conduct of all Defendants as alleged in this
21 Complaint has been and continues to be unfair, unlawful, and harmful to Plaintiff, the general public,
22 and members of the Class. Plaintiff seeks to enforce important rights affecting the public interest
23 within the meaning of Code of Civil Procedure § 1021.5.

24 43. Plaintiff is a "person" within the meaning of Business & Professions Code § 17204,
25 and therefore has standing to bring this cause of action for injunctive relief, restitution, and other
26 appropriate equitable relief.

27 44. Business & Professions Code § 17200 *et seq.* prohibits unlawful and unfair business
28 practices.

45. Wage and hour laws express fundamental public policies. Properly providing employees with all wages due is a fundamental public policy of this State and of the United States. Labor Code § 90.5(a) articulates the public policies of this State to enforce vigorously minimum labor standards, to ensure that employees are not required or permitted to work under substandard and unlawful conditions, and to protect law-abiding employers and its employees from competitors who lower their costs by failing to comply with minimum labor standards.

46. Defendants have violated statutes and public policies. Through the conduct alleged in this Complaint, Defendants, and each of them, have acted contrary to these public policies, have violated specific provisions of the Labor Code, and have engaged in other unlawful and unfair business practices in violation of Business & Professions Code § 17200 *et seq.* depriving Plaintiff, and all persons similarly situated, and all interested persons of rights, benefits, and privileges guaranteed to all employees under law.

47. Defendants' conduct, as alleged herein, constitutes unfair competition in violation of §17200 *et seq.* of the Business & Professions Code.

48. Defendants, by engaging in the conduct herein alleged, either knew or in the exercise of reasonable care should have known that the conduct was unlawful. As such, it is a violation of § 17200 *et seq.* of the Business & Professions Code.

49. As a proximate result of the above-mentioned acts of Defendants, Plaintiff and others similarly situated have been damaged in a sum as may be proven.

50. Unless restrained by this Court, Defendants will continue to engage in the unlawful conduct, as alleged above. Pursuant to Business & Professions Code § 17200 *et seq.*, this Court should make such orders or judgments, including the appointment of a receiver, as may be necessary to prevent the use or employment, by Defendants, its agents, or employees, of any unlawful or deceptive practice prohibited by the Business & Professions Code, and/or, including but not limited to, disgorgement of profits which may be necessary to restore Plaintiff and Class Members to the money Defendants have unlawfully failed to pay.

\\

\\

X.

SEVENTH CAUSE OF ACTION

**PLAINTIFF AND ALL AGGRIEVED EMPLOYEES AGAINST ALL DEFENDANTS
PENALTIES PURSUANT TO LABOR CODE § 2699(f) FOR VIOLATIONS OF LABOR
CODE §§ 201, 202, 226(a), 226.7, 510, 512, AND 1194 AND PURSUANT TO LABOR CODE
§ 2699(a) FOR VIOLATIONS OF LABOR CODE §§ 226.3 AND 558**

51. Plaintiff incorporates paragraphs 1 through 50 of this Complaint as though fully set forth herein.

52. As a result of the acts alleged above, including the Labor Code violations set forth in paragraph 2 above, Plaintiff seeks civil penalties pursuant to Labor Code §§ 2698 *et seq.*

53. For each such violation, Plaintiff and all other Aggrieved Employees are entitled to penalties and other relief in an amount to be shown at the time of trial subject to the following formula:

- a. Pursuant to Labor Code § 2699(f), \$100 for each initial violation and \$200 for each subsequent violation of Labor Code §§ 201, 202, 226(a), 226.7, 510, 512, and 1194; and
- b. Pursuant to Labor Code § 2699(f), the penalties as authorized by Labor Code §§ 226.3 and 558.

54. Civil penalties recovered will be allocated 75% to the Labor and Workforce Development Agency, and 25% to the affected employees.

55. On April 24, 2020, Plaintiff sent a letter, by online submission to the LWDA and by certified mail, return receipt requested, to Defendants setting forth the facts and theories of the violations alleged against Defendants, as prescribed by Labor Code § 2698 *et seq.* Pursuant to Labor Code § 2699.3(a)(2)(A), no notice was received by Plaintiff from the LWDA within sixty-five (65) calendar days of April 24, 2020. Plaintiff may therefore commence this action to seek civil penalties pursuant to Labor Code § 2698 *et seq.*

Wherefore, Plaintiff and the Aggrieved Employees he seeks to represent request relief as described below.

\\

XI.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for the following relief:

1. For compensatory damages pursuant to Labor Code § 1194 in the amount of all unpaid minimum wages and overtime wages due to Plaintiff and Class Members;
2. For liquidated damages pursuant to Labor Code § 1194.2;
3. For compensatory damages in the amount of one hour of wages for each day on which a meal and/or rest period was not properly provided to Plaintiff and Class Members pursuant to Labor Code § 226.7;
4. For penalties pursuant to Labor Code § 226(e) for Plaintiff and Class Members;
5. For penalties pursuant to Labor Code §§ 203 for Plaintiff and Class Members who are no longer employed by Defendants;
6. For civil penalties pursuant to Labor Code § 2698 *et seq.* for Plaintiff and all other Aggrieved Employees;
7. An award providing for payment of costs of suit pursuant to Labor Code § 2699(g)(1) and other applicable law;
8. An award of attorneys' fees pursuant to Labor Code § 2699(g)(1) and other applicable law; and
9. Such other and further relief as this Court may deem just and proper.

Dated: _____

Respectfully submitted,

GAINES & GAINES
A Professional Law Corporation

By: _____
DANIEL F. GAINES
SEPIDEH ARDESTANI
Attorneys for Plaintiff

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial of his claims by jury to the extent authorized by law.

Dated: _____

Respectfully submitted,

GAINES & GAINES
A Professional Law Corporation

By: _____
DANIEL F. GAINES
SEPIDEH ARDESTANI
Attorneys for Plaintiff

4843-1564-6205, v. 1