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Attorneys for Defendant,
Austin Pang Gloves Mfg. (U.S.A.) Corp.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

ANTONIO GONZALEZ, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

AUSTIN PANG GLOVES MFG. (U.S.A.)
CORP.; and DOES 1 through 20, inclusive,

Defendants.

Case No.: 20STCV16450

*Assigned for all purposes to:
Hon. Yvette Palazuelos
Dept.: 9*

JOINT STIPULATION OF SETTLEMENT

1 It is hereby stipulated and agreed by and among the undersigned Parties, subject to the
2 approval of the Court pursuant to the California Rules of Court, that the Settlement of this Action
3 shall be effectuated upon and subject to the following terms and conditions. Capitalized terms used
4 herein shall have the meanings set forth in Article I or as defined elsewhere in this Joint Stipulation
5 of Settlement (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff Antonio Gonzalez (“Named
7 Plaintiff”) and the Class Members, on the one hand, and Defendant Austin Pang Gloves Mfg.
8 (U.S.A.) Corp. (“Austin Pang” or “Defendant”), on the other hand. Named Plaintiff and Defendant
9 collectively are referred to in this Agreement as “the Parties.”

10 The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and
11 concluded by agreement of Defendant to pay the settlement amount of One Hundred Twenty Five
12 Thousand Dollars (\$125,000.00) as provided in Section 3.06(a) below (“Gross Settlement Amount”)
13 pursuant to the terms and conditions of this Agreement and for the consideration set forth herein,
14 including but not limited to, a release of all claims by Named Plaintiff and the Class Members as set
15 forth herein.

16 **ARTICLE I**

17 **DEFINITIONS**

18 Unless otherwise defined herein, the following terms used in this Agreement shall have the
19 meanings ascribed to them as set forth below:

20 a. “Action” means the action described as follows: *Antonio Gonzalez, individually and*
21 *on behalf of all others similarly situated v. Austin Pang Gloves Mfg. (U.S.A.) Corp.*; and DOES 1
22 through 20, inclusive,” Case No. 20STCV16450, commenced on April 30, 2020, in the Superior
23 Court of the State of California for the County of Los Angeles.

24 b. “Agreement” means this Joint Stipulation of Settlement, including the attached
25 Exhibit(s).

26 c. “Class” means all hourly, non-exempt employees employed by Defendant in
27 California at any time during the Class Period.

28 d. “Class Counsel” means the attorneys for the Class and the Class Members, who are:

Kashif Haque
Samuel A. Wong
Jessica L. Campbell
Alexander G.L. Davies
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
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e. “Class List” means a list based on Defendant’s business records that identifies each Class Member’s name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, and the number of Qualifying Workweeks worked during the Class Period.

f. “Class Member(s)” means all members of the Class.

g. “Class Period” means April 30, 2016 through March 8, 2021.

h. “Court” means the California Superior Court for the County of Los Angeles, where the Action is currently pending.

i. “Date of Finality” means the later of the following: (1) the date the Final Order is signed if no objections are filed to the Settlement; (2) if objections are filed and overruled, and no appeal is taken of the Final Order, sixty-five (65) days after the Final Order; or (3) if an appeal or other judicial review is taken from the Court’s overruling of objections to the settlement, ten (10) days after the appeal is withdrawn or after an appellate decision affirming the Final Order becomes final.

j. “Defendant” means Defendant Austin Pang Gloves Mfg. (U.S.A.) Corp.

k. “Defense Counsel” means counsel for Defendant:

Todd B. Scherwin
E-Mail tscherwin@fisherphillips.com
Areen Babajanian
E-Mail ababajanian@fisherphillips.com
FISHER & PHILLIPS LLP
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Facsimile: (213) 330-4501

1 l. “Disposition” means the method by which the Court approves the terms of the
2 Settlement and retains jurisdiction over its enforcement, implementation, construction,
3 administration, and interpretation.

4 m. “Final Order Approving Settlement of Class Action” or “Final Order” means the final
5 formal court order signed by the Court following the Final Fairness and Approval Hearing in
6 accordance with the terms herein, approving this Agreement.

7 n. “Gross Settlement Amount” means One Hundred Twenty Five Thousand Dollars and
8 Zero Cents (\$125,000.00) to be paid by Defendant as provided by this Agreement to settle this
9 Action. All claims of the Class and all administration costs, attorney’s fees and costs, and Incentive
10 Award, pursuant to Section 3.06(a) below, shall be paid out of the Gross Settlement Amount. The
11 employer’s share of payroll taxes arising from the payments made under this settlement shall be paid
12 by Defendant separate from and in addition to the Gross Settlement Amount. The Gross Settlement
13 Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross
14 Settlement Amount shall revert to Defendant.

15 o. “Incentive Award” means a monetary amount of up to Five Thousand Dollars
16 (\$5,000.00) for the Named Plaintiff, subject to Court approval, in recognition of their effort and work
17 in prosecuting the Action on behalf of Class Members, and for their general release of claims.

18 p. “Individual Settlement Payment(s)” means each Participating Class Member’s
19 respective share of the Net Settlement Amount. Individual Settlement Payments will be determined
20 by the calculations provided in this Agreement.

21 q. “LWDA” means The State of California Labor and Workforce Development Agency.

22 r. “LWDA Payment” means 75% of the \$8,000 allocated to the settlement of PAGA
23 claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.06(e) of
24 this Agreement, as provided for below.

25 s. “Motion for Final Approval” means Plaintiff’s submission of a written motion,
26 including any evidence as may be required for the Court to conduct an inquiry into the fairness of
27 the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and
28 to enter a Final Order in this Action.

1 t. "Motion for Preliminary Approval" means Plaintiff's submission of a written motion,
2 including any evidence as may be required for the Court to grant preliminary approval of the
3 Settlement as required by Rule 3.769 of the California Rules of Court.

4 u. "Named Plaintiff" means Antonio Gonzalez.

5 v. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved
6 administration costs, Class Counsels' attorney's fees and costs, Incentive Award, and LWDA
7 Payment, pursuant to Section 3.06(a)-(g) below.

8 w. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
9 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant
10 to Section 3.04(b) below.

11 x. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
12 substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval.

13 y. "PAGA" means the California Private Attorneys General Act of 2004, which is
14 codified in California Labor Code §§ 2698 *et seq.*

15 z. "PAGA Settlement Amount" means the portion of the Gross Settlement Amount
16 allocated to the resolution of Class Members' claims arising under PAGA. The Parties have agreed
17 that the PAGA Settlement Amount is Eight Thousand Dollars (\$8,000), subject to Court approval.
18 Of the PAGA Settlement Amount, 75% will be considered the LWDA Payment, and the remaining
19 25% will be added to the Net Settlement Amount and distributed to PAGA Group Members.

20 aa. "PAGA Group Members" means Class Members employed during the PAGA Period
21 of April 30, 2019 through March 8, 2021 ("PAGA Period").

22 bb. "Participating Class Member(s)" is defined as a Class Member who does not timely
23 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
24 Settlement Amount automatically without the need to return a claim form. Each Participating Class
25 Member will be paid his/her Individual Settlement Payment.

26 cc. "Preliminary Approval Date" means the date the Court preliminarily approves the
27 Settlement embodied in this Agreement.

28

dd. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement Administrator for the benefit of Participating Class Members.

ee. “Qualifying Workweeks” means the number of weeks that Class Members worked for Defendant as non-exempt employees during the Class Period.

ff. “Released Parties” means Defendant and its past, present and/or future officers, directors, shareholders, employees, agents, operators, principals, owners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest, subsidiaries, affiliates, members, divisions, fiduciaries, trustees, partners, shareholders, investors, benefit plans, parents and attorneys, if any.

gg. “Response Deadline” means the deadline by which Class Members must postmark or fax to the Settlement Administrator requests for exclusion or notices of objection. The Response Deadline will be forty-five (45) calendar days after the initial mailing of the Notice Packet by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline will be extended as set forth herein if there is a re-mailing.

hh. “Settlement Administration Costs” means all costs incurred by the Settlement Administrator in administration of the Settlement, including, but not limited to, mailing of notice to the class, calculation of Individual Settlement Payments, generation of Individual Settlement Payment checks and related tax reporting forms, administration of unclaimed checks, and generation of checks to Class Counsel for attorneys’ fees and costs, to Named Plaintiff for his Incentive Award, and to the LWDA. The Settlement Administration Costs shall be paid from the Gross Settlement Amount.

ii. “Settlement Administrator” means Phoenix Class Action Administration Solutions, which the Parties have agreed will be responsible for the administration of the Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and related matters under this Agreement.

1 **ARTICLE II**

2 **CONTINGENT NATURE OF THE AGREEMENT**

3 **Section 2.01: Stipulation of Class Certification for Settlement Purposes**

4 Because the Parties have stipulated to the certification of the Class with respect to all causes
5 of action alleged in the Action for settlement purposes only, this Agreement requires preliminary and
6 final approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis.
7 This Agreement is contingent upon the approval and certification by the Court. If the Date of Finality
8 does not occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement
9 to a Class shall have no bearing on, nor be admissible in connection with, the issue of certification
10 of the Class with respect to all causes of action alleged in the Action. Defendant does not consent to
11 certification of the Class for any purpose other than to effectuate settlement of the Action. If the Date
12 of Finality does not occur, or if Disposition of this Action is not effectuated, any certification of the
13 Class as to Defendant will be vacated and Named Plaintiff, Defendant, and the Class will be returned
14 to their positions with respect to the Action as if the Agreement had not been entered into. In the
15 event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally approving
16 certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall
17 not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in
18 this Agreement, the fact that Defendant did not oppose the certification of a Class under this
19 Agreement, or that the Court preliminarily approved the certification of the Class, shall not be used
20 or cited thereafter by any person or entity, including in any manner whatsoever, including without
21 limitation any contested proceeding relating to the certification of any class. If the Date of Finality
22 does not occur, this Agreement shall be deemed null and void, shall be of no force or effect
23 whatsoever, and shall not be referred to or used for any purpose whatsoever. Defendant expressly
24 reserves the right to challenge the propriety of class certification in the Action for any purpose, if the
25 Date of Finality does not occur.

26 The Parties and their respective counsel shall take all steps that may be requested by the Court
27 relating to the approval and implementation of this Agreement and shall otherwise use their
28 respective best efforts to obtain Court approval and implement this Agreement. If the Court does not

1 grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree
2 to meet and confer to address the Court’s concerns. If the Parties are unable to agree upon a
3 resolution, the Parties agree to seek the assistance of mediator Kelly A. Knight, Esq. to resolve the
4 dispute.

5 **ARTICLE III**

6 **PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT**

7 The procedure for obtaining Court approval of and implementing this Agreement shall be as
8 follows:

9 **Section 3.01: Motion for Conditional Class Certification and Preliminary Approval**

10 Named Plaintiff will bring a motion before the Court for an order conditionally certifying the
11 Class to include all claims pled in the Action based on the preliminary approval of this Agreement.
12 The date that the Court grants preliminary approval of this Agreement will be the “Preliminary
13 Approval Date.”

14 **Section 3.02: The Settlement Administrator**

15 The Parties have chosen Phoenix Class Action Administration Solutions to administer this
16 Settlement and to act as the Settlement Administrator, including but not limited to distributing and
17 responding to inquiries about the Notice Packet, determining the validity of exclusions/opt-outs,
18 calculating the Net Settlement Amount and the Individual Settlement Payments, issuing the
19 Individual Settlement Payment checks and distributing them to Participating Class Members,
20 establishing and maintaining the QSF, and issuing the payment to Class Counsel for attorneys’ fees
21 and costs, the Incentive Award checks to Named Plaintiff, and the employer payroll taxes to the
22 appropriate taxing authorities. The Settlement Administrator shall expressly agree to all of the terms
23 and conditions of this Agreement.

24 All costs of administering the Settlement, including but not limited to all costs and fees
25 associated with preparing, issuing and mailing any and all notices to Class Members and/or
26 Participating Class Members, all costs and fees associated with computing, processing, reviewing,
27 and mailing the Individual Settlement Payments, all costs and fees associated with preparing any tax
28 returns and any other filings required by any governmental taxing authority or agency, all costs and

1 fees associated with preparing any other checks, notices, reports, or filings to be prepared in the
2 course of administering disbursements from the Net Settlement Amount, and any other costs and fees
3 incurred and/or charged by the Settlement Administrator in connection with the execution of its
4 duties under this Agreement (“Settlement Administration Costs”), shall be paid to the Settlement
5 Administrator from the Gross Settlement Amount.

6 **Section 3.03: Notice to Class Members**

7 No later than ten (10) business days after the Preliminary Approval Date, Defendant will
8 provide the Settlement Administrator with a “Class List” in electronic format based on its business
9 records, identifying the names of the Class Members, their last known home addresses, Social
10 Security numbers or, as applicable, other taxpayer identification number, their dates of employment
11 and weeks worked during the Class Period.

12 Within ten (10) business days of receiving a Class List from Defendant, the Settlement
13 Administrator will send Class Members, by first-class mail, at their last known address, the Court
14 approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the
15 Settlement Class. The Notice Packet will include a calculation of the Class Member’s approximate
16 share of the Net Settlement Amount. Class Members will have forty-five (45) days from the date of
17 mailing in which to postmark objections or requests for exclusion. Prior to the initial mailing, the
18 Settlement Administrator will check all Class Member addresses against the National Change of
19 Address database and shall update any addresses before mailing. The Settlement Administrator will
20 skip trace and re-mail all returned, undelivered mail within five (5) days of receiving notice that a
21 Notice Packet was undeliverable. If a Class Member’s notice is re-mailed, the Class Member shall
22 have fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of
23 the initial mailing, whichever is later, in which to postmark objections or requests for exclusion.
24 Class Members shall not be required to submit claim forms in order to receive a proportional share
25 of the Net Settlement Amount.

26 If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall
27 re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose
28 Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement

1 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
2 mass search on LexisNexis or comparable databases based on set criteria and, if another address is
3 identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties
4 that reasonable means be used to locate Class Members and that the Settlement Administrator be
5 given discretion to take steps in order to facilitate notice of the Settlement and delivery of the
6 Individual Settlement Payments to all Participating Class Members.

7 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
8 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a weekly
9 status report provided to the Parties.

10 In the event a Class Member's Notice Packet remains undeliverable sixty (60) calendar days
11 after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class
12 Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
13 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
14 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
15 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement
16 Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the
17 procedures set forth in Section 3.06(g) below.

18 No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the
19 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
20 attesting to completion of the notice process, including any attempts to obtain valid mailing addresses
21 for and re-sending of any returned Notice Packets, as well as the number of valid requests for
22 exclusion and objections that the Settlement Administrator received.

23 **Section 3.04: Responses to Notice**

24 **a. Class Member Disputes**

25 If any Class Member disagrees with Defendant's records as to his or her Qualifying
26 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set
27 forth in writing the Qualifying Workweeks he/she claims to have worked during the Class Period
28 and submit such writing to the Settlement Administrator by the Response Deadline, along with any

1 supporting documentation. The Notice will also provide a method for the Class Member to challenge
2 the employment data on which his or her Individual Settlement Payment is based. The Settlement
3 Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith
4 to resolve it. If the Parties are unable to resolve the dispute, the Settlement Administrator will be the
5 final arbiter of the Qualifying Workweeks for each Class Member during the Class Period based on
6 the information provided to it.

7 **b. Requests for Exclusion from Class**

8 In order for any Class Member to validly exclude himself or herself from the Class and this
9 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class
10 Member or his or her authorized representative, and must be sent to the Settlement Administrator,
11 postmarked no later than the Response Deadline (or fifteen (15) days after the Settlement
12 Administrator re-mails the Notice to the Class Member, whichever is later). The Notice Packet shall
13 contain instructions on how to validly exclude himself or herself from the Class and this Settlement
14 (*i.e.*, opt out), including the language to be used in a request for exclusion. The date of the initial
15 mailing of the Notice Packet, and the date the signed request for exclusion was postmarked, shall be
16 conclusively determined according to the records of the Settlement Administrator. Any Class
17 Member who timely and validly requests exclusion from the Class and this Settlement will not be
18 entitled to any Individual Settlement Payment, will not be bound by the terms and conditions of this
19 Agreement, and will not have any right to object, appeal, or comment thereon.

20 Any Class Member who fails to timely submit a request for exclusion shall automatically be
21 deemed a Class Member whose rights and claims with respect to the issues raised in the Action are
22 determined by the Court's Final Order Approving Settlement of Class Action, and by the other
23 rulings in the Action. Thus, said Class Member's rights to pursue any claims covered by the Action
24 and/or released in this Agreement will be extinguished.

25 **c. Objections to Settlement**

26 For any Class Member to object to this Agreement, or any term of it, the person making the
27 objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the
28 Settlement Administrator, postmarked or faxed no later than the Response Deadline (or fifteen (15)

1 days after the Settlement Administrator re-mails the Notice to the Class Member, whichever is later),
2 a written statement of the grounds of objection, signed by the objecting Class Member or his or her
3 attorney, along with all supporting papers. The date of the initial mailing of the Notice Packet, and
4 the date the signed objection was postmarked, shall be conclusively determined according to the
5 records of the Settlement Administrator. The Settlement Administrator shall send any objections it
6 receives to Defense Counsel and Class Counsel within three (3) business days of receipt. Class
7 Members may also appear at the final approval hearing to object. The Court retains final authority
8 with respect to the consideration and admissibility of any Class Member objections.

9 **d. Encouragement of Class Members**

10 The Parties to this Agreement and the counsel representing such Parties shall not, directly or
11 indirectly, through any person, encourage or solicit any Class Member to exclude him or herself from
12 this Settlement (opt out), or to object to it. However, Class Counsel may respond to inquiries from
13 Class Members.

14 **e. Right of Plaintiff to Adjust Gross Settlement Amount**

15 Defendant has estimated the number of workweeks as 3,800. If the number of workweeks
16 increases by more than 20% (which is more than 4,560 workweeks) as of the end of the Class Period,
17 Defendant must agree to either (a) increase the GSA pro rata per additional workweek beyond 4,560,
18 or (b) cap the class period on the date that the 20% is exceeded. Defendant will have ten (10) calendar
19 days from notification of this term being triggered to decide which option it chooses.

20 **Section 3.05: Final Fairness and Approval Hearing**

21 On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final
22 Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement
23 and determine whether the Court should give it final approval, and (2) consider any objections made
24 and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the
25 Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a
26 Proposed Final Order Approving Settlement of Class Action.

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28 ///

1 **Section 3.06: Settlement Payment Procedures**

2 **a. Settlement Amount**

3 In exchange for the Released Claims set forth in this Agreement, Defendant agrees to pay the
4 Gross Settlement Amount in the amount of One Hundred Twenty-Five Thousand Dollars
5 (\$125,000.00), subject to a pro rata increase under the condition set forth in Section 3.04(e). The
6 Gross Settlement Amount includes all Individual Settlement Amounts to Participating Class
7 Members, all administration costs, Class Counsel's attorney's fees and costs, PAGA Settlement
8 Amount, and the Incentive Payments.

9 Within sixty (60) calendar days after the Court signs the Final Order, Defendant shall transfer
10 the Gross Settlement Amount plus Defendant's share of employer-side payroll taxes, as set forth
11 herein, into a QSF established by the Settlement Administrator either directly or by sending the funds
12 to the Settlement Administer to be deposited and distributed. The Settlement Administrator will use
13 these funds to fund payment of the Individual Settlement Payments to Participating Class Members,
14 Class Counsel's attorneys' fees and costs, the Incentive Award, the LWDA Payment, and the
15 Settlement Administration Costs. Notice of the final Judgement shall be given to the Class Members
16 by posted notice on the Settlement Administrator's website.

17 Within ten (10) court days after receiving Defendants' final payment, funding the Gross
18 Settlement Amount in full, the Settlement Administrator will pay the Individual Settlement Payments
19 to Participating Class Members, Class Counsel's attorneys' fees and costs, LWDA Payment, the
20 Incentive Award, and employer and employee tax withholdings applicable to the Net Settlement
21 Amount allocated to wages. Prior to this distribution, the Settlement Administrator will perform a
22 search based on the National Change of Address Database to update and correct for any known or
23 identifiable address changes.

24 **b. Payment of Attorneys' Fees and Costs**

25 Class Counsel shall submit an application for an award of attorneys' fees of up to one-third
26 of the Gross Settlement Amount, which, based on the current Gross Settlement Amount, is Forty-
27 One Thousand Six Hundred and Sixty-Six Dollars and Sixty-Six Cents (\$41,666.66). Class Counsel
28 shall submit an application for an award of costs not to exceed Ten Thousand Dollars (\$10,000.00).

1 Such application for attorneys' fees and costs shall be heard by the Court at the Final Fairness and
2 Approval Hearing. Defendant shall not object to or oppose any such application in these amounts.
3 Class Counsel shall serve Defendant with copies of all documents submitted in support of their
4 application for an award of attorneys' fees and costs.

5 Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the
6 Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys'
7 fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs,
8 and expenses related to the investigation, prosecution, and settlement of the Action incurred through
9 the Date of Finality. To the extent that the Court approves less than the amount of attorney's fees
10 and/or costs that Class Counsel requests, the difference between the requested and awarded amounts
11 will be reallocated to the Net Settlement Amount.

12 **c. Payment of Settlement Administration Costs**

13 The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and
14 shall not constitute payment to any Participating Class Member(s). The amount shall not exceed Four
15 Thousand Dollars (\$4,000.00).

16 **d. Payment of Incentive Award to Named Plaintiff**

17 Subject to Court approval, the Named Plaintiff shall receive an Incentive Award of up to Five
18 Thousand Dollars (\$5,000.00), the request for which Defendant will not object to or oppose. The
19 Incentive Award shall be paid out of the Gross Settlement Amount and shall not constitute payment
20 to any Participating Class Member(s) other than Named Plaintiff. To the extent that the Court
21 approves less than the amount of incentive award that Class Counsel request, the difference between
22 the requested and awarded amounts will be reallocated to the Net Settlement Amount.

23 Because it is the intent of the Parties that the Incentive Award represent payment to Named
24 Plaintiff for his service to the Class Members, and not wages, the Settlement Administrator will not
25 withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099,
26 which the Settlement Administrator will provide to Named Plaintiff and to the pertinent taxing
27 authorities as required by law.

28 ///

1 **e. Payment to the Labor and Workforce Development Agency**

2 In consideration of claims made under PAGA, Class Counsel will request that the Court
3 approve allocation of Eight Thousand Dollars (\$8,000) of the Gross Settlement Amount to these
4 claims. Seventy-five percent (75%) of this payment will be paid to the California Labor and
5 Workforce Development Agency (“LWDA Payment”), and twenty-five percent (25%) will be paid
6 to the Net Settlement Amount for distribution to PAGA Group Members. Defendant will not oppose
7 this request. The entire PAGA Settlement Amount will be paid out of the Gross Settlement Amount.
8 The Court’s adjustment, if any, of the amount allocated to Named Plaintiff’s PAGA claim in the
9 Action, will not invalidate this Agreement.

10 **f. PAGA Payment to PAGA Group Members**

11 As outlined above, the Parties agree that 75% of the PAGA Amount (\$6,000.00) will be paid
12 to the LWDA as the LWDA Payment, and the remaining 25% (\$2,000.00) of civil penalties will be
13 allocated to the PAGA Group Members. Class Counsel will submit notice of this Settlement to the
14 LWDA, as required by Labor Code § 2699(l)(2).

15 The amount allocated to the PAGA Group Members will be paid using the same formula and
16 timing mechanisms as set forth in Section 3.06 (g), but will be limited to weeks worked during the
17 PAGA Period. Class Members employed during the PAGA period will automatically qualify as
18 PAGA Group Members and will be entitled to PAGA payment. Any Class Members who worked
19 during the PAGA Period and who opt out of the Class portion of the Settlement will still be
20 considered PAGA Group Members for purposes of this Section 2.06(f) and, therefore, will (i) receive
21 their portion of the PAGA Payment; and (ii) release all PAGA claims against the Released Parties as
22 detailed in Section 5.02. Given that there are 20 employees who qualify as PAGA Group Members,
23 the estimated PAGA Payment per PAGA Group Member is \$100.00.

24 **g. Payment of Individual Settlement Payments to Participating Class Members**

25 The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement
26 Payments. The Parties agree that the Net Settlement Amount shall be divided between all
27 Participating Class Members in proportion to the number of individual Qualifying Workweeks for
28 each Class Member. To calculate the minimum amount each Class Member will receive based on

1 their individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total
2 number of Qualifying Workweeks by all Class Members during the Class Period and then allocated
3 on a pro rata basis. Qualifying Workweeks will be rounded up to the next whole integer. Each Class
4 Member's approximate Individual Settlement Payment amount will be included in his or her Notice
5 Packet. After final approval by the Court, the Net Settlement Amount will be dispersed to
6 Participating Class Members (those who did not exclude themselves) on a pro rata basis based on the
7 individual Qualifying Workweeks worked during the Class Period by each Participating Class
8 Member.

9 Each Individual Settlement Payment will represent wages and penalties allocated using the
10 following formula: 10% allocated to wages; 90% allocated to interest and penalties. The amounts
11 paid as wages shall be subject to all tax withholdings customarily made from an employee's wages
12 and all other authorized and required withholdings and shall be reported by W-2 forms. The
13 employer-side taxes will be paid separate from and in addition to the Gross Settlement Amount. The
14 amounts paid as penalties and interest shall be subject to all authorized and required withholdings
15 other than the tax withholdings customarily made from employees' wages and shall be reported by
16 IRS 1099 forms. The PAGA Payments will be allocated 100% to penalties, and will be reported on
17 an IRS Form 1099.

18 No later than ten (10) business days after receiving the Gross Settlement Amount from
19 Defendant, the Settlement Administrator shall prepare and mail the checks for the Individual
20 Settlement Payments to Participating Class Members and PAGA Payments to PAGA Group
21 Members. Individual Settlement Payments paid from the Net Settlement Amount allocated to wages
22 will be reduced by applicable employer and employee tax withholdings, and the Settlement
23 Administrator will issue a Form W-2 for the wage portion of the Individual Settlement Payments.
24 The Settlement Administrator will issue a Form 1099 to the extent required by law for the interest
25 and penalty portions of the Individual Settlement Payments. Participating Class Members shall have
26 180 days from the date their Individual Settlement Payment checks are dated to cash their Settlement
27 checks. Any checks that are not cashed upon the expiration of that 180-day time period will be void,
28

1 and the uncashed funds shall be paid to the State Controller Unclaimed Property Fund in the name
2 of the Class Member for whom the funds are designated.

3 If the Court approves each of the requested deductions from the Gross Settlement Amount
4 indicated in this Section 3.06, the Parties estimate there will be approximately \$56,333.34 remaining
5 in the Net Settlement Amount. As there are 24 Class Members at issue, the estimated payment to
6 each Class Member is \$2,347.22, assuming full participation.

7 **h. Default on Payment**

8 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
9 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
10 a mass search on LexisNexis or a comparable database based on set criteria and, if another address
11 is identified, the Settlement Administrator shall mail the check to the newly identified address. If the
12 Settlement Administrator is unable to obtain a valid mailing address through this process, the
13 Settlement Administrator will tender the funds from the undeliverable checks to the State Controller
14 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

15 Defendant's failure to fund the Gross Settlement Amount within sixty (60) calendar days after
16 the date that the Court grants final approval of the Settlement shall be considered a default. In the
17 event Defendant fails to timely fund the Gross Settlement Amount, the Settlement Administrator will
18 provide notice to Class Counsel and Defendant's counsel within three (3) business days of the missed
19 payment. Thereafter, Defendant will have seven (7) days to cure the default and tender payment to
20 the Settlement Administrator. In the event Defendant fails to cure the default within the times set
21 forth herein, Named Plaintiff may elect to enter judgment against Defendant, on an ex parte basis,
22 for the balance of the unpaid Gross Settlement Amount to date, and Named Plaintiff will be entitled
23 to recover interest at ten percent (10%) per year from the due date for such payment and reasonable
24 attorneys' fees and costs.

25 **i. No Credit Toward Benefit Plans.**

26 The Individual Settlement Payments made to Participating Class Members under this
27 Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to
28 calculate any additional benefits under any benefit plans to which any Class Members may be

1 eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase
2 plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
3 intention that this Agreement will not affect any rights, contributions, or amounts to which any Class
4 Members may be entitled under any benefit plans.

5 **ARTICLE IV**

6 **LIMITATIONS ON USE OF THIS SETTLEMENT**

7 **Section 4.01: No Admission**

8 Defendant disputes the allegations in the Action and disputes that, but for this Settlement, a
9 Class should not have been certified in the Action. This Agreement is entered into solely for the
10 purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be
11 construed as an admission of liability or wrongdoing by Defendant.

12 **Section 4.02: Non-Evidentiary Use**

13 Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor
14 the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or
15 deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties,
16 including but not limited to, evidence of a presumption, concession, indication, or admission by any
17 of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or
18 (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further
19 proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this
20 Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims
21 released through this Agreement.

22 **Section 4.03: Nullification**

23 The Parties have agreed to the certification of the Class encompassing all claims alleged in
24 the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason
25 fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this
26 Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final Order
27 is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the
28 Action in its entirety, then (i) this Agreement shall be considered null and void; (ii) neither this

1 Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all
2 Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had
3 been neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to
4 stipulate to class certification of all causes of action pled in the Action as part of the Settlement will
5 have no bearing on, and will not be admissible in connection with, the issue of whether the Class
6 should be certified by the Court in a non-settlement context in this Action or any other action, and in
7 any of those events, Defendant expressly reserves the right to oppose certification of the Class.

8 In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the
9 Gross Settlement Amount shall not be distributed pending the completion of the appeal.

10 **ARTICLE V**

11 **RELEASES**

12 **Section 5.01: Released Claims by Class Members**

13 Upon the date Defendant transfers the Gross Settlement Amount, Named Plaintiff and
14 Participating Class Members who do not opt out of the Settlement, release the Released Parties from
15 all claims alleged or which could have been alleged based on the facts alleged in the operative
16 complaint, which arose during the Class Period. (“Released Claims”).

17 **Section 5.02: Released Claims by PAGA Group Members**

18 Upon the date of funding the GSA, the State of California and PAGA Group Members release
19 the Released Parties from all claims exhausted in Plaintiff’s notice(s) sent to the LWDA and alleged
20 in the operative complaint, which arose during the PAGA Period, and all PAGA claims that could
21 have been premised on the facts alleged in the operative First Amended Complaint, regardless of
22 whether PAGA Group Members opt out of the Class Settlement (“Released PAGA Claims”). Class
23 Members who also qualify as PAGA Group Members cannot opt out the PAGA portion of this
24 settlement, and shall release the Release PAGA Claims against Release Parties, even if the employee
25 requests exclusion from the Class.

26 **Section 5.03: Named Plaintiff’s Release of Unknown Claims**

27 Upon the Date of Finality, Named Plaintiff, waives, releases, acquits, and forever discharges
28 the Released Parties from any and all claims, actions, charges, complaints, grievances, and causes of

1 action, of any nature arising from Named Plaintiff's employment with Defendant, whether known or
2 unknown, which exist or may exist as of the Parties' execution of this Agreement.

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

4 *"A general release does not extend to claims which the creditor does not*
5 *know or suspect to exist in his or her favor at the time of executing the*
6 *release, which if known by him or her must have materially affected his*
7 *or her settlement with the debtor."*

8 Plaintiff's general release provided herein is made with an express waiver and relinquishment
9 of any claim, right, or benefit under California Civil Code § 1542.

10 **ARTICLE VI**

11 **MISCELLANEOUS PROVISIONS**

12 **Section 6.01: Amendments or Modification**

13 The terms and provisions of this Agreement may be amended or modified only by an express
14 written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

15 **Section 6.02: Assignment**

16 None of the rights, commitments, or obligations recognized under this Agreement may be
17 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written
18 consent of each other Party and their respective counsel. The representations, warranties, covenants,
19 and agreements contained in this Agreement are for the sole benefit of the Parties under this
20 Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

21 **Section 6.03: Governing Law**

22 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
23 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
24 of laws.

25 **Section 6.04: Entire Agreement**

26 This Agreement, including the Exhibits referred to herein, which form an integral part hereof,
27 contains the entire understanding of the Parties with respect to the subject matter contained herein.
28 In case of any conflict between text contained in Articles I through VI of this Agreement and text

1 contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be
2 controlling, unless the Exhibits are changed by or in response to a Court order. There are no
3 restrictions, promises, representations, warranties, covenants, or undertakings governing the subject
4 matter of this Agreement other than those expressly set forth or referred to herein. This Agreement
5 supersedes all prior agreements and understandings among the Parties with respect to the settlement
6 of the Action, including correspondence between Class Counsel and Defense Counsel and drafts of
7 prior agreements or proposals.

8 **Section 6.05: Waiver of Compliance**

9 Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any
10 obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived
11 in writing, to the extent permitted under applicable law, by the Party or Parties and their respective
12 counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or
13 failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or
14 condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

15 **Section 6.06: Counterparts and Fax/PDF Signatures**

16 This Agreement, and any amendments hereto, may be executed in any number of counterparts
17 and any Party and/or their respective counsel may execute any such counterpart, each of which when
18 executed and delivered shall be deemed to be an original. All counterparts taken together shall
19 constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original
20 signature.

21 **Section 6.07: Meet and Confer Regarding Disputes**

22 Should any dispute arise among the Parties or their respective counsel regarding the
23 implementation or interpretation of this Agreement, a representative of Class Counsel and a
24 representative of Defense Counsel shall meet and confer in an attempt to resolve such disputes prior
25 to submitting such disputes to the Court.

26 **Section 6.08: Agreement Binding on Successors**

27 This Agreement will be binding upon, and inure to the benefit of, the successors in interest
28 of each of the Parties.

1 **Section 6.09: Cooperation in Drafting**

2 The Parties have cooperated in the negotiation and preparation of this Agreement. This
3 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
4 was the drafter or participated in the drafting of this Agreement.

5 **Section 6.10: Fair and Reasonable Settlement**

6 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
7 the Action and have arrived at this Agreement through arm's-length negotiation and in the context
8 of adversarial litigation, taking into account all relevant factors, current and potential. The Parties
9 further believe that the Settlement is and is consistent with public policy, and fully complies with
10 applicable law.

11 **Section 6.11: Headings**

12 The descriptive heading of any section or paragraph of this Agreement is inserted for
13 convenience of reference only and does not constitute a part of this Agreement and shall not be
14 considered in interpreting this Agreement.

15 **Section 6.12: Notice**

16 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
17 communications under this Agreement must be in writing and addressed as follows:

18 *To Named Plaintiff and the Class:*

19 Kashif Haque
20 Samuel A. Wong
21 Jessica L. Campbell
22 Alexander G.L. Davies
23 AEGIS LAW FIRM, PC
24 9811 Irvine Center Drive, Suite 100
25 Irvine, California 92618
26 Telephone: (949) 379-6250
27 Facsimile: (949) 379-6251

28 And

To Defendant:

 Todd B. Scherwin
 E-Mail tscherwin@fisherphillips.com
 Areen Babajanian

E-Mail ababajianian@fisherphillips.com
FISHER & PHILLIPS LLP
444 South Flower Street, Suite 1500
Los Angeles, California 90071
Telephone: (213) 330-4500
Facsimile: (213) 330-4501

Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction

To the extent consistent with class action procedure, this Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

Section 6.14: Mutual Full Cooperation

The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to the execution of such documents, and the taking of such other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, to effectuate and implement this Agreement and its terms. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

Section 6.15: Authorization to Act

Class Counsel warrants and represents that they are authorized by Named Plaintiff, and Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not

needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

Section 6.15: Authorization to Act

Class Counsel warrants and represents that they are authorized by Named Plaintiff, and Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not limited to this Agreement, that are required to be signed by the Parties themselves. Defendant represents and warrants that the individual executing this Agreement on its behalf has the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

EXECUTION BY PARTIES AND COUNSEL

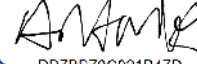
The Parties and their counsel hereby execute this Agreement.

Dated: 1/20/2022

ANTONIO GONZALEZ

By:

Named Plaintiff

DocuSigned by:

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Dated: _____

AUSTIN PANG GLOVES MFG. (U.S.A.)
CORP.

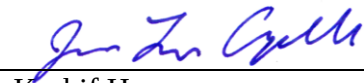
By: _____
(Signature)

(Printed Name)

(Title)

Dated: January 20, 2022

AEGIS LAW FIRM, Pc

By: 
Kashif Haque
Jessica L. Campbell
Alexander G.L Davies

Attorneys for Plaintiff Antonio Gonzalez

Dated: _____

FISHER & PHILLIPS LLP

By: _____
Todd B. Scherwin
Areen Babajanian

Attorneys for Defendant Austin Pang Gloves
Mfg. (U.S.A.) Corp.

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Dated: January 20, 2022

AUSTIN PANG GLOVES MFG. (U.S.A.)
CORP.

By: 
(Signature)

Michael Pang
(Printed Name)

VP
(Title)

Dated: _____

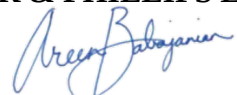
AEGIS LAW FIRM, Pc

By: _____
Kashif Haque
Jessica L. Campbell
Alexander G.L Davies

Attorneys for Plaintiff Antonio Gonzalez

Dated: January 20, 2022

FISHER & PHILLIPS LLP

By: 
Todd B. Scherwin
Areen Babajanian

Attorneys for Defendant Austin Pang Gloves
Mfg. (U.S.A.) Corp.

EXHIBIT A

THIS IS AN IMPORTANT COURT-APPROVED NOTICE. READ CAREFULLY.

Gonzalez v. Austin Pang Gloves Mfg (U.S.A.) Corp.
Los Angeles County Superior Court
Case No. 20STCV16450

If you worked as a non-exempt employee in California for Austin Pang Gloves Mfg. (U.S.A.) Corp. (“Austin Pang”) at any time from April 30, 2016 through March 8, 2021, a class action lawsuit may affect your rights.

This is a court-authorized notice. It is not a solicitation from a lawyer.

- You have been identified as a Class Member (as defined below) in a Lawsuit (as defined below) brought by a former Austin Pang employee.
- The Court has preliminarily approved a class action settlement with Austin Pang, in accordance with the terms of the Joint Stipulation of Settlement filed in the Lawsuit (the “Settlement”), which will affect all current and former non-exempt, hourly paid employees who are or were employed by Austin Pang in California from April 30, 2016 through March 8, 2021 (the “Class Period”).
- If the Court grants final approval of the Settlement, there will be money available to you.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
<u>PARTICIPATE IN THE SETTLEMENT – NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Settlement Class (as defined below) and will collect a settlement award as detailed below. But you give up certain rights to sue Austin Pang separately about the legal claims raised in this Lawsuit.
<u>OBJECT TO THE SETTLEMENT – ACTION REQUIRED</u>	Stay in this Lawsuit. Object to the Settlement. May give up certain rights. If you object to the Settlement, you will remain a member of the Class (as defined below), and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members (as defined below) who do not object.
<u>ASK TO BE EXCLUDED – ACTION REQUIRED</u>	Get out of this Lawsuit. Get no payments from it. Keep rights. If you ask to be excluded from the Settlement, you won’t receive any payments. But you keep any rights to sue Austin Pang separately about the legal claims raised or that could have been raised in this Lawsuit, with the exception of any PAGA Released Claims. If you are a PAGA Group Member, you will still be paid your share of the PAGA settlement amount and will remain bound by the release of the PAGA Released Claims regardless of whether you submit a request for exclusion, as described below.

- Your options are explained in this notice. To object to the Settlement, dispute the number of workweeks allocated to you, or to ask to be excluded, you must act before [DATE].
- **Any questions?** Read on or contact Class Counsel (as defined below) or the Settlement Administrator (as defined below).

WHAT THIS NOTICE CONTAINS

BASIC INFORMATIONPAGE - 3 -

1. Why did I get this notice?
2. What is the Lawsuit about?
3. What is a class action and who is involved?
4. Why is this Lawsuit a class action?
5. What are the terms of the proposed Settlement?

WHO IS IN THE CLASSPAGE - 5 -

6. Am I part of this Class?
7. I'm still not sure if I am included.

YOUR RIGHTS AND OPTIONSPAGE - 6 -

8. What is my approximate Individual Settlement Payment?
9. What rights am I releasing if I participate in the Settlement?
10. How do I object to the Settlement?
11. Why would I ask to be excluded?
12. How do I ask to be excluded from the Class?

THE LAWYERS REPRESENTING YOUPAGE - 8 -

13. Do I have a lawyer in this case?
14. How will the lawyers be paid?
15. How will the Plaintiff be paid?

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESSPAGE - 9 -

16. Who is handling the settlement administration process?
17. When is the Final Approval Hearing and do I have to attend?

GETTING MORE INFORMATION.....PAGE - 10 -

18. Are more details available?

BASIC INFORMATION

1. Why did I get this notice?

Austin Pang's records show that you currently work, or previously worked for Austin Pang in California as a non-exempt, hourly paid employee. This notice explains that the Court has given preliminary approval to a Settlement in a conditionally certified class action lawsuit that may affect you. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable. Any final determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of this Settlement. Judge Yvette M. Palazuelos of the Superior Court of the State of California, County of Los Angeles, is overseeing this lawsuit. The lawsuit is known as *Gonzalez v. Austin Pang Gloves Mfg. (U.S.A.) Corp.*, Case No. 20STCV16450 (the "Lawsuit").

2. What is this Lawsuit about?

The Lawsuit is about whether Austin Pang provided hourly paid employees with proper wages (including minimum wages, overtime wages, and reporting time pay), paid all wages to piece-rate workers, provided compliant meal periods at proper intervals, authorized and permitted compliant rest breaks, paid all wages owed during and upon termination of employment, provided proper wage statements, committed unfair business practices, or violated the Private Attorneys General Act of 2004 ("PAGA"), all as required by applicable California laws.

Austin Pang denies any liability or wrongdoing of any kind associated with the claims alleged in the Lawsuit and further denies that any of the claims are appropriate for class treatment. Austin Pang contends, among other things, that it has complied at all times with applicable law in connection with its compensation of Class Members.

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

In a class action lawsuit such as this, persons called "Class Representatives" sue on behalf of other people who may have similar claims. The people together are a "Class" and individually are "Class Members." The Class Representatives are also called the Plaintiffs. The company that was sued (in this case Austin Pang) is called the Defendant. In Class litigation, one Court resolves the issues for everyone in the Class in one lawsuit – except for those people who choose to exclude themselves from the Class.

4. Why is this Lawsuit a class action?

As part of the Settlement with Austin Pang, Plaintiff and Austin Pang Sanitation agreed to conditionally certify the Class as a class action with respect to all of the claims Plaintiff alleged against Austin Pang, for settlement purposes only, and to ask the Court to approve the Settlement. The Court has not ruled on the merits of these claims, and the decision to certify the agreed-upon Class for settlement purposes should not be viewed as a prediction or agreement that Plaintiff or the Class would ultimately prevail on the merits of the action.

5. What are the terms of the proposed Settlement?

The major terms of the Settlement are as follows:

1. Austin Pang has agreed to pay \$125,000.00 to settle the claims made in the Lawsuit. This amount is also known as the “Gross Settlement Amount.”
2. Plaintiff Antonio Gonzalez agreed to release all of his claims in the Lawsuit against Austin Pang.
3. Plaintiff seeks the following deductions from the \$125,000.00 Gross Settlement Amount:
 - a. One-third of the Gross Settlement Amount (which is currently equal to \$41,666.66) for Class Counsel’s attorneys’ fees.
 - b. Up to \$10,000 for reimbursement of Class Counsel’s litigation costs.
 - c. An enhancement award of \$5,000 for Plaintiff Antonio Gonzalez for having filed this Lawsuit, work performed, risks undertaken, and a general release of claims.
 - d. Up to \$4,000.00 to cover the costs of the Settlement Administrator.
 - e. An allocation of \$8,000 in civil penalties, \$6,000.00 of which will be paid to the California Labor and Workforce Development Agency for release of Private Attorneys General Act of 2004 (“PAGA”) claims. The remaining \$2,000 will be distributed to Class Members who worked for Defendant at any time from April 30, 2019 through March 8, 2021 (the “PAGA Group Members”).

If the Court approves each of the requested deductions from the Gross Settlement Amount, the Parties estimate there will be approximately \$56,333.34 remaining. The remaining funds will be referred to as the “Net Settlement Amount” The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the “Participating Class Members”) according to the following formula:

The Settlement Administrator will calculate the total Qualifying Workweeks for all Participating Class Members during the Class Period. Qualifying Workweeks include the number of workweeks during which Participating Class Members worked for Defendant during the Class Period (April 30, 2016 through March 8, 2021). The Net Settlement Amount will be divided by the total number of Qualifying Workweeks worked by all Participating Class Members during the Class Period and then allocated on a pro rata basis. In other words, the “class claim” portion of a Participating Class Member’s Individual Settlement Payment will be calculated by dividing the Net Settlement Amount by the total number of Qualifying Workweeks worked by all Participating Class Members during the Class Period and then multiplying by the number of Qualifying Workweeks worked by the Participating Class Member during the Class Period.

In addition, the Individual Settlement Payment of each PAGA Group Member (Class Members who worked for Defendant at any time from April 30, 2019 through March 8, 2021) will include a pro rata share of the \$2,000.00 allocated for PAGA penalties according to the following formula:

The Settlement Administrator will calculate the total Qualifying Workweeks for all PAGA Group Members during the PAGA Period. Qualifying Workweeks include the number of workweeks during which PAGA Group Members worked for Defendant during the PAGA Period (April 30, 2019 through March 8, 2021). The \$2,500 amount will be divided by the total number of Qualifying Workweeks by all PAGA Group Members during the PAGA Period and then allocated on a pro rata basis. In other words, the “PAGA claim” portion of a PAGA Group Member’s Individual Settlement Payment will be calculated by dividing \$2,000.00 by the total number of Qualifying Workweeks worked by all PAGA Group Members during the PAGA Period and then multiplying by the number of Qualifying Workweeks worked by the PAGA Group Member during the PAGA Period.

Your estimated Individual Settlement Payment is listed in Section 8 of this Notice. Payroll deductions will be made to your Individual Settlement Payment for state and federal withholding taxes and any other applicable payroll deductions owed by you as a result of the payment. With respect to the “class claim” portion of each Individual Settlement Payment, 10% will be allocated to wages, and 90% will be allocated to interest and penalties. With respect to the “PAGA claim” portion of each Individual Settlement Payment, 100% will be allocated to penalties. The taxes ordinarily paid by an employer will be paid by Austin Pang, separate from and in addition to the Gross Settlement Amount.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The “Settlement Class” is the group of all persons who worked as non-exempt, hourly paid employees in California for Austin Pang at any time from April 30, 2016, through March 8, 2021 (the “Class Period”).

Those Employees who worked as a non-exempt, hourly paid employees in California for Austin Pang at any time from April 30, 2019, through March 8, 2021 (the “PAGA Period”) are also PAGA Group Members.

7. I’m still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting Phoenix Class Action Administration Solutions., the “Settlement Administrator”, at the designated phone number for this matter at **(800) 523-5773**, or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at the phone number or address listed in Section 18.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class, object to the settlement, dispute the number of workweeks allocated to you during the Class Period, or ask to be excluded from the Settlement, and you have to decide this by no later than [DATE].

8. What is my approximate Individual Settlement Payment?

According to payroll records maintained by Austin Pang, the total number of weeks you worked in California for Austin Pang as an hourly paid employee during the Class Period is _____.

Based on information provided above, anticipated court-approved deductions, and preliminary calculations of Qualifying Workweeks, it is estimated your share of the Settlement will be \$_____, less applicable taxes and withholdings. If you worked during the PAGA Period, your estimated Settlement share includes your share of the PAGA settlement amount.

You do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you.

If you believe your total weeks worked during the Class Period shown above are not correct, you may send a letter to the Settlement Administrator indicating what you believe is correct. Your written dispute should also include any documents or other information that supports your belief that the information set forth above is incorrect. The Settlement Administrator will resolve any dispute based upon Austin Pang's records and any information you provide. Please be advised that the number of weeks you worked as a non-exempt, hourly paid employee in California during the Class Period is presumed to be correct unless you submit documents to support your dispute. Any such dispute must be mailed to the Settlement Administrator no later than [DATE].

9. What rights am I releasing if I participate in the Settlement?

You are releasing the "Released Parties" from any and all class claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which relate to any and all claims alleged in Named Plaintiff's operative complaint, or which could have been alleged based on the facts alleged in the operative complaint, during the Class Period, including but not limited to (1) failure to pay minimum wages, including but not limited to reporting time pay; (2) failure to pay overtime wages; (3) failure to pay all wages to piece-rate workers; (4) failure to provide meal periods; (5) failure to authorize or permit rest periods; (6) failure to furnish accurate itemized wage statements wage statement; (7) failure to pay wages due upon separation of employment and within the required time; (8) violation of California Business and Professions Code §§17200, *et seq.*, violations of California Labor Code §§ 201-203, 204, 210, 226, 226.2, 226.7, 510, 512, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1198, and violations of the Industrial Welfare Commission Wage Orders ("Released Claims").

If you are a PAGA Group Member, you are releasing the Released Parties from all claims exhausted in Plaintiff's notice(s) sent to the LWDA and alleged in the operative complaint, which arose during the PAGA Period, including any and all claims for civil Penalties under PAGA [Cal. Lab. Code §§ 2699, *et seq.*] that are based upon or arise from the factual allegations in Plaintiff's notice(s) sent to the

LWDA and alleged in the operative complaint, including all attorneys' fees and costs related thereto ("Released PAGA Claims").

The release of Released Claims and Released PAGA Claims will be deemed effective as to the absent class members and PAGA Group Members only after all settlement funds are paid.

The "Released Parties" includes the following: Austin Pang and its past, present and/or future officers, directors, managers, shareholders, employees, agents, operators, principals, owners, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, successors and predecessors in interest, assigns, subsidiaries, affiliates, members, divisions, fiduciaries, trustees, partners, shareholders, investors, benefit plans, parents and attorneys, if any.

Unlike the Class portion of the settlement, eligible Class Members cannot opt out of the PAGA portion of the settlement, and will release the Released PAGA Claims against Released Parties upon Defendant's funding of the Gross Settlement Amount. Class Members who opt-out of the Class portion of the settlement will still receive a check for PAGA Penalties.

10. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (i.e., must not opt out). If you submit both a request for exclusion and an objection, you will be excluded from the settlement (see Sections 11 and 12 below), and your objection will not be considered. No later than [DATE], you should mail a written objection to the Settlement Administrator (at the address in Section 18 below) setting forth the grounds of objection, signed and dated by you or your attorney, along with any supporting documents. You can also appear at the final approval hearing yourself or through an attorney. The information for the hearing is included in Section 17 of this notice.

11. Why would I ask to be excluded?

You have the right to exclude yourself from the Settlement. If you exclude yourself from the Class—sometimes called "opting-out" of the Class – you won't get any money or benefits from the Settlement (except for PAGA Group Members who retain a right to receive a pro-rata share of the portion of the PAGA settlement amount allocated for PAGA penalties). However, you may then be able to sue or continue to sue Austin Pang for your own Claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's disposition of this Lawsuit (except for PAGA Group Members who will remain bound by the Court's resolution of the PAGA claim). Class Members who are also PAGA Group Members cannot opt out of the PAGA portion of the settlement, and will not retain a right to sue for PAGA claims, even if you opt out of the Class Portion of the settlement. If you exclude yourself, you should talk to your own lawyer soon, because your claims may be subject to a statute of limitations.

12. How do I ask to be excluded from the Class?

If you are a member of the Class described above and would like to exclude yourself from the Class, you need to submit a written request for exclusion which, includes your name, address, and telephone number, and states the following:

“I wish to exclude myself from the settlement reached in the matter of *Gonzalez v. Austin Pang Gloves Mfg. (U.S.A.) Corp.*, Los Angeles Superior Court, Case No. 20STCV16450. I understand that by excluding myself, I will not receive any money from the settlement.”

While you don’t have to use the specific language indicated above to request exclusion, the statement provided must clearly state your intent to exclude yourself from the settlement, and clearly state that you understand that as a result of excluding yourself, you will not receive any money from the settlement.

This request must be signed and mailed to the Settlement Administrator at the address below in Section 18, and it must be postmarked on or before [DATE]. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Any Class Member who requests to be excluded from the Class will not be entitled to any recovery under the Settlement and will not be bound by the Settlement or have any right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely request for exclusion on or before [DATE] shall be bound by all terms of the Settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. This law firm is called "Class Counsel" in the context of this case. The law firm’s attorneys are experienced in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers' experience is available at www.aegislawfirm.com.

You may also contact Class Counsel:

Samuel A. Wong
Kashif Haque
Jessica L. Campbell
Alexander G.L. Davies
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251
adavies@aegislawfirm.com

14. How will the lawyers be paid?

As part of the Settlement with Austin Pang, Class Counsel has requested one-third of the Gross Settlement Amount (currently, that is equal to \$41,666.66) in attorneys' fees, plus costs not to exceed \$10,000, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on

this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

15. How will the Plaintiff be paid?

As part of the Settlement with Austin Pang, Class Counsel has requested an enhancement of up to \$5,000.00 to be paid to the Plaintiff for his efforts in this matter during initial investigation, mediation and the like, while serving as Class Representative and taking on the burden and risks of litigation as well as for signing a general release of his claims.

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

16. Who is handling the Settlement Administration process?

The Settlement Administrator, Phoenix Class Action Administration Solutions, will handle the process.

17. When is the Final Fairness and Approval Hearing and do I have to attend?

The Final Fairness and Approval Hearing has been set for [DATE] at [TIME] p.m. in Department 9 of the Superior Court of the State of California, County of Los Angeles, Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California, 90012. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement as discussed above, you may appear at the hearing to object. Notice of the Court's final Judgement shall be provided to all Class Members by posted notice on the Settlement Administrator's website.

GETTING MORE INFORMATION

18. Are more details available?

A copy of the entire Settlement Agreement, titled Joint Stipulation of Settlement, was filed in this case as Exhibit 1 to the Supplemental Declaration of Alexander G.L. Davies in Support of Plaintiff's Motion for Preliminary Approval filed on [DATE]. You can view the Lawsuit's records online by visiting the Court's website (<https://portal.scsccourt.org/search>), accepting the website's terms, entering the Case Number 20STCV16450 in the search box, and clicking search.

You may contact the "Settlement Administrator," which is:

Phoenix Class Action Administration Solutions
P.O. Box 7208
Orange, CA, 92863 Phone: (800) 523-5773

You may contact Class Counsel:

Samuel A. Wong
Kashif Haque
Jessica L. Campbell
Alexander G.L. Davies
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251
adavies@aegislawfirm.com

Please note that Austin Pang will NOT retaliate against any employee or Class Member for participating or not participating in this Lawsuit. Austin Pang prohibits retaliation and will not tolerate retaliation against any employee who participates in this Settlement or who chooses not to participate. Austin Pang's supervisors and managers of Class Members will not be provided or have access to information pertaining to the identity of Class Members or their choices related to this Settlement.

PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT, OR TO ANY AUSTIN PANG MANAGER OR SUPERVISOR REGARDING THIS NOTICE OR THE LAWSUIT.