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

EARL URIZAR, individually, and on behalf
of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the
California Private Attorneys General Act,

Plaintiff,

v.

INLAND KENWORTH US INC., an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: 20STCV30676

Honorable Kenneth R. Freeman
Department SSC14

CLASS ACTION

**DECLARATION OF EDWIN AIWAZIAN
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

[Plaintiff's Motion for Preliminary Approval of
Class Action Settlement; Declaration of
Proposed Class Representative (Earl Urizar);
and [Proposed] Order filed concurrently
herewith]

Date: May 4, 2021
Time: 11:00 a.m.
Department: SSC14

Complaint Filed: August 12, 2020
Trial Date: None Set

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Earl Urizar. The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, I have previously served as a *pro bono* mediator for the Los Angeles Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

5. At *Girardi & Keese*, my practice focused on class actions and other complex cases involving toxic torts and products liability. In addition, I gained substantial experience on cases involving insurance bad faith, premises liability, and medical negligence. While employed by

1 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
2 depositions, and prepared dozens of expert witnesses for deposition or trial.

3 6. Since its inception, in or around October of 2008, *Lawyers for Justice, PC* has almost
4 exclusively focused on the prosecution of consumer and employment class actions, involving
5 wage-and-hour claims, race discrimination, unfair business practices or consumer fraud.
6 Currently, we are the attorneys of record in over a dozen employment-related putative class actions
7 in both state and federal courts in the State of California. Our firm has successfully litigated cases
8 involving the executive, administrative, and other overtime exemptions to the State of California
9 and federal overtime compensation requirements. During this relatively short time, in association
10 with other law firms, we have recovered millions of dollars on behalf of thousands of individuals
11 in California.

12 **EXAMPLES OF CLASS ACTION RESULTS**

13 7. What follows are just a few examples of the type of results we have achieved on
14 behalf of our clients:

15 a) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
16 and-hour class and representative action against a major property management company involving
17 allegations of misclassification of various “manager” positions. On September 20, 2010, the court
18 granted final approval of the class and representative action settlement. The Los Angeles County
19 Superior Court Case Number is BC400414.

20 b) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a national retailer involving allegations of misclassification of the
22 “Assistant Store Manager” position. On October 28, 2010, the court granted final approval of the
23 class action settlement. The Los Angeles County Superior Court Case Number is BC413498.

24 c) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
25 and-hour class and representative action against a national property management company
26 involving allegations of misclassification of the “Property Manager” position. On May 23, 2012,
27 the court granted final approval of the class and representative action settlement. The Los Angeles
28 County Superior Court Case Number is BC430918.

1 d) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class action against a national retailer involving allegations of misclassification of the
3 “Store Manager” position. On June 10, 2011, the court granted plaintiffs’ motion for class
4 certification. On August 26, 2013, the court granted final approval of the class action settlement.
5 The Los Angeles County Superior Court Case Number is BC424012.

6 e) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a bank, involving allegations of misclassification
8 of the “Assistant Branch Manager” position. On August 27, 2013, the court granted final approval
9 of the class and representative action settlement. The Kern County Superior Court Case Number
10 is S-1500-CV-273194-LHB.

11 f) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class and representative action against a national wholesale distributor of plumbing and
13 builder supplies, involving allegations of misclassification of multiple salaried “manager”
14 positions. On May 22, 2014, the court granted final approval of the class and representative action
15 settlement. The Sacramento County Superior Court Case Number is 34-2012-00136285.

16 g) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
17 and-hour class action involving allegations of misclassification of the “Operations Manager”
18 position. On September 16, 2014, the court granted plaintiffs’ motion for class certification. The
19 Los Angeles County Superior Court Case Number is BC478769.

20 h) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class and representative action against a national retailer of household items, on behalf
22 of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final approval of
23 the class and representative action settlement. The San Francisco County Superior Court Case
24 Number is CGC-13-532344.

25 i) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
26 and-hour class action involving allegations of misclassification of the salaried residential
27 “Property Manager” position. On September 17, 2015, the court granted plaintiffs’ motion for
28 class certification. The Los Angeles County Superior Court Case Number is BC474784.

1 j) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a national retailer of upscale hardware and home
3 furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted final
4 approval of the class and representative action settlement. The Los Angeles County Superior
5 Court Case Number is JCCP4794.

6 k) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class and representative action against a national retailer of apparel and fashion
8 accessories, on behalf of non-exempt employees. On August 5, 2016, the court granted final
9 approval of the class and representative action settlement. The Los Angeles County Superior
10 Court Case Number is BC488069.

11 l) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class action against a national retailer of apparel, accessories, and home products,
13 involving allegations of misclassification of the “Department Manager” position. On August 12,
14 2016, the court granted plaintiffs’ motion for class certification in part and certified a class. The
15 Alameda County Superior Court Case Number is RG13680477.

16 m) Our firm represented the plaintiff in a representative action under the Private
17 Attorneys General Act, against a real estate and property management company, on behalf of non-
18 exempt employees. On November 4, 2016, the Court granted approval of the settlement. The
19 Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

20 n) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
21 and-hour class action against a full-service bank, on behalf of non-exempt employees. On
22 November 18, 2016, the court granted final approval of the class action settlement. The San
23 Francisco County Superior Court Case Number is CJC-13-004839.

24 o) Our firm represented the plaintiffs in a wage-and-hour class and
25 representative action against a foodservice distributor, on behalf of non-exempt employees. On
26 January 26, 2017, the court granted final approval of the class and representative action settlement.
27 The San Bernardino County Superior Court Case Number is CIVDS1507260.
28

1 p) Our firm, on behalf of the plaintiff and respondent in a PAGA representative
2 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
3 employer's motion to compel arbitration, which resulted in a published opinion by the California
4 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply*, 9
5 Cal.App.5th 439 (Cal. App. 4th Dist., Mar. 7, 2017), review denied, cert. denied (U.S. Supreme
6 Court Docket No. 17-254).

7 q) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
8 and-hour class and representative action against a consumer packaging company, on behalf of non-
9 exempt employees. On March 10, 2017, the court granted final approval of the class and
10 representative action settlement. The Los Angeles County Superior Court Case Number is
11 BC590429.

12 r) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
13 and-hour class action and representative action against a manufacturer of food service industry
14 supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final approval
15 of the class and representative action settlement. The Orange County Superior Court Case Number
16 is 30-2015-00810013-CU-OE-CXC.

17 s) Our firm represented the plaintiff in a wage-and-hour class and
18 representative action against a property management company, on behalf of non-exempt
19 employees. On June 14, 2017, the court granted final approval of the class and representative
20 action settlement. The Los Angeles County Superior Court Case Number is BC586234.

21 t) Our firm represented the plaintiffs in a wage-and-hour class action and
22 representative action against a food company on behalf of non-exempt employees. On June 30,
23 2017, the court granted final approval of the class and representative action settlement. The
24 Sacramento County Superior Court Case Number is 34-2015-00175871.

25 u) Our firm represented the plaintiffs in a wage-and-hour class action and
26 representative action against a chocolate company on behalf of non-exempt employees. On July
27 19, 2017, the court granted final approval of the class and representative action settlement. The
28 Alameda County Superior Court Case Number is RG15764300.

v) Our firm represented the plaintiffs in a wage-and-hour class action and representative action against a manufacturer of plastic containers on behalf of non-exempt employees. On October 31, 2017, the court granted final approval of the class and representative action settlement. The Los Angeles County Superior Court Case Number is BC577233.

w) Our firm, in association with co-counsel, represented the plaintiffs in a wage-and-hour class action and representative action against a property management company on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court entered an order granting final approval of the class and representative action settlement. The Los Angeles County Superior Court Case Number is JCCP 4819.

x) Our firm, in association with co-counsel, represented the plaintiffs in a wage-and-hour class action and representative action against a global provider of flexible office space solutions. On February 15, 2018, the court entered an order granting final approval of the class and representative action settlement. The Los Angeles County Superior Court Case Number is BC498401.

y) Our firm, in association with co-counsel, represented the plaintiff in a wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees. On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare County Superior Court Case Number is VCU264528.

z) Our firm represented the plaintiffs in a wage-and-hour class and representative action against a behavioral health service provider on behalf of non-exempt employees. On November 13, 2018, the court granted final approval of the class and representative action settlement. The Alameda County Superior Court Case Number is RG16811450.

aa) Our firm, in association with co-counsel, represented the plaintiff in a representative action under the Private Attorneys General Act, against a global provider of products and services to the energy industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the Court granted approval of the settlement. The Kern County Superior Court Case Number is S-1500-CV-280215-SDC.

1 bb) Our firm represented the plaintiff in a wage-and-hour class action against a
2 parking company on behalf of non-exempt employees. On September 3, 2019, the court granted
3 the plaintiff's motion for class certification and certified a class. The Santa Clara County Superior
4 Court Case Number is 16CV292208 and the Judicial Council Coordination Proceeding Number is
5 JCCP 4886.

6 cc) Our firm, in association with other counsel, on behalf of the plaintiff and
7 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
8 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
9 notable decision from the California Supreme Court clarifying the law and finding, in part, that
10 employer arbitration agreements are unenforceable where they block a PAGA claim from
11 proceeding, *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019).

12 dd) Our firm represented the plaintiffs in a wage-and-hour class and
13 representative action against a bank on behalf of non-exempt employees. On September 27, 2019,
14 the court granted the plaintiffs' motion for class certification in part and certified a class. The
15 Alameda County Superior Court Case Number is RG15757606 and the Judicial Council
16 Coordination Proceeding Number is JCCP 4921.

17 ee) Our firm represented the plaintiffs in a wage-and-hour class and
18 representative action against a national retailer of apparel and fashion accessories, on behalf of
19 non-exempt employees. On October 9, 2019, the court granted the plaintiffs' motion for class
20 certification in part and certified a class. The Sacramento County Superior Court Case Number is
21 34-2015-00175330-CU-OE-GDS.

22 ff) Our firm represented the plaintiff in a wage-and-hour class and
23 representative action against a medical equipment supplier on behalf of non-exempt employees.
24 On February 13, 2020, the court granted the plaintiff's motion for class certification and certified
25 a class. The San Bernardino County Superior Court Case Number is CIVDS1505744.

26 gg) Our firm, in association with other counsel, represented the plaintiff in a
27 wage-and-hour class and PAGA representative action against a large national drug testing
28 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the

1 plaintiff's motion for class certification and certified a class. The San Diego County Superior
2 Court Case Number is 37-2018-00019611-CU-OE-CTL.

3 hh) Our firm represented the plaintiffs in a wage-and-hour class and
4 representative action against a national retailer of sportswear, footwear, and camping equipment
5 on behalf of non-exempt employees. On March 16, 2020, the court granted in part the plaintiff's
6 motion for class certification and certified a class. The Riverside County Superior Court Case
7 Number is RICJCCP4930.

8 ii) Our firm represented the plaintiffs in a wage-and-hour class and PAGA
9 representative action against a plastic packaging company on behalf of non-exempt employees.
10 On June 8, 2020, the court granted in part the plaintiffs' motion for class certification and certified
11 a class. The San Bernardino County Superior Court Case Number is CIVDS1507361.

12 jj) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
13 and-hour class action against manufacturer and supplier of power products and services on behalf
14 of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion for
15 class certification and certified a class. The San Diego County Superior Court Case Number is
16 37-2015-00025968-CU-OE-CTL.

17 PRELIMINARY APPROVAL

18 8. Marked and attached hereto as "**EXHIBIT 1**" is the Stipulation of Class and PAGA
19 Settlement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between
20 Plaintiff Earl Urizar ("Plaintiff"), individually and on behalf of all others similarly situated and
21 other aggrieved employees, on the one hand, and Defendant Inland Kenworth US Inc.
22 ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their counsel have
23 approved the proposed Notice of Class Action Settlement ("Notice"), which is attached to the
24 Settlement Agreement as "Exhibit A" and respectfully request that the Court approve it as well.

25 9. Based on information provided by Defendant, as of December 2020, the Class is
26 estimated to consist of approximately three hundred thirty-seven (337) individuals.

27 10. The effectiveness of Lawyers for Justice, PC ("Class Counsel") in prosecuting this
28 matter has translated into tangible monetary benefits for the Class Members in the following

1 respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting
2 additional years for the same, or possibly worse, result; (2) a guaranteed result that compares
3 favorably with other similar class action settlements of this type given the strengths and
4 weaknesses of the case; and (3) significant savings in Class Counsel's fees and/or costs that would
5 have only increased significantly had the case progressed through certification, trial, and/or
6 appeals.

7 11. Class Counsel has litigated the case for nearly one year, and was actively preparing
8 the matter for class certification and trial. The Parties have engaged in extensive settlement
9 negotiations and participated in a formal, full-day mediation conducted by Jeffrey Krivis, Esq., a
10 well-respected mediator experienced in mediating complex labor and employment matters. Prior
11 to and during the mediation and settlement discussions, the Parties exchanged class information
12 and engaged in an extensive discussion regarding their evaluations of the case and various aspects
13 of the case, including but not limited to, the risks and delays of further litigation, the risks to the
14 Parties of proceeding with class certification and/or representative adjudication, the law relating
15 to off-the-clock theory, meal and rest periods, PAGA representative actions, and wage-and-hour
16 enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among
17 other things. During all settlement discussions, the Parties conducted their negotiations at arm's
18 length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was
19 not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at
20 certification, and Plaintiff and Class Counsel believed that they would be able to obtain class
21 certification and prevail at trial. After conducting investigations, informal discovery, exchange of
22 information, extensive settlement negotiations, and with the aid of the mediator's evaluation, the
23 Parties have agreed that the matter is well-suited for settlement given the legal issues relating to
24 Plaintiff's principal claims, as well as the costs and risks to both sides that would attend further
25 litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Claims of
26 Plaintiff and Settlement Class Members, against the Released Parties.

27 12. The Parties used the pre-mediation time to investigate the veracity, strength, and
28 scope of the claims, and Class Counsel was preparing the action for class certification and trial.

1 Prior to engaging in mediation, Plaintiff conducted significant investigation and informal
2 discovery regarding the facts of the case, including and not limited to, the exchange, review, and
3 analysis of a volume of documents and data obtained from Defendant and other sources. The
4 volume of data and documents that Class Counsel reviewed and analyzed included and was not
5 limited to: Plaintiff and other Class Members' employment records, a detailed sampling of Class
6 Members' time and pay data, Defendant's California Employee Handbook, internal memoranda,
7 checklists (including but not limited to California New Hire Check Off List and Pre-Hire Check
8 Off List), Defendant's operations and employment practices, forms (including but not limited to
9 Defendant's Inland Employee Orientation Form, The Inland Group Confidentiality Agreement,
10 Inland Email and Internet Usage Policy, and Employee Statement acknowledgment form),
11 procedures (including but not limited to Defendant's Timeclock Meal Out/Meal Return Punch
12 Instructions, Meal Break Waiver Agreement, Overtime, Time Cards, and Time Sheets), and
13 policies (including but not limited to Inland Kenworth US, Inc. Meal and Rest Period Policy, ,
14 Tool and/or Safety Shoe Allowance, and Dress Code), among other information and documents.
15 Class Counsel interviewed Plaintiff to gather facts and to identify potential witnesses. Counsel
16 for the Parties also met and conferred on numerous occasions, e.g., to discuss issues relating to the
17 pleadings, discovery, and the production of documents and data prior to the mediation. Class
18 Counsel also drafted pleadings and mediation brief and prepared for and attended mediation, and
19 settlement negotiations, among other tasks.

20 13. Counsel for the Parties have also invested time researching and investigating the
21 applicable law, which is constantly evolving as it relates to certification, representative PAGA
22 claims, off-the-clock theory, meal and rest periods, wage-and-hour enforcement, Plaintiff's claims
23 and damages, and Defendant's defenses thereto, as well as facts discovered. Based on our analysis,
24 I submit that the result achieved in this litigation is fair, adequate, and reasonable.

25 14. The Settlement provides for a Total Settlement Amount of one million seven
26 hundred thousand dollars and no cents (\$1,700,000.00). The Net Settlement Amount is the Total
27 Settlement Amount less the following amounts subject to approval by the Court: Attorneys' Fees
28 and Costs to Class Counsel, Enhancement Payment to Plaintiff, Settlement Administration Costs

1 to Settlement Administrator, and LWDA Payment to the Labor and Workforce Development
2 Agency (“LWDA”). Assuming that the amounts allocated under the Settlement toward these
3 payments are awarded by the Court, the Net Settlement Amount is currently estimated to be nine
4 hundred ninety-one thousand five hundred dollars and no cents (\$991,500.00). The Total
5 Settlement Amount will be fully distributed in accordance with the terms of the Settlement and
6 there is no reversion to Defendant.

7 15. The Parties have agreed to retain Phoenix Settlement Administrators (“Phoenix” or
8 “Settlement Administrator”) to handle the notice and settlement administration. The Parties
9 respectfully request that the Court appoint Phoenix to handle these procedures and serve as the
10 Settlement Administrator. Defendant will provide Phoenix with a list of Class Members that
11 Defendant will compile from its records, which will include each Class Member’s full name; last
12 known mailing address; Social Security Number; and dates worked for Defendant during the Class
13 Period (“Class List”), and Phoenix will calculate each Settlement Class Member’s estimated share
14 of the Net Settlement Amount (“Individual Settlement Share”). Phoenix will also receive requests
15 for exclusion from the Settlement, objections to the Settlement, and disputes regarding
16 Workweeks; provide necessary reports and declarations; calculate, subtract, and transmit
17 necessary taxes and withholdings; prepare and submit informational and other tax filings and
18 documents; issue and transmit all payments provided for by the Settlement, including and not
19 limited to, mailing Individual Settlement Payment checks to the Settlement Class Members; and
20 perform any other usual and customary duties for administering a class action settlement.
21 Settlement Administration Costs are currently estimated not to exceed eleven thousand dollars and
22 no cents (\$11,000.00) and will be paid out of the Total Settlement Amount, subject to approval of
23 the Court.

24 16. Based on investigation and information discovered, Class Counsel believes that
25 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
26 that Defendant, with respect to Plaintiff and the Class Members, *inter alia*, failed to properly pay
27 overtime and minimum wages and associated premium pay, failed to provide compliant meal and
28 rest periods and to pay associated premium pay, failed to timely pay wages during employment

1 and upon termination of employment, failed to provide compliant wage statements, failed to
2 maintain requisite payroll records, and failed to reimburse necessary business expenses, and
3 thereby engaged in unfair business practices and conduct giving rise to penalties recoverable under
4 the Private Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.). Plaintiff
5 also asserted that Class Members were expected to perform similar job duties and were subject to
6 the same or similar operations and employment policies, practices, and procedures. Additionally,
7 Plaintiff asserted that Defendant's recordkeeping practices with respect to Plaintiff and the Class
8 Members were substantially the same during the time period at issue. As a result, Plaintiff claims
9 that the Class Members, were uniformly not paid all of the compensation that was owed to them
10 by Defendant since August 12, 2016. Thus, in Class Counsel's view, it is clear that the outcome
11 of this litigation would be determined by Defendant's uniform operations and employment
12 practices, policies, and procedures that Plaintiff alleges applied across its hourly-paid or non-
13 exempt employees in California during the Class Period.

14 17. Class Counsel is aware of the defenses and position of Defendant, but believes that
15 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has also taken
16 into account the uncertainty and risk of the outcome of further litigation, and the difficulties and
17 delays inherent in such litigation, including those involved in class certification and/or
18 representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish
19 liability for the claims asserted in the lawsuit, Defendant's defenses, and the difficulties in
20 establishing entitlement to monetary recovery. Plaintiff has also considered the Parties' settlement
21 discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in
22 complex labor and employment matters.

23 18. Defendant, on the other hand, denied and continues to deny any liability and
24 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that
25 the lawsuit is appropriate for class treatment or representative adjudication for any purpose other
26 than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides
27 have also had the opportunity to review documents and information relating to Plaintiff's and Class
28 Members' employment with Defendant, and Defendant's operations and employment policies,

1 practices, and procedures. The Parties also reviewed and analyzed a volume of documents and
2 data, including but not limited to a detailed sampling of Class Members' time and pay information,
3 to determine the potential value and strength of the claims. The available information enabled
4 Class Counsel to estimate the potential claims of the Class and prepare damages/valuation models.
5 Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently
6 informed of the nature and extent of the Class Members' claims, and to enable both sides to fully
7 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Parties have agreed
8 that the matter is well-suited for settlement given the legal issues relating to Plaintiff's principal
9 claims, as well as the costs and risks to both sides that would attend further litigation. The
10 Settlement takes into account the strengths and weaknesses of each side's position and the
11 uncertainty of how the case might have concluded at certification, trial, and/or appeals.

12 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
13 in an amount of up to thirty-five percent (35%) of the Total Settlement Amount
14 (i.e., \$595,000.00) and expenses and costs in an amount not to exceed twenty thousand dollars and
15 no cents (\$20,000.00), which will be paid out of the Total Settlement Amount, subject to approval
16 by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
17 and will not receive any compensation until recovery is obtained.

18 20. The Settlement Agreement provides for payment of up to seven thousand five
19 hundred dollars and no cents (\$7,500.00) to Plaintiff as an Enhancement Payment, to be paid out
20 of the Total Settlement Amount subject to approval by the Court. Plaintiff spent considerable time
21 and effort to produce relevant documents and past employment records and to provide the facts
22 and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class
23 Counsel needed him and actively tried to obtain information that would benefit the Class.
24 Accordingly, it is appropriate and just for Plaintiff to receive an Enhancement Payment, in addition
25 to his Individual Settlement Share, for his services on behalf of the Class.

26 **ESTIMATE VALUE OF THE CLAIMS**

27 21. Based on data provided by Defendant prior to the mediation on December 1, 2020,
28 the total number of putative class members during the period from August 12, 2016 to December

1 1, 2020 (“relevant time period”) was estimated to be approximately three hundred thirty-seven
2 (337) individuals who worked approximately 50,058 workweeks, with an average hourly rate of
3 pay of \$25.76.

4 22. Plaintiff contended that Defendant’s uniform policies, practices, and procedures
5 required putative class members to perform work during meal and rest periods and before
6 clocking-in and after clocking-out of their scheduled shifts. Plaintiff further contended that due
7 to Defendant implemented a policy and practice which encouraged employees to record their
8 scheduled hours instead of time they actually worked, putative class members were required to
9 perform work off-the-clock (e.g., assisting co-workers and customers, writing up estimates, and
10 completing work order). Plaintiff further alleged that, despite assigning these heavy and
11 unreasonable workloads, Defendant discouraged the recordation of overtime hours and required
12 that all overtime be pre-approved by supervisors. Plaintiff also contended that meal and rest
13 periods were regularly interrupted, short, missed, and/or late, that employees were encouraged to
14 work through meal and rest periods in order to meet Defendant’s deadlines, that employees were
15 required to remain on the premises during rest breaks, and that Defendant failed to properly pay
16 premiums for all non-compliant meal and rest periods. Additionally, Plaintiff alleged that
17 Defendant intentionally and willfully failed to pay Plaintiff and putative class members all wages
18 due to them while they were employed by Defendant, within the time period permissible under
19 California law, and upon termination, within the time period permissible under California law,
20 thereby triggering waiting-time penalties under California Labor Code section 203. Plaintiff
21 contended that, based on the violations described herein, the wage statements provided by
22 Defendant and the payroll records kept by Defendant were inaccurate. Finally, Plaintiff contended
23 that Defendant failed to reimburse Plaintiff and other putative class members for necessary
24 business expenses, including, but not limited to, the costs associated with the use of personal cell
25 phones and purchasing and maintaining clothing to comply with Defendant’s dress code policy.

26 23. Defendant contended, *inter alia*, that its practices, policies, and procedures complied
27 with the law, and that it paid putative class members over the California minimum wage for all
28 hours worked and correctly paid overtime for all overtime hours worked. Defendant also produced

1 pay records reflecting overtime compensation paid to putative class members (including, and not
2 limited to, Plaintiff). Defendant further contended that all employees were required to record all
3 time worked, were given the opportunity to report any errors in their timesheet, and were instructed
4 to inform Defendant of any non-compliant meal or rest periods and that Defendant was not aware
5 that any work had been performed off-the-clock or during meal and rest periods. Defendant also
6 contended that it provided 15-minute rest periods and that it paid at least 322 meal and rest period
7 premiums during the Class Period. Defendant was adamant that no waiting-time penalties should
8 be awarded because the waiting-time penalties are derivative of the other underlying causes of
9 action and contended that it paid the terminated employees all wages due and owing. Moreover,
10 Defendant emphasized that, under California Labor Code section 203, employers are only
11 obligated to pay waiting-time penalties if they “willfully” fail to pay wages due and owing at the
12 time of termination or resignation. Defendant also contended that Plaintiff and putative class
13 members suffered no actual injury from the alleged wage statement violations and that this cause
14 of action is entirely derivative of the other causes of action or from the alleged recordkeeping
15 violations. Defendant further contended that it has a policy and practice of reimbursing employees
16 for necessary business expenses. Defendant vigorously challenged the likelihood of Plaintiff’s
17 success in establishing that any of provisions of the California Labor Code, on which the UCL
18 claim is predicated, were violated and that such violations were injurious. Defendant also
19 emphasized that Courts have wide discretion when assessing penalties under PAGA. Finally,
20 throughout this litigation, Defendant argued that individual liability issues predominate, because
21 putative class members worked different shifts, had different supervisors, and performed different
22 job duties, and Defendant further contended that these circumstances would raise highly
23 individualized questions of fact and would pose challenges to certification and the merits of
24 Plaintiff’s claims.

25 24. Class Counsel considered information obtained through investigations and from
26 Plaintiff, as well as class data and information provided by Defendant, and created
27 damages/valuation models prior to reaching the Settlement. Based thereon, Plaintiff calculated
28 the potential value of each of the above-discussed claims. However, the potential value of each

claim assumed an exposure based on the case having been certified and Plaintiff having proven all elements of the claims and damages, despite risks associated with obtaining and maintaining certification, risks to establishing liability and any underlying California Labor Code violations and damages, and significant additional costs that would have to be incurred in order to certify the case and establish liability and damages. Plaintiff also faced the risk of the Court finding that individualized issues predominate, such that the action is not suitable for class treatment and representative adjudication. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, the wage statements produced by Defendant, the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of each claim as follows:

- a. Failure to Pay Overtime Wages: It was estimated that if it could be proven that Defendant failed to provide an hour of overtime wages every workweek during the relevant time period, the potential value of this claim would be \$1,934,241.12 (50,058 workweeks x 1 hour of overtime wages x overtime hourly rate of \$38.64, which is based on the average hourly rate of \$25.76). At this juncture, a discount of 35% was applied to account for the risks associated with obtaining certification (bringing the value of this claim closer to \$1,257,256.73), a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$628,628.37), and a discount of 40% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$377,177.02).
- b. Failure to Pay Minimum Wages: It was estimated that if it could be proven that Defendant failed to pay one (1) hour of minimum wages every workweek, the potential value of this claim would be \$1,289,494.08 (50,058 workweeks x 1 hour of unpaid minimum wages x average hourly rate of \$25.76). At this

1 juncture, a discount of 40% was applied to account for the risks associated with
2 obtaining certification (bringing the value of this claim closer to \$773,696.45),
3 a discount of 50% was applied to account for the risks associated with
4 succeeding on the merits and establishing liability (bringing the value of this
5 claim closer to \$386,848.23), and a discount of 50% was applied to account for
6 the risks associated with proving the extent of damages and obtaining an award
7 thereof (bringing the value of this claim closer to \$193,424.12).

8 c. Failure to Provide Compliant Meal Periods and Associated Premiums: It was
9 estimated that if it could be proven that one (2) meal period premium is due
10 every workweek during the relevant time period, the potential value of this claim
11 would to be \$2,578,988.16 (50,058 workweeks x 2 meal period premium x
12 average hourly rate of \$25.76). At this juncture, a discount of 35% was applied
13 to account for the risks associated with obtaining certification (bringing the value
14 of this claim closer to \$1,676,342.30), a discount of 40% was applied to account
15 for the risks associated with succeeding on the merits and establishing liability
16 (bringing the value of this claim closer to \$1,005,805.38), and a discount of 40%
17 was applied to account for the risks associated with proving the extent of
18 damages and obtaining an award thereof (bringing the value of this claim closer
19 to \$603,483.23).

20 d. Failure to Provide Compliant Rest Periods and Associated Premiums: It was
21 estimated that if it could be proven that one (1) rest period premium is due for
22 every workweek during the relevant time period, the potential value of this claim
23 would be \$1,289,494.08 (50,058 workweeks x 1 rest period premium x average
24 hourly rate of \$25.76). At this juncture, a discount of 40% was applied to
25 account for the risks associated with obtaining certification (bringing the value
26 of this claim closer to \$773,696.45), a discount of 40% was applied to account
27 for the risks associated with succeeding on the merits and establishing liability
28 (bringing the value of this claim closer to \$464,217.87), and a discount of 50%

1 was applied to account for the risks associated with proving the extent of
2 damages and obtaining an award thereof (bringing the value of this claim closer
3 to \$232,108.94).

4 e. Failure to Timely Pay Wages after Termination: Based on information and data
5 provided by Defendant, it was estimated that approximately one hundred and
6 two (102) putative class members had been terminated during the three-year
7 statute of limitations (i.e., from August 12, 2017). Assuming that these
8 individuals were not timely paid all wages due to them upon termination, the
9 potential value of waiting-time penalties claim was estimated to be \$630,604.80
10 collectively (102 individuals x [30 days x hourly rate of \$25.76 x 8 hours]), or
11 approximately \$6,182.40 per individual. At this juncture, a discount of 40% was
12 applied to account for the risks associated with obtaining certification (bringing
13 the value of this claim closer to \$378,362.88), a discount of 60% was applied to
14 account for the risks associated with succeeding on the merits and establishing
15 liability (bringing the value of this claim closer to \$151,345.15), and a discount
16 of 60% was applied to account for the risks associated with proving the extent
17 of damages and obtaining an award thereof (bringing the value of this claim
18 closer to \$60,538.06).

19 f. Failure to Provide Compliant Wage Statements: Based on data provided by
20 Defendant, it was estimated that approximately two hundred fifty-six (256)
21 putative class members worked during the one-year statutory limitations period
22 (i.e., from August 12, 2019). Applying the statutory penalty of fifty dollars (\$50)
23 for each potential violation and one hundred dollars (\$100) for each subsequent
24 violation, the value of this claim was calculated to be \$749,300.00 ([256 initial
25 violations x \$50] + [7365 subsequent violations x \$100]). At this juncture, a
26 discount of 40% was applied to account for the risks associated with obtaining
27 certification (bringing the value of this claim closer to \$449,580.00), a discount
28 of 60% was applied to account for the risks associated with succeeding on the

merits and establishing liability (bringing the value of this claim closer to \$179,832.00), and a discount of 60% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$71,932.80).

- g. Failure to Reimburse Necessary Business Expenses: It was estimated that if it could be proven that Defendant willfully failed to reimburse necessary business related expenses for each of the putative class members in the amount of five dollars (\$5) per workweek during the relevant time period, the potential value of this claim would be \$250,290.00 (50,058 total workweeks x \$5 business expenses). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining certification (bringing the value of this claim closer to \$125,145.00), a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$62,572.50), and a discount of 40% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$37,543.50).
- h. Assuming that it could be shown that civil penalties in the amount of \$1,550 are owed to each of the two hundred fifty-six (256) aggrieved employees who were estimated to have worked during the one-year statutory period, the PAGA penalties at issue, which the Court could determine whether or not to assess and whether or not to reduce, were estimated to be approximately \$473,600.00 (256 individuals x \$1,850 civil penalties). At this juncture, a discount of 20% was applied to account for the risks associated with proving manageability (bringing the value of this claim closer to \$378,880.00), a discount of 50% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$189,440.00), and a discount of 50% was applied to account for the risks associated with obtaining an award of civil penalties and the Court's discretion to reduce civil penalties (bringing

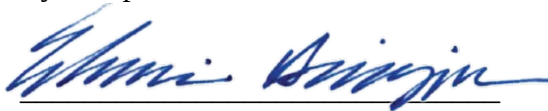
the value of this claim closer to \$94,720.00).

25. The foregoing discussion confirms that the amount of the Settlement is adequate in light of the merits of this case, Plaintiff's allegations and causes of action, the evidence at issue with respect to those allegations and causes of action, and legal and factual arguments and circumstances which pose challenges to certification and monetary recovery. The conclusion to be drawn from the foregoing analysis is that neither class certification, liability, nor the ability to adjudicate and/or recover monetary relief on a class-wide is clear-cut, which is why the Parties elected to settle this matter. Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, and risks to recovery and applied appropriate discounts. Class Counsel also recognized that additional discounts could be made to the risk-adjusted value to account for the costs and expenses associated with further litigation and the present value of obtaining a settlement now as opposed to monetary recovery, if any, that may be obtained in the future after further litigation.

26. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of the Class. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this 2nd day of April 2021, at Glendale, California.



Edwin Aiwanian

EXHIBIT 1

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This Settlement Agreement shall be binding on Plaintiff and Settlement Class Members (as defined herein) and on Defendant, subject to the terms and conditions hereof and the approval of the Court.

1. On May 29, 2020, Earl Urizar provided written notice by certified mail to the Labor and Workforce Development Agency and Defendant of the specific provisions of the California Labor Code that Defendant violated. On August 12, 2020, Earl Urizar filed a Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“Operative Complaint”) against Defendant in the Superior Court of California for the County of Los Angeles, Case No. 20STCV30676 (“Action”), alleging eleven (11) causes of action for violation of California Labor Code and California Business & Professions Code §§ 17200, *et seq.* on behalf of all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time since August 12, 2016 for failure to pay overtime wages, failure to provide meal periods and premium payments in lieu thereof, failure to provide rest periods and premium payments in lieu thereof, failure to pay minimum wages, failure to timely pay wages upon termination, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business expenses.

3. Class Counsel in the Action diligently investigated the proposed Class Members' claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of corporate policies

1 and practices.

2 4. On December 1, 2020, the Parties participated in mediation with Jeffrey Krivis, Esq. (the
3 “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of the
4 Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The settlement
5 discussions were conducted at arm’s-length, and the settlement is the result of an informed and detailed
6 analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with
7 continued litigation. Based on the documents produced, as well as Class Counsel’s own independent
8 investigation and evaluation, Class Counsel believes that the settlement with Defendant for the
9 consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate
10 and is in the best interest of the Class Members in light of all known facts and circumstances, including
11 the risk of significant delay and uncertainty associated with litigation and various defenses asserted by
12 Defendant.

13 5. The Parties expressly acknowledge that this Settlement Agreement is entered into solely
14 for the purpose of compromising significantly disputed claims and that nothing herein is an admission
15 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,
16 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

17 **DEFINITIONS**

18 6. The following definitions are applicable to this Settlement Agreement. Definitions
19 contained elsewhere in this Settlement Agreement will also be effective:

20 a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for
21 Class Counsel’s litigation and resolution of this Action, and all actual costs incurred and to be incurred
22 by Class Counsel in the Action, as set forth in Paragraph 10 below.

23 b. “Class Counsel” or “Plaintiff’s Counsel” mean Edwin Aiwazian, Arby Aiwazian,
24 Joanna Ghosh, and Stephanie S. Poniek of Lawyers *for* Justice, PC, who will seek to be appointed counsel
25 for the Class.

26 c. “Class List” means a complete list of all Class Members that Defendant will
27 diligently and in good faith compile from its records and provide to the Settlement Administrator. The
28 Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each

Class Member's full name, last known mailing address, Social Security Number, dates worked for Defendant during the Class Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks (as defined below).

d. "Class Member(s)" or "Class" mean all current and former hourly-paid, non-exempt employees who worked for Defendant at any time from August 12, 2016 through Preliminary Approval or March 1, 2021, whichever date is earlier. Defendant represents that the number of Class Members is approximately 337 as of December 1, 2020.

e. "Notice" means the Notice of Class Action Settlement, substantially in the form attached as "**Exhibit A.**"

f. "Class Period" means the time period from August 12, 2016 through Preliminary Approval or March 1, 2021, whichever date is earlier.

g. "Class Representative" or "Plaintiff" mean Earl Urizar.

h. "Court" means the Superior Court of the State of California for the County of Los Angeles.

i. "Defendant" means Inland Kenworth US Inc.

j. "Defendant's Counsel" means Alfred J. Landegger, Marie D. Davis, Patrick E. White III, and Evelyn Zarraga of Landegger Baron Law Group, ALC.

k. "Effective Date" means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant's Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Notice has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Settlement or opt out of the Settlement; (4) the Court has held a Final Approval Hearing and entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order and Judgment; and (6) in the event there are written objections filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the following events: five business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order

1 and Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings
2 opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies
3 or relief.

4 l. “Enhancement Payment” means the amount to be paid to Plaintiff Earl Urizar in
5 recognition of his effort and work in prosecuting the Action on behalf of Class Members and in exchange
6 for a general release, as set forth in Paragraph 11 below.

7 m. “Final Approval” means the determination by the Court that the settlement is fair,
8 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

9 n. “Final Approval Hearing” means the hearing at which the Court will consider and
10 determine whether the settlement should be granted Final Approval.

11 o. “Individual Settlement Payment” means the net payment of each Settlement Class
12 Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
13 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
14 Paragraph 25 below.

15 p. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
16 Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be
17 calculated in accordance with Paragraph 14.

18 q. “LWDA Payment” means the amount that the Parties have agreed to pay to the
19 California Labor and Workforce Development Agency (“LWDA”) as set forth in Paragraph 13.

20 r. “Net Settlement Amount” means the portion of the Total Settlement Amount that
21 is available for distribution to Settlement Class Members, which is the Total Settlement Amount less the
22 Court-approved Enhancement Payment, Settlement Administration Costs, LWDA Payment, and
23 Attorneys’ Fees and Costs.

24 s. “Notice of Objection” means a Class Member’s valid and timely written
25 objection to the Settlement Agreement, which must be in writing and include: (a) the case name and
26 number of the Action; (b) the objector’s full name, signature, address, and telephone number, and the
27 last four digits of his or her Social Security number, (c) a written statement of all grounds for the
28 objection accompanied by any legal support for such objection, and (d) copies of any papers, briefs, or

1 other documents upon which the objection is based.

2 t. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either
3 Plaintiff or Defendant.

4 u. “Preliminary Approval” means entry of the Court order granting preliminary
5 approval of the Settlement Agreement.

6 v. “Released Claims” means any and all claims, debts, liabilities, demands,
7 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action alleged or which
8 could have been alleged based on the facts in Plaintiff’s Operative Complaint in this Action during the
9 Class Period, under any federal, state or local law, and shall specifically include claims for Defendant’s
10 alleged failure to pay overtime and minimum wages, provide meal and rest periods and associated
11 premium payments, timely pay wages during employment and upon termination, provide compliant
12 wage statements, maintain complete and accurate payroll records, and reimburse necessary business-
13 related expenses, violation of California Labor Code §§ 201, 202, 203, 204, 210, 226 *et seq.*, 226.3,
14 226.7, 510, 512, 551, 552, 558 *et seq.*, 558.1, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and
15 Industrial Welfare Commission Wage Orders, and all claims for attorneys’ fees and costs and statutory
16 interest in connection therewith, Business and Professions Code sections 17200, *et seq.*, and all claims
17 and civil penalties under the Private Attorneys General Act [Cal. Lab. Code §§ 2699, *et seq.*], including
18 all attorneys’ fees and costs related thereto, and any other claims, including claims for statutory and/or
19 civil penalties, pertaining to the Class Members which were alleged or could have been alleged in the
20 Operative Complaint based upon the allegations and claims contained in the Operative Complaint. This
21 release is limited in time to the Class Period covering the Settlement Class Members who worked for
22 the Released Parties in the State of California.

23 w. “Released Parties” means Defendant, Inland Kenworth US Inc., and its respective
24 owners, agents, attorneys, insurers, past, present and future companies, divisions, affiliates, DBAs (if any),
25 predecessors, successors, shareholders, officers, directors, managers, employees, trustees, representatives,
26 administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries, privies, and/or
27 any and all persons and/or corporate entities acting by, through, under or in concert with any of them.

28 ///

1 x. “Request for Exclusion” means a timely letter submitted by a Class Member
2 indicating a request to be excluded from the settlement. The Request for Exclusion must: (a) contain
3 the case name and number of the Action, (b) be signed by the Class Member, (c) contain the full name,
4 address, telephone number, and the last four digits of the Social Security Number of the Class Member
5 requesting exclusion, (d) clearly state that the Class Member does not wish to be included in the
6 settlement, and (e) be returned by mail to the Settlement Administrator at the specified address,
7 postmarked on or before the Response Deadline. The date of the postmark on the return mailing
8 envelope on the submission will be the exclusive means to determine whether a Request for Exclusion
9 has been timely submitted. A Class Member who does not request exclusion from the settlement will
10 be deemed a Settlement Class Member and will be bound by all terms of the Settlement Agreement, if
11 the settlement is granted Final Approval by the Court.

12 y. “Response Deadline” means the deadline by which Class Members must submit a
13 Request for Exclusion, objection, and/or dispute of the Workweeks credited to them, which shall be the
14 date that is sixty (60) calendar days from the initial mailing of the Notice by the Settlement
15 Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response
16 Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response
17 Deadline may also be extended by express agreement between Class Counsel and Defendant’s Counsel.
18 Under no circumstances, however, will the Settlement Administrator have the authority to extend the
19 Response Deadline. In the event that a Notice is re-mailed to a Class Member, the Response Deadline
20 for that Class Member shall be the extended by fifteen (15) calendar days.

21 z. “Settlement Administrator” means Phoenix Settlement Administrators, or any
22 other third-party class action settlement administrator agreed to by the Parties and approved by the Court
23 for purposes of administering this settlement. The Parties each represent that they do not have any
24 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
25 Administrator that could create a conflict of interest.

26 aa. “Settlement Administration Costs” means the costs payable from the Total
27 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
28 settlement, as set forth in Paragraph 12 below.

bb. “Settlement Class Members” means all Class Members who do not submit a valid and timely Request for Exclusion.

cc. “Total Settlement Amount” means the amount of one million seven hundred thousand dollars (\$1,700,000.00) to be paid by Defendant in full resolution of all Released Claims and the Action, which includes all Attorneys’ Fees and Costs, Enhancement Payment, LWDA Payment, Net Settlement Amount to be paid to the Settlement Class Members (which includes the Settlement Class Members’ portion of the PAGA Amount), and Settlement Administration Costs. The employer’s share of taxes on the wages portion of Individual Settlement Shares will be paid separately and in addition to the Total Settlement Amount.

dd. “Workweeks” means the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee during the Class Period, which will be calculated by the Settlement Administrator by determining the number of days between the start and end dates of employment as an hourly-paid, non-exempt employee during the Class Period, divided by seven (7). Each Class Member will be credited with at least one (1) Workweek. The Workweeks through December 1, 2020 are estimated to be approximately 50,058.

CLASS CERTIFICATION

7. For the purposes of this settlement only, the Parties stipulate to the certification of the following Class: all current and former hourly-paid, non-exempt employees who worked for Defendant at any time during the Class Period.

8. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

1 9. Funding of the Total Settlement Amount. Within fifteen (15) calendar days after the
2 Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts
3 to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within thirty (30) calendar
4 days of the Effective Date, Defendant will make a one-time deposit of the Total Settlement Amount into
5 a settlement account to be established by the Settlement Administrator. Within seven (7) calendar days
6 of the funding of Total Settlement Amount, the Settlement Administrator will issue payments due under
7 the settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement
8 Class Members; (b) LWDA Payment to the Labor and Workforce Development Agency; (c)
9 Enhancement Payment to Plaintiff; and (d) Attorneys' Fees and Costs to Class Counsel. The Settlement
10 Administrator will also issue a payment to itself for Court-approved services performed in connection
11 with the settlement.

12 10. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose
13 attorneys' fees of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., up to five hundred
14 ninety five thousand dollars (\$595,000.00)) and reimbursement of actual costs and expenses associated
15 with Class Counsel's litigation and settlement of the Action, in an amount not to exceed twenty thousand
16 dollars (\$20,000.00), both of which will be paid from the Total Settlement Amount subject to Court
17 approval. These amounts will cover any and all work performed and any and all costs incurred by Class
18 Counsel in connection with the litigation of the Action, including without limitation all work performed
19 and costs incurred to date, and all work to be performed and all costs to be incurred in connection with
20 obtaining the Court's approval of this Settlement Agreement, including any objections raised and any
21 appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for
22 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts
23 received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator
24 may purchase an annuity to utilize United States Treasuries and bonds or other attorney fee deferral
25 vehicles, for Class Counsel. Any additional expenses for the purchase of an annuity by the Settlement
26 Administrator shall be paid separately by Class Counsel and shall not be included within the Settlement
27 Administration Costs. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel shall
28 be a part of the Net Settlement Amount for the benefit of Settlement Class Members. The Court's ruling

on the request for Attorneys' Fees and Costs shall not affect the enforceability of this Agreement or the terms contained herein.

11. Enhancement Payment. In recognition of his efforts and work in prosecuting the Action, Defendant agrees not to oppose or impede any application or motion for Enhancement Payment in an amount up to seven thousand five hundred dollars (\$7,500.00). The Enhancement Payment, which will be paid from the Total Settlement Amount, subject to Court approval, will be in addition to his Individual Settlement Payment that is to be paid pursuant to the settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff for the Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the Enhancement Payment. Should the Court approve the Enhancement Payment to Plaintiff in an amount that is less than that set forth above, the difference between the lesser amount approved by the Court and the amount allocated toward the Enhancement Payment will be part of the Net Settlement Amount for the benefit of Settlement Class Members. The Court's ruling on the request for Enhancement Payment shall not affect the enforceability of this Agreement or the terms contained herein.

12. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the settlement, which is currently estimated not to exceed Eleven Thousand Dollars (\$11,000). These costs, which will be paid from the Total Settlement Amount, subject to Court approval, will include, *inter alia*, translating the Notice in Spanish, printing, distributing, and tracking Notices and other documents for this settlement, calculating and distributing payments due under the settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Total Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to

undertake the requirement settlement administration duties will become part of the Net Settlement Amount.

13. Labor and Workforce Development Agency Payment. Subject to approval by the Court, the Parties agree that the amount of one hundred thousand dollars (\$100,000.00) from the Total Settlement Amount will be allocated toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* (“PAGA Amount”), of which seventy-five percent (75%), or \$75,000.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$25,000.00, will be distributed to Settlement Class Members as part of the Net Settlement Amount.

14. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members’ Workweeks, as follows:

a. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiply each Class Member’s individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement.

b. After Final Approval of the Settlement, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the “Final Workweek Value,” and multiply each Settlement Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

15. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this settlement shall not in any way entitle Plaintiff or any Settlement Class Member to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle any Settlement Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

1 16. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary
2 Approval, Defendant will provide the Class List to the Settlement Administrator.

3 17. Notice by First-Class U.S. Mail.

4 a. Within fourteen (14) calendar days after receiving the Class List from Defendant,
5 the Settlement Administrator will perform a search based on the National Change of Address Database
6 or any other similar services available, such as provided by Experian, for information to update and
7 correct for any known or identifiable address changes, and will mail a Notice in English and Spanish (in
8 the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S.
9 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

10 b. With respect to Notices that are returned as undeliverable on or before the
11 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-
12 trace and re-mail the Notice within five (5) calendar days.

13 18. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
14 number of Workweeks to which they have been credited, as reflected in their respective Notices. In
15 order to dispute Workweeks, Class Members must submit a written letter to the Settlement Administrator
16 that: (a) contains the case name and number of the Action, (b) is signed by the Class Member, (c)
17 contains the full name, address, telephone number, and the last four digits of the Social Security Number
18 of the disputing Class Member, (d) clearly states that the Class Member disputes the number of
19 Workweeks credited to him or her and what he or she contends is the correct number to be credited to
20 him or her, (e) includes information and/or attaches documentation demonstrating that the number of
21 Workweeks that he or she contends should be credited to him or her are correct, and (f) is returned by
22 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
23 Deadline. The date of the postmark on the return mailing envelope on the submission will be the
24 exclusive means to determine whether a dispute has been timely submitted. Absent evidence rebutting
25 the accuracy of Defendant's records and data as they pertain to the number of Workweeks to be credited
26 to a disputing Class Member, Defendant's records will be presumed correct and determinative of the
27 dispute. However, if a Class Member produces information and/or documents to the contrary, the
28 Settlement Administrator will evaluate the materials submitted by the Class Member and the Settlement

1 Administrator will resolve and determine the number of eligible Workweeks that the disputing Class
2 Member should be credited with under the settlement. The Settlement Administrator's decision on such
3 disputes will be final and non-appealable.

4 19. Settlement Checks. The Settlement Administrator will be responsible for undertaking
5 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
6 of check to the Settlement Class Members in accordance with this Settlement Agreement. Each
7 Individual Settlement Payment check will be valid and negotiable for one hundred and eighty (180)
8 calendar days from the date the checks are issued, and thereafter, shall be cancelled. All funds
9 associated with such cancelled checks will be transmitted to the Unclaimed Property Fund maintained
10 by the California State Controller's Office. The Settlement Administrator shall undertake amended and/or
11 supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are
12 necessitated due to the cancellation of any Individual Settlement Payment checks. Settlement Class
13 Members whose Individual Settlement Payment checks are cancelled shall, nevertheless, be bound by this
14 Settlement Agreement.

15 20. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing to
16 be excluded from the Settlement must submit a written Request for Exclusion to the Settlement
17 Administrator, by mail, within the Response Deadline. The date of the postmark on the return mailing
18 envelope will be the exclusive means to determine whether a Request for Exclusion has been timely
19 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel
20 the Requests for Exclusion that were timely submitted, and also identify the individuals who have
21 submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in
22 advance of the Final Approval Hearing. Any Class Member who submits a Request for Exclusion is
23 prohibited from making any objection to the Settlement Agreement.

24 21. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class
25 Member who does not affirmatively request exclusion from the settlement by submitting a timely and
26 valid Request for Exclusion will be bound by all of the terms of the Settlement Agreement, including
27 and not limited to those pertaining to the Released Claims, as well as any judgment that may be entered
28 by the Court if it grants Final Approval to the settlement.

1 22. Procedures for Objecting to the Settlement. To object to the settlement, Class Members
2 who have not opted out of the Settlement (i.e., Settlement Class Members) must submit a timely and
3 complete Notice of Objection to the Settlement Administrator, by mail, on or before the Response
4 Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain all
5 information required by this Settlement Agreement. The postmark date will be deemed the exclusive
6 means for determining that the Notice of Objection is timely. At no time will any of the Parties or their
7 counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Settlement
8 Agreement or appeal from the Final Approval Order and Judgment. Settlement Class Members may
9 also present their objection at the Final Approval Hearing.

10 23. Reports by the Settlement Administrator Regarding Settlement Administration. The
11 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
12 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number
13 of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete
14 Notices of Objection; and (c) the number of undeliverable and re-mailed Notices. Additionally, the
15 Settlement Administrator will provide to counsel for both Parties any updated reports regarding the
16 administration of the Settlement Agreement as needed or requested, and immediately notify the Parties
17 when it receives a request from an individual or any other entity regarding inclusion in the Class and/or
18 settlement.

19 24. Certification of Completion. Upon completion of administration of the settlement, the
20 Settlement Administrator will provide a written declaration under oath to certify such completion to the
21 Court and counsel for all Parties.

22 25. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be
23 allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-
24 wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions
25 allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement Administrator.
26 The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect
27 to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members
28 for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these

taxes and withholdings). The employer's share of taxes and contributions on the wages portion of Individual Settlement Shares will be paid separately and in addition to the Total Settlement Amount.

26. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

27. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff and Settlement Class Members understand and agree that Plaintiff and Settlement Class Members will be solely responsible for correctly characterizing any compensation received under the settlement on his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the settlement.

28. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND

(C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

29. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

30. Release of Claims by Settlement Class Members. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had. As to any Settlement Class Member who cashes and/or negotiates the check representing their Individual Settlement Payment, the signing and negotiation of that check shall serve as the Settlement Class Member's consent to join the action for purposes of releasing the Released Claims arising under the Fair Labor Standards Act ("FLSA").

31. General Release of Claims by Plaintiff. In addition, upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff will be deemed to have fully released and discharged the Released Parties of and from all claims arising from his employment with Defendant, separation of employment from Defendant, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income

1 Security Act, National Labor Relations Act, California Corporations Code, California Business and
2 Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended),
3 and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination,
4 lost wages, benefits, other employment compensation, emotional distress, medical expenses, other
5 economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the
6 Settlement is executed. With respect to those claims released by Plaintiff in an individual capacity,
7 Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code
8 Section 1542, which provides:

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

12 Plaintiff understands and agrees that claims or facts in addition to or different from those which are now
13 known or believed by him to exist may hereafter be discovered. It is Plaintiff's intention to settle fully
14 and release all claims he now has against the Released Parties, whether known or unknown, suspected or
15 unsuspected. The Enhancement Payment will be paid to Plaintiff specifically in exchange for the general
16 release of the Released Parties from all claims, including those specified in this paragraph and a covenant
17 not to sue the Released Parties. Notwithstanding the above, the general release by Plaintiff shall not
18 extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims
19 that may not be released by law.

20 32. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

21 Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for
22 Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will
23 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion.
24 Class Counsel will provide Defendant's Counsel a draft of the Preliminary Approval Motion before the
25 filing deadline. Defendant agrees not to oppose the Motion for Preliminary Approval of the Settlement
26 consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order
27 ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the
28 following:

- 1 a. Conditionally certifying the Class for settlement purposes only;
- 2 b. Granting Preliminary Approval of the Settlement;
- 3 c. Preliminarily appointing Plaintiff as representative of the Class;
- 4 d. Preliminarily appointing Plaintiff's Counsel as counsel for the Class;
- 5 e. Approving, as to form and content, the mutually-agreed upon and proposed Notice
- 6 and directing its mailing to the Class by first class mail;
- 7 f. Approving the manner and method for Class Members to request exclusion from
- 8 the Settlement as contained herein and within the Notice; and
- 9 g. Scheduling a Final Approval Hearing at which the Court will determine whether
- 10 the Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class
- 11 Members.

12 33. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After

13 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to

14 determine whether Final Approval of the Settlement should be granted, along with the amounts properly

15 payable for (a) Individual Settlement Payments; (b) LWDA Payment; (c) Attorneys' Fees and Costs; (d)

16 Enhancement Payment; and (e) Settlement Administration Costs. The Final Approval Hearing will not

17 be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel

18 will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will

19 provide Defendant's Counsel a draft of the Final Approval Motion before the filing deadline. By way

20 of said motion, Plaintiff will apply for the entry of the mutually-agreed upon proposed order and

21 judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the

22 following:

- 23 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
- 24 consummation of its terms and provisions;
- 25 b. Certification of the settlement Class;
- 26 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- 27 d. Approval of the application for Enhancement Payment to Plaintiff;

28 ///

1 e. Directing Defendant to fund all amounts due under the Settlement Agreement and
2 ordered by the Court; and

3 f. Entering judgment in this Action barring and enjoining all Settlement Class
4 Members from prosecuting the Released Claims against any of the Released Parties, while maintaining
5 continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement
6 Agreement.

7 34. Termination or Revocation of Settlement.

8 a. If ten percent (10%) or more of the Class Members submit timely and valid
9 Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must
10 exercise this right of rescission in writing that is provided to Class Counsel within fourteen (14) calendar
11 days of the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of
12 settlement administration owed to the Settlement Administrator incurred up to that date.

13 b. If the Court finds the Total Settlement Amount to be insufficient to warrant
14 Preliminary Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the
15 Settlement Agreement and all actions taken in furtherance of it will thereby be null and void.

16 35. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall
17 have the following effects:

18 a. The Settlement Agreement shall be void and shall have no force or effect, and no
19 Party shall be bound by any of its terms;

20 b. In the event the Settlement Agreement is terminated, Defendant shall have no
21 obligation to make any payments to any Party, Class Member or attorney, except that the terminating
22 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
23 Administrator is notified that the settlement has been terminated;

24 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
25 any order certifying the Class, shall be vacated;

26 d. The Settlement Agreement and all negotiations, statements and proceedings
27 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored
28 to their respective positions in the Action prior to the execution of the Settlement Agreement;

1 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
2 statements or filings in furtherance of the Settlement (including all matters associated with the mediation)
3 shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever;
4 and

5 f. Any documents generated to bring the settlement into effect, will be null and void,
6 and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
7 likewise be treated as void from the beginning.

8 36. Escalator Clause. Defendant represents that, for the period of August 12, 2016 to
9 December 1, 2020, there were approximately 50,058 Workweeks. If it is determined that the total
10 number of Workweeks for the period of August 12, 2016 to December 1, 2020 exceed 50,058 by more
11 than ten percent (10%), then, the Total Settlement Amount will be increased on a proportional basis by
12 the same number of percentage points above ten percent (10%) by which the actual number of
13 Workweeks exceeds 50,058 (e.g., if the threshold of 50,058 Workweeks is exceeded by 15% as of
14 December 1, 2020, the Total Settlement Amount will increase by 5%).

15 37. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
16 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
17 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
18 enforcement of the terms of the settlement, (b) settlement administration matters, and (c) such post-
19 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

20 38. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
21 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set
22 forth herein. Any exhibits to this Settlement Agreement are an integral part of the settlement.

23 39. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
24 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
25 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625
26 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be
27 construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the
28 Parties agree that no such extrinsic oral or written representations or terms will modify, vary or

1 contradict the terms of this Settlement Agreement.

2 40. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
3 Action (including with respect to California Code of Civil Procedure section 583.310), except such
4 proceedings necessary to implement and complete the Settlement Agreement, pending the Final
5 Approval Hearing to be conducted by the Court.

6 41. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of
7 this Settlement Agreement except by written agreement signed by counsel for all Parties, and subject to
8 any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement
9 will not constitute a waiver of any other provision.

10 42. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
11 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
12 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant
13 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
14 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
15 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
16 will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to
17 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
18 provisions that otherwise might apply under state or federal law.

19 43. Signatories. It is agreed that because the members of the Class are so numerous, it is
20 impossible or impractical to have each Settlement Class Member execute this Settlement Agreement.
21 The Notice will advise all Class Members of the binding nature of the release as to the Settlement Class
22 Members, and the release shall have the same force and effect as if this Settlement Agreement were
23 executed by each Settlement Class Member.

24 44. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
25 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

26 45. California Law Governs. All terms of this Settlement Agreement and attached exhibits
27 hereto will be governed by and interpreted according to the laws of the State of California.

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1 46. Execution and Counterparts. This Settlement Agreement is subject only to the execution
2 of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All
3 executed counterparts and each of them, including facsimile, electronic, and scanned copies of the
4 signature page, will be deemed to be one and the same instrument.

5 47. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
6 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
7 this settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
8 account all relevant factors, present and potential. The Parties further acknowledge that they are each
9 represented by competent counsel and that they have had an opportunity to consult with their counsel
10 regarding the fairness and reasonableness of this Settlement Agreement. In addition, the Mediator may
11 execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court
12 may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement
13 is objectively fair and reasonable.

14 48. Invalidity of Any Provision. Before declaring any provision of this Settlement
15 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
16 possible consistent with applicable precedents so as to define all provisions of this Settlement
17 Agreement valid and enforceable.

18 49. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement
19 Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

20 50. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
21 the dispute that has arisen between them and to avoid the burden, expense and risk of continued
22 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies,
23 that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated
24 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any
25 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in
26 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any
27 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an
28 admission or concession by Defendant of any such violations or failures to comply with any applicable

1 law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this
2 Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any
3 action or proceeding to establish any liability or admission on the part of Defendant or to establish the
4 existence of any condition constituting a violation of, or a non-compliance with state, federal, local or
5 other applicable law.

6 51. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted
7 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
8 provisions of this Settlement Agreement.

9 52. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
10 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed
11 more strictly against one party than another merely by virtue of the fact that it may have been prepared
12 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
13 between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

14 53. Representation by Counsel. The Parties acknowledge that they have been represented by
15 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that
16 this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in
17 full.

18 54. All Terms Subject to Final Court Approval. All amounts and procedures described in
19 this Settlement Agreement herein will be subject to final Court approval.

20 55. Notices. All notices, demands, and other communications to be provided concerning this
21 Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below,
22 or such other addresses as either Party may designate in writing from time to time:

23 To Plaintiff and Class Counsel:

24 Edwin Aiwarzian, Esq.
25 **LAWYERS for JUSTICE, PC**
26 410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendant:

Alfred J. Landegger
Marie D. Davis
LANDEGGER, RIVAS, VERANO & DAVIS
15760 Ventura Boulevard, Suite 1200
Encino, California 91436

27 56. Final Judgment. The Parties shall provide the Settlement Administrator with a copy of
28 the Final Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final

Judgment on its website within three (3) business days of receipt. No individualized notice to the Class will be required.

57. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

58. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Class and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

January 27, 2021
Dated: _____, 2021

PLAINTIFF EARL URIZAR

Earl Urizar, Plaintiff

DEFENDANT INLAND KENWORTH US INC.

Dated: _____, 2021

Full Name: _____
Title: _____
On behalf of Inland Kenworth US Inc.

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Judgment on its website within three (3) business days of receipt. No individualized notice to the Class will be required.

57. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

58. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Class and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF EARL URIZAR

Dated: _____, 2021

Earl Urizar, Plaintiff

DEFENDANT INLAND KENWORTH US INC.

Dated: January 28, 2021

Full Name: Kris Smail

Title: Vice President HR
On behalf of Inland Kenworth US Inc.

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1 **APPROVED AS TO FORM**

2 **LAWYERS for JUSTICE, PC**

3 Dated: 1.27.2021, 2021



4 Edwin Aiwarzian

5 *Attorneys for Plaintiff Earl Urizar and Proposed Class*
6 *Counsel*

7 **LANDEGGER, RIVAS, VERANO & DAVIS**

8 Dated: _____, 2021

9 _____
10 Alfred J. Landegger

11 Marie D. Davis

12 Patrick E. White III

13 Evelyn Zarraga

14 *Attorneys for Defendant Inland Kenworth US Inc.*
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1 **APPROVED AS TO FORM**

2 **LAWYERS *for* JUSTICE, PC**

3 Dated: _____, 2021

4 _____
5 Edwin Aiwazian
6 *Attorneys for* Plaintiff Earl Urizar and Proposed Class
7 Counsel

8 **LANDEGGER, RIVAS, VERANO & DAVIS**

9 Dated: January 28, 2021

10 _____
11 Alfred J. Landegger
12 Marie D. Davis
13 Patrick E. White III
14 Evelyn Zarraga
15 *Attorneys for* Defendant Inland Kenworth US Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Earl Urizar v. Inland Kenworth US Inc.
Superior Court of California for the County of Los Angeles, Case No. 20STCV30676

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Earl Urizar (together, "Plaintiff") and Defendant Inland Kenworth US Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Earl Urizar v. Inland Kenworth US Inc.*, Los Angeles County Superior Court, Case No. 20STCV30676 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly, non-exempt employees who worked for Defendant at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the time period from August 12, 2016 through [Preliminary Approval or March 1, 2021, whichever date is earlier].

II. BACKGROUND OF THE LAWSUIT

On August 12, 2020, Earl Urizar commenced a putative class action lawsuit by filing the Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Los Angeles County Superior Court, Case No. 20STCV30676. Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, and reimburse business expenses, and thereby engaged in unfair business practices and conduct that gives rise to penalties under PAGA. Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Stipulation of Class and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Earl Urizar as representative of the Class ("Class Representative"), and the following Plaintiff's attorneys as counsel for the Class ("Class Counsel"):

Edwin Aiwarzian
Arby Aiwarzian
Lawyers for Justice, PC

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive an Individual Settlement Payment), object to the Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff or to Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is one million seven hundred thousand dollars (\$1,700,000.00) (the "Total Settlement Amount"). The portion of the Total Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Total Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys' Fees and Costs, consisting of attorneys' fees in an amount not to exceed 35% of the Total Settlement Amount (i.e., \$595,000.00) and reimbursement of litigation costs and expenses in an amount not to exceed Twenty Thousand Dollars (\$20,000) to Class Counsel; (2) Enhancement Payment in an amount not to exceed seven thousand five hundred dollars (\$7,500.00) to Plaintiff for his services in the Action; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of seventy five thousand dollars (\$75,000.00) for its 75% portion of the PAGA Amount ("LWDA Payment"); and (4) Settlement Administration Costs in an amount not to exceed Eleven Thousand Dollars (\$11,000) to the Settlement Administrator. Note: a total of one hundred thousand dollars (\$100,000.00) from the Total Settlement Amount has been allocated toward penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% and the remaining 25% (i.e., twenty-five thousand dollars (\$25,000.00)) will be a part of the Net Settlement Amount for distribution to Settlement Class Member.

Class Members are eligible to receive payment under the Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks that each Class Member was credited to have worked for Defendant as an hourly-paid, non-exempt employee during the Class Period ("Workweeks"), which will be calculated by determining the number of days between the start and end dates of employment as an hourly-paid, non-exempt employee during the Class Period, divided by seven (7). Each Class Member will be credited with at least one (1) Workweek.

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Settlement (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion ("Settlement Class Members") will be issued payment of their final Individual Settlement Share.

Each Individual Settlement Share will be allocated as twenty percent (20%) wages which will be reported on an IRS Form W2 and eighty percent (80%) penalties, interest, and non-wage damages which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of Individual Settlement Shares, resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment").

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

From August 12, 2016 to [Preliminary Approval or March 1, 2021, whichever date is earlier], you worked for Defendant as an hourly-paid, non-exempt employee in California for [] Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit your dispute by way of written letter that is sent to the Settlement Administrator. The written letter must: (a) contain the case name and number of the Lawsuit (*Earl Urizar v. Inland Kenworth US Inc.*, Case No. 20STCV30676); (b) be signed by you; (c) contain your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly state that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) include information and/or attach documentation demonstrating that the number of Workweeks that you contend should be credited to you is correct; and (f) be returned by mail to the Settlement Administrator at the address specified in Section IV.B below, postmarked **no later than [the Response Deadline]**.

C. Your Estimated Individual Settlement Share

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ []. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share reflected in this Notice is only an estimate. Your actual Individual Settlement Payment may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had. As to any Settlement Class Member who cashes and/or negotiates the check representing their Individual Settlement Payment, the signing and negotiation of that check will serve as the Settlement Class Member's consent to join the action for purposes of releasing the Released Claims arising under the Fair Labor Standards Act ("FLSA").

"Released Claims" means any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action alleged or which could have been alleged based on the facts in Plaintiff's Operative Complaint in this Action during the Class Period, under any federal, state or local law, and shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses, violation of California Labor Code §§ 201, 202, 203, 204, 210, 226 et seq., 226.3, 226.7, 510, 512, 551, 552, 558 et seq., 558.1, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and Industrial Welfare Commission Wage Orders, and all claims for attorneys' fees and costs and statutory interest in connection therewith, Business and Professions Code sections 17200, et seq., and all claims and civil penalties under the Private Attorneys General Act [Cal. Lab. Code §§ 2699, et seq.], including all attorneys' fees and costs related thereto, and any other claims, including claims for statutory and/or civil penalties, pertaining to the Class Members which were alleged or could have been alleged in the Operative Complaint based upon the allegations and claims contained in the Operative Complaint. This release is limited in time to the Class Period covering the Settlement Class Members who worked for the Released Parties in the State of California.

"Released Parties" means Defendant, Inland Kenworth US Inc., and its respective owners, agents, attorneys, insurers, past, present and future companies, divisions, affiliates, DBAs (if any), predecessors, successors, shareholders, officers, directors, managers, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees, executors, partners, parents, subsidiaries, privies, and/or any and all persons and/or corporate entities acting by, through, under or in concert with any of them.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., an amount of up to \$595,000.00) and reimbursement of litigation costs and expenses in an amount of up to twenty thousand dollars (\$20,000) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. All Attorneys' Fees and Costs awarded by the Court will be paid from the Total Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payment to Plaintiff

Plaintiff will seek the amount of seven thousand five hundred dollars (\$7,500.00) ("Enhancement Payment"), in recognition of his services in connection with the Action. The Enhancement Payment will be paid from the Total Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Eleven Thousand Dollars (\$11,000) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and disputes of Workweeks, calculating Individual Settlement Shares and Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Total Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Settlement.

Unless you elect to exclude yourself from the Settlement, you will be bound by the terms of the Settlement and any judgment that may be entered by the Court based thereon, and you will release the claims described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Settlement, you must seek exclusion from the Settlement by submitting a written request ("Request for Exclusion") to the Settlement Administrator.

A Request for Exclusion must: (a) contain the case name and number of the Action (*Earl Urizar v. Inland Kenworth US Inc.*, Case No. 20STCV30676); (b) be signed by you; (c) contain your full name, address, telephone number, and last four digits of your Social Security Number; (d) contain a statement clearly indicating that you do not wish to be included in the Settlement; and (e) be submitted to the Settlement Administrator by mail, postmarked **no later than [Response Deadline]**, at the following mailing address:

[Settlement Administrator]
[Mailing Address]

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment from the Settlement, will not be bound by the Settlement (and the release of claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not submit a valid and timely Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

A Notice of Objection must: (a) contain the case name and number of the Action (*Earl Urizar v. Inland Kenworth US Inc.*, Case No. 20STCV30676); (b) contain your full name, signature, address, and telephone number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be mailed to the Settlement Administrator at the address listed in Section IV.B above, postmarked **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department SSC14 of the Los Angeles County Superior Court, located at Spring Street Courthouse, 312 N. Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys’ Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action for a fee by visiting the civil clerk’s office, located at Stanley Mosk Courthouse, 111 N. Hill Street, Los Angeles, California 90012, during business hours, or by online by visiting the following website: <http://www.lacourt.org/casesummary/ui/index.aspx?casetype=civil>.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.