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

ERNESTO DELGADO,

Plaintiffs,

vs.

KLOECKNER METALS CORPORATION,
et al.

Defendants.

Case No.: 20STCV22503

[Assigned to the Honorable Yvette M.
Palazuelos, Department 9]

**DECLARATION OF NICHOLAS
ROSENTHAL IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

Date: August 23, 2022

Time: 10:30 a.m.

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I, Nicholas Rosenthal, hereby declare and state as follows:

1. I am an attorney at law, duly licensed to practice before all Courts in the State of California, and am with the law firm Diversity Law Group, P.C., counsel of record for Plaintiff Ernesto Delgado (“Plaintiff”). I have personal knowledge of the facts set forth below and if called to testify I could and would do so competently.

2. Plaintiff and his counsel conducted an extensive investigation of the factual allegations involved in this case since the inception. Specifically, Plaintiff's counsel propounded special interrogatories and requests for production of documents, obtained and reviewed discovery responses and Defendant's document production, and took the depositions of Defendant's FRCP 30(b)(6) witnesses regarding its meal and rest break and payroll policies and procedures. Defendant also took the deposition of Plaintiff. Plaintiff's counsel also communicated with various class members regarding the claims in this lawsuit.

3. On Plaintiff's claim for rest periods, Plaintiff alleged that there was a company policy prohibiting employees from leaving the work premises during rest periods, which in turn amounted to employer control of the employee during a break that is supposed to be completely unencumbered per the *Augustus v. ABM Services, Inc.* decision. Plaintiff testified at his deposition that he had specifically been told that employees were not permitted to leave the premises for rest breaks. A true and correct copy of Plaintiff's deposition transcript is attached hereto as Exhibit B.

4. Subsequent thereto, the Parties conducted a mediation with experienced class action mediator Steven J. Serratore on March 22, 2021. In connection with the mediation, Defendant Kloeckner Metals Corporation (“Defendant”) produced data for the entire class, which allowed my office to conduct damage analysis. Counsel also performed extensive damages calculations prior to mediation and went so far as to retain an expert statistician to assist in performing those calculations.

5. Based on the data provided by Defendant, there are approximately 339 Settlement Class Members. Thus, the class is ascertainable based on Defendant's records.

1 6. After a full day of negotiations, the Parties were unable to reach an agreement.
2 The Parties continued their negotiations over the course of several months, and with the
3 assistance of Mr. Serratore, ultimately reached an agreement to resolve the case on a class-wide
4 basis. The terms of the Parties' agreement are memorialized in the Amended Stipulated
5 Settlement Agreement and Release of Claims ("Settlement Agreement" or "Stipulation"), a true
6 and correct copy of which is attached hereto as Exhibit A.

7 7. The negotiations leading to the execution of the Settlement Agreement have been
8 adversarial, non-collusive, and conducted at arm's-length. Pursuant to the terms of the
9 Settlement Agreement, the Net Settlement Amount ("NSA") (after deduction of attorneys' fees
10 in the amount of up to \$155,000.00, litigation costs up to \$25,000.00, service award in the
11 amount of up to \$10,000.00, PAGA penalties in the amount of \$30,000.00 to the Labor and
12 Workforce Development Agency (the "LWDA"), or 75% of \$40,000.00), and settlement
13 administration costs in the amount of approximately \$11,000.00) is approximately \$234,000.00.

14 8. Each side has apprised the other of their respective factual contentions, legal
15 theories and defenses, resulting in extensive arm's-length negotiations taking place among the
16 Parties. Although Plaintiff's counsel are certain that they can prevail on class certification, as
17 well as on the merits, they recognize the inherent risks in drawn-out litigation, including that
18 Plaintiff could fail to establish liability. Based on their own independent investigation and
19 evaluation, the Parties and their respective counsel are of the opinion that the settlement for the
20 consideration and on the terms set forth in the Joint Stipulation of Class and Representative
21 Action Settlement Agreement and Release ("Settlement Agreement") are fair, reasonable, and
22 adequate and the settlement is in the best interests of the class and Defendant in light of all
23 known circumstances and the expenses and risks inherent in litigation.

24 9. As the Court may recall, this matter settled after Plaintiff's Motion for Class
25 Certification had already been filed, which demonstrates not only the time and effort put into this
26 matter by Class Counsel, but also that provides some indication that Defendant felt pressure to
27 resolve this matter before a ruling was issued on class certification. Plaintiff's counsel have
28 maintained and continue to maintain an adversarial relationship with Defendant throughout the

1 course of this litigation

2 10. Plaintiff also believes in the fairness of the settlement that is based on factoring in
3 the uncertainty and risks to Plaintiff involved in not prevailing on one or more of the causes of
4 action or theories alleged in the operative Complaint and the possibility of appeals.

5 11. Because this is a non-reversionary settlement, all monies resulting from
6 Settlement Class Members who elect to opt-out will be redistributed to the Net Settlement
7 Amount for payment to Participating Class Members. The amount each person could receive
8 may increase or decrease depending on a number of factors, including whether there are any opt-
9 outs and the amounts awarded for fees, costs, and the class representative service award. The
10 approximate amount each person will be entitled to will not be known until the class data is
11 transferred to the Settlement Administrator for processing.

12 12. Based on all of the evidence and data, Plaintiff's counsel was able to perform
13 calculations based on the allegations and value the maximum damages and penalties at issue.
14 The class consists of approximately 339 individuals. Based on the data produced, it was
15 calculated that the realistic damages for the Class was approximately, \$5,584,862, which is based
16 on approximately \$1,559,572 owed due to the improper meal and breaks, approximately
17 \$3,602,033 owed due to noncompliant rest breaks, approximately \$ 174,567 for potential waiting
18 time penalties, and approximately \$ 248,600 for inaccurate wage statements. With respect to the
19 PAGA penalties, which are discretionary and subject to reduction by this Court, the potential
20 maximum is approximately \$ 2,364,500. If this Court reduced the PAGA penalties by 90%, as
21 the trial court did in *Carrington*, then the total exposure would be only \$236,450. Although
22 Plaintiff believes that he can prevail on liability, given the uncertainty of litigation, Plaintiff
23 submits that this settlement is fair, adequate, and reasonable.

24 13. I am one of the primary attorneys on this matter. My qualifications are as
25 follows: I received my JD from University of Southern California Gould School of Law in
26 2009. Upon graduation, I practiced law as an associate at Seyfarth Shaw LLP, representing
27 corporate clients in both single-plaintiff and wage hour class actions. In 2014, I began as an
28 associate at Diversity Law Group.

14. I have handled a number of wage and hour matters including class actions and multiple-plaintiff actions. I have been named as Class Counsel in a number of class actions that have been granted certification or preliminary or final approval by the Superior Courts of Los Angeles County, Orange County, Alameda County, and Monterey County, the United States District Court for the Central District of California, and the United States District Court for the Northern District of California. These cases include, but are not limited to: *Diller v. Under Armour Retail, Inc.*, Santa Clara County Superior Court Case No. 114-CV-265729, *Dall v. Post Alarm Systems*, Los Angeles County Superior Court Case No. BC598528, *Lopez v. Imperial Body Shop, Inc.*, Orange County Superior Court Case No. Case No. 30-2015-00816193-CU-OE-CXC, *Hughes v. Lincare, Inc., et al.*, Monterey County Superior Court Case No. M124764, *Pittman v. Martinez Steel Corporation*, San Bernardino County Superior Court Case No. CIVDS1823132, *Della Maggiora v. Watsonville Community Hospital*, Santa Cruz County Superior Court Case No. 18CV00191, *Randolph v. Pacific Racing Association*, Alameda County Superior Court Case No. RG18908139, *Morones v. Bimbo Bakeries USA, Inc.*, Sacramento County Superior Court Case No. 34-2018-00245481-CU-OE-GDS, *Chavez v. Converse, Inc.*, United States District Court – Northern District of California Case No. 15-cv-03746-NC, and *Rodriguez v. Nike Retail Services, Inc.*, United States District Court – Northern District of California Case No. 5:14-CV-1508 BLF.

15. The Parties have agreed upon using Phoenix Settlement Administrators (“Phoenix”) as the settlement administrator for this matter. Further, notice by U.S. mail, along with the National Change of Address search, has been approved by numerous courts and, therefore, the Parties agreed to notice by U.S. mail.

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

Executed on May 24, 2022, at Los Angeles, California.


Nicholas Rosenthal

EXHIBIT A

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13 Attorneys for Defendant,
14 **KLOECKNER METALS CORPORATION**

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

17
18 ERNESTO DELGADO, as individuals
and on behalf of all others similarly
19 situated,

20 Plaintiff,

21 v.

22 **KLOECKNER METALS**
CORPORATION, a Delaware
23 corporation; and DOES 1 through 50,
inclusive,

24 Defendant.
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CASE NO. 20STCV22503

Assigned to Hon. Yvette ,. Palazuelos,
Department 9

CLASS ACTION

**AMENDED STIPULATED
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

1 This Stipulated Settlement Agreement and Release of Claims is entered into by
2 and between Plaintiff Ernesto Delgado ("Plaintiff"), individually and on behalf of all
3 others similarly situated, and Defendant Kloeckner Metals Corporation ("Defendant"
4 or "Kloeckner") and is approved by their respective counsel of record, subject to the
5 terms and conditions hereof and the Court's approval.

6 **A. Definitions**

7 1. "Action" or "Lawsuit" means and refers to the case entitled *Ernesto*
8 *Delgado v. Kloeckner Metals Corporation*, Los Angeles County Superior Court, Case
9 No. 20STCV22503.

10 2. "Agreement," "Stipulation," "Stipulation of Settlement," or "Settlement
11 Agreement," or shall mean this Stipulated Settlement Agreement and Release of
12 Claims, including any attached Exhibits.

13 3. "Class Counsel" refers to Larry W. Lee, Kristen M. Agnew and Nicholas
14 Rosenthal of Diversity Law Group, P.C.

15 4. "Class List and Data" means information regarding all Settlement Class
16 Members that Defendant will diligently and in good faith compile from its records
17 and provide to the Settlement Administrator, subject to the Parties' Stipulated
18 Protective Order in this matter, within fifteen (15) days after entry of the Preliminary
19 Approval Order. The Class List and Data shall be formatted as an Excel spreadsheet
20 and shall include the Settlement Class Members' full names; last known addresses;
21 telephone numbers (if any); Social Security Numbers; and the total Weeks Worked
22 during the Class Period for each Settlement Class Member.

23 5. "Class Period" or "Released Period" means the period of April 6, 2016
24 through October 4, 2021.

25 6. "Class Representative" and/or "Plaintiff" means and refers to Plaintiff
26 Ernesto Delgado.

27 7. "Complaint" refers to the operative Class and Representative Action
28 Complaint originally filed on or about June 10, 2020, in the matter of *Ernesto Delgado*

1 v. *Kloeckner Metals Corporation, et al.*, in the Superior Court of California, County
2 of Los Angeles, Case No. 20STCV22503 and which subsequently removed to this
3 court on August 17, 2020 (U.S. District Court for the Central District of California,
4 Case No. 2:20-cv-07405-GW-SK) and then remanded on January 28, 2022.

5 8. "Court" or "Judge" means the Los Angeles Superior Court.

6 9. "Defendant" means and refers to Defendant Kloeckner Metals
7 Corporation.

8 10. "Defendant's Counsel" or "Defense Counsel" means and refers to Daniel
9 B. Chammas and Min K. Kim of Ford & Harrison, LLP.

10 11. "Effective Date" means the later of the following: (1) the date the Court
11 grants Final Approval of the Settlement if no valid objections have been filed; (2) if one
12 or more valid objections have been filed but no appellate proceedings have been initiated,
13 thirty (30) days after the date the Court enters an order granting Final Approval of the
14 Settlement; or (3) if one or more valid objections have been filed, and an appeal, writ, or
15 other appellate proceeding has been initiated, the date on which any appeal, writ, or other
16 appellate proceedings has been finally and conclusively dismissed.

17 12. "Final" means that the Settlement has been finally approved by the
18 Court, and the Judgment has been entered by the Court.

19 13. "Final Approval Hearing" means the hearing to be conducted by the
20 Court to determine whether to approve finally and implement the terms of this
21 Agreement.

22 14. "Gross Settlement Amount" means the maximum settlement amount of
23 Four Hundred Sixty-Five Thousand Dollars and Zero Cents (\$465,000.00) to be paid
24 by Defendant as a result of this Agreement. The Gross Settlement Amount excludes
25 any appropriate and lawfully required employer-side payroll taxes owed by Defendant
26 as a result of the Individual Settlement Payments, which Defendant shall be separately
27 responsible for apart from the Gross Settlement Amount.

28 15. "Judgment" means the Court entering a final order granting approval of

1 the Settlement and a judgment of dismissal.

2 16. "Individual Settlement Amount" means the amount payable from the Net
3 Settlement Amount to each Participating Class Member, pursuant to Paragraph 41(c)
4 below.

5 17. "Net Settlement Amount" shall have the meaning ascribed to it in
6 Paragraph 41(b) below.

7 18. "Notice" means the notice of proposed class settlement and setting of a
8 Final Approval Hearing that will be sent to the Settlement Class Members,
9 substantially in the form attached as Exhibit A.

10 19. "Objecting Settlement Class Member" means a Settlement Class
11 Member, other than Plaintiff, who submits a valid and timely objection to the terms
12 of this Agreement, pursuant to Paragraph 59(c) below.

13 20. "PAGA Period" means the period of May 20, 2019 through October 6,
14 2021.

15 21. "Participating Class Member" or "Participating Class" means any and all
16 Settlement Class Members who have not submitted a valid and timely Request for
17 Exclusion.

18 22. "Parties" or "Settling Parties" mean Plaintiff, on behalf of himself and
19 the Participating Class, and Defendant, collectively.

20 23. "Preliminary Approval Date" means the date the Court approves the
21 Stipulation of Settlement, and the exhibits thereto, and enters the Preliminary
22 Approval Order.

23 24. "Preliminary Approval Order" means the judicial Order to be entered by
24 the Court, upon the application or motion of the Plaintiff, preliminarily approving this
25 Settlement and providing for the issuance of the Notice to the Settlement Class, an
26 opportunity to opt out of the Settlement, an opportunity to submit timely objections
27 to the Settlement, and setting a hearing on the fairness of the terms of Settlement,
28 including approval of attorneys' fees and costs. Defendant will not object to Plaintiff's

1 motion for preliminary approval, but will be provided with an opportunity to review
2 and comment upon the motion before it is filed.

3 25. "QSF" means the Qualified Settlement Fund set up by the Settlement
4 Administrator for the benefit of the Participating Class, and from which the settlement
5 payments shall be made.

6 26. "Released Claims" by the Participating Class Members means:

7 a. All claims, including penalties, costs and attorneys' fees related
8 thereto, that were or could have been brought under the facts and allegations made in
9 the operative Complaint for violation of Labor Code sections 226.7 and 512, that
10 accrued during the Class Period;

11 b. All claims, including penalties, costs and attorneys' fees related
12 thereto, that were or could have been brought under the facts and allegations made in
13 the operative Complaint for violation of Labor Code section 226, that accrued during
14 the period of April 6, 2019 through October 4, 2021;

15 c. All claims, including penalties, costs and attorneys' fees related
16 thereto, that were or could have been brought under the facts and allegations made in
17 the operative Complaint for violation of Labor Code sections 201, 202 and 203, that
18 accrued during the period of June 26, 2018 through October 4, 2021;

19 d. All claims for penalties under the California Private Attorneys'
20 General Act, including costs and attorneys' fees related thereto, predicated on the
21 violation of Labor Code sections 201, 202, 203, 212, 213, 226(a), 226.3, 226.7 and
22 512, that accrued during the PAGA Period. Plaintiff administratively exhausted these
23 claims in his letter to the LWDA dated May 20, 2020.

24 The Parties expressly acknowledge that the Released Claims encompass all
25 claims alleging that Defendant improperly rounded meal periods, that Defendant
26 improperly rounded time generally, that employees were not permitted to leave the
27 work site during their rest periods, and that separated employees received their final
28 wages on a pay card that necessitated them paying a fee in order to retrieve their

1 wages.

2 27. "Released Parties" means Defendant and their present and former
3 officers, directors, members, managers, shareholders, agents, subsidiaries, insurers,
4 operators, partners, professional employment organizations, successors and
5 assignees.

6 28. "Request for Exclusion" shall have the meaning ascribed to it in
7 Paragraph 59(a) below.

8 29. "Response Deadline" is 45 calendar days from the date the Notice is
9 mailed to the Settlement Class Members.

10 30. "Service Payment" or "Service Award" means the amount approved by
11 the Court to be paid to the Class Representative in addition to his Individual
12 Settlement Amount as a Participating Class Member.

13 31. "Settlement Administrator" means and refers to Phoenix Class Action
14 Administration Solutions.

15 32. "Settlement Administration Costs" means the costs payable from the
16 Gross Settlement Amount to the Settlement Administrator for administering this
17 Settlement, including, but not limited to, printing, distributing, and tracking
18 documents for this Settlement, tax reporting, distributing the Gross Settlement
19 Amount, and providing necessary reports and declarations, as requested by the
20 Parties. The Settlement Administration Costs shall be paid from the Gross Settlement
21 Amount, including, if necessary, any such costs in excess of the amount represented
22 by the Settlement Administrator as being the maximum costs necessary to administer
23 the Settlement. Any portion of the Settlement Administration Costs not used or
24 approved by the Court shall be added to the Net Settlement Amount.

25 33. "Settlement Class" or "Settlement Class Members" means all persons
26 employed by Defendant in California as an hourly non-exempt employee during the
27 Class Period.

28 34. "Weeks Worked" for each Settlement Class Members means any

1 workweek in which the Settlement Class Member worked at least one (1) shift during
2 the Class Period.

3
4 **B. General Terms**

5 35. The Class and Representative Action Complaint was filed on June 10,
6 2020, in Los Angeles County Superior Court and alleges claims for: (1) violation of
7 Labor Code §§ 226.7 and 512 (failure to provide an off-duty 30-minute meal break to
8 employees who worked 5 hours or longer in one shift, and a second off-duty 30-
9 minute meal breaks to employees who worked more than 10 hours in one shift); (2)
10 violation of Labor Code §226.7 (failure to provide off-duty 10-minute rest breaks to
11 employees who worked 3.5 hours or longer in one shift); (3) violation of Labor Code
12 § 226(a) (failure to provide accurate and complete wage statements); (4) violation of
13 Labor Code §§ 201-203 (failure to pay final wages in a timely manner to separated
14 employees); (5) violation of Cal. Labor Code §§2698, *et seq.* under the Private
15 Attorneys General Act ("PAGA"); and (6) violation of Business and Professions Code
16 § 17200, *et seq.*

17 36. Defendant denies Plaintiff's claims and allegations and contend that the
18 Action is not suitable for class certification.

19 37. The Class Representative believes he can proceed with his representative
20 and class claims, that the Action is meritorious, and that class certification is
21 appropriate.

22 38. The Parties have conducted a thorough investigation into the facts of the
23 Action. This includes conducting an extensive exchange of discovery, including
24 Defendant's written policies and practices and the production of payroll and
25 timekeeping records for Settlement Class Members. Class Counsel is both
26 knowledgeable about and has done extensive research with respect to the applicable
27 law and potential defenses to the claims of the Settlement Class. Class Counsel has
28 diligently pursued an investigation of the Class Members' claims against Defendant.

1 Based on the foregoing data and on their own independent investigation and
2 evaluation, Class Counsel is of the opinion that the settlement with Defendant for the
3 consideration and on the terms set forth in this Stipulation of Settlement is fair,
4 reasonable, and adequate and is in the best interest of the Class Members in light of
5 all known facts and circumstances, including the risk of significant delay and
6 uncertainty associated with litigation, various defenses asserted by Defendant, and
7 numerous potential appellate issues.

8 39. On March 22, 2021, Plaintiff and Defendant participated in mediation in
9 Los Angeles, California before Steven Serratore, who is one of the most experienced
10 class action mediators in California. Although the parties were unable to reach a
11 settlement following a full-day mediation, the Parties subsequently reached a
12 settlement after accepting a mediator's proposal that was issued on August 5, 2021 by
13 Steven Serratore.

14 40. The Parties agree that neither the Parties' Settlement, this Agreement,
15 nor the acts to be performed or judgments to be entered pursuant to the terms of the
16 Settlement and Agreement, shall be construed as an admission by Defendant of any
17 wrongdoing or violation of any statute or law or liability on the claims or allegations
18 in the Action.

19 **C. Terms of Settlement**

20 41. The financial terms of the Settlement are as follows:

21 (a) Gross Settlement Amount: The Parties agree to settle this Action
22 for Four Hundred Sixty-Five Thousand Dollars and Zero Cents (\$465,000.00). The
23 Gross Settlement Amount is the maximum amount that will be paid, and includes
24 Individual Settlement Amounts, attorneys' fees of Class Counsel of up to
25 \$155,000.00, costs and expenses not to exceed \$25,000.00, the Service Payment to
26 the Class Representative, reasonable Settlement Administration Costs, and payment
27 to the California Labor & Workforce Development Agency ("LWDA") for PAGA
28 penalties. Notwithstanding the foregoing, Defendant shall separately pay its share of

1 payroll taxes and withholdings on the portion of the Individual Settlement Amounts
2 that are allocated and treated as wages.

3 (b) Net Settlement Amount: The "Net Settlement Amount" is defined
4 as the Gross Settlement Amount less attorneys' fees and litigation costs as approved
5 and awarded by the Court, the Service Payment to the Class Representative as
6 awarded by the Court, the Settlement Administration Costs, and payment to the
7 LWDA for PAGA penalties. In the event that the Court reduces the attorneys' fees,
8 costs, expenses or Service Award, the difference shall be placed in the Net Settlement
9 Amount and allocated to the Participating Class.

10 (c) Individual Settlement Amounts for the Settlement Class: The
11 Individual Settlement Amount for each Settlement Class Member will be calculated
12 by the Settlement Administrator using the Class List and Data provided by Defendant
13 as follows. The Settlement Administrator will determine the aggregate number of
14 Weeks Worked by Settlement Class Members during the Class Period ("Total Weeks
15 Worked"). The Settlement Administrator will then divide the Net Settlement Amount
16 by the Total Weeks Worked to determine a per workweek value ("Workweek Value").
17 The Workweek Value will be multiplied by the number of Weeks Worked by each
18 Settlement Class Member during the Class Period to determine the distribution, prior
19 to legal deductions, for each Settlement Class Member. If there are any timely
20 submitted Requests for Exclusion, the Settlement Administrator shall proportionately
21 increase the Individual Settlement Amounts for each Participating Class Member so
22 that the amount actually distributed to Participating Class Members equals 100% of
23 the Net Settlement Amount.

24 (d) Allocation of Individual Settlement Amounts: The Individual
25 Settlement Amounts will be allocated based on the allegations in the Action as
26 follows: twenty percent (20%) percent will be paid as wages subject to withholding
27 of all applicable local, state and federal taxes; and eighty percent (80%) will be paid
28 as interest and as penalties from which no taxes will be withheld. The Settlement

1 Administrator will issue to each Participating Class Member an Internal Revenue
2 Service Form W-2 and comparable state forms with respect to the wage allocation
3 and a Form 1099 with respect to the penalties and interest allocations.

4 (e) Service Payment to Class Representative: The amount, if any,
5 awarded to the Class Representative as Service Payment will be set by the Court in
6 its discretion, not to exceed \$10,000. Defendant agrees not to oppose this request.
7 The Service Payment to Plaintiff will be paid out of the Gross Settlement Amount.
8 The Class Representative will be bound by a General Release, set forth below, in
9 exchange for this payment and will be issued IRS Form 1099 in connection with this
10 payment. Plaintiff shall be solely and legally responsible to pay any and all applicable
11 taxes on these payments. The Parties agree that any amount awarded as the Service
12 Payment to Plaintiff less than the requested amount shall not be a basis for Class
13 Counsel to void this Stipulation. Should the Court approve a lesser amount for the
14 Service Payment, the difference shall be added to the Net Settlement Amount to be
15 distributed to the Participating Class Members.

16 (f) Attorneys' Fees and Costs: Class Counsel will seek an award of
17 attorneys' fees of up to one-third (33.33%) of the Gross Settlement Amount, plus
18 reasonable litigation costs and expenses not to exceed \$25,000. Defendant will not
19 contest an attorneys' fees request of up to one-third of the Gross Settlement Amount.
20 Should the Court approve a lesser amount than what is sought by Class Counsel, the
21 difference shall be added to the Net Settlement Amount to be distributed to the
22 Participating Class Members. Any Court order awarding less than the amount sought
23 by Class Counsel shall not be grounds to rescind the Settlement Agreement or
24 otherwise void the Settlement. The Settlement Administrator shall issue to Class
25 Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs awarded
26 by the Court.

27 (g) Settlement Administration Costs: The fees and other charges of
28 the Settlement Administrator will be paid from the Gross Settlement Amount not to

1 exceed \$11,000.

2 (h) PAGA Penalties: The Parties agree that \$40,000 is allocated to
3 PAGA penalties, and is to be paid from the Gross Settlement Amount, subject to Court
4 approval. Of this amount, \$30,000 (75%) shall be paid to the LWDA in satisfaction
5 of Plaintiff's claims for penalties under the Private Attorney General Act of 2004
6 ("PAGA") and \$10,000 (25%) will be included in the Net Settlement Amount,
7 payable to the Participating Class Members.

8 (i) Tax Liability: Class Counsel and Defendant make no
9 representations as to the tax treatment or legal effect of payments called for hereunder,
10 and Plaintiff and the Settlement Class Members are not relying on any statement or
11 representation by Class Counsel or Defendant in this regard. Plaintiff and
12 Participating Class Members understand and agree that they will be solely responsible
13 for their own tax obligations. In accordance with both State and Federal tax laws, the
14 Settlement Administrator shall withhold such sums from each Participating Class
15 Member's Individual Settlement Amount as is required in order to comply with the
16 Participating Class Member's and Defendant' tax obligations. Portions of any
17 Individual Settlement Amount not subject to withholding will be issued with a 1099
18 form. After appropriate tax withholding from Individual Settlement Amounts, the net
19 payment to be received by each Participating Class Member shall be designated as
20 the "Net Payment", and the sum shall be paid as provided in this Agreement. The
21 Settlement Administrator shall report the taxes withheld from the wages of each
22 Participating Class Member as required by law via a W-2 form, and shall immediately
23 pay over all such withheld funds to the appropriate State and Federal taxing
24 authorities. The Settlement Administrator shall provide each Participating Class
25 Member with appropriate documentation setting forth the amount of any of the
26 Participating Class Member's tax or other payment withheld in accordance with State
27 and Federal tax requirements. Participating Class Members shall be responsible for
28 remitting to State and/or Federal taxing authorities any applicable other taxes due and

1 shall hold Defendant harmless and indemnify them for any liabilities, costs and
2 expenses, including reasonable attorneys' fees, assessed or caused by any such taxing
3 authority relating in any way to the tax treatment of the payments made pursuant to
4 this Agreement.

5 (j) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS
6 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE
7 "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT
8 OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
9 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
10 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
11 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER
12 ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
13 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR
14 BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED
15 STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
16 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
17 EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND
18 TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION
19 WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT
20 BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY
21 ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
22 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY
23 ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
24 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING
25 PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS
26 IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF
27 ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS
28 OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON

1 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
2 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING
3 ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

4 42. "Non-Reversionary" Settlement. This is a "non-reversionary"
5 settlement. Under no circumstances will any portion of the Gross Settlement Amount
6 revert to Defendant. Participating Class Members will not have to make a claim in
7 order to receive an Individual Settlement Amount. Distributions, in the form of
8 Individual Settlement Amounts, will be made directly to each Participating Class
9 Member.

10 43. Class Counsel and Plaintiff believe that the Settlement is fair, adequate,
11 and reasonable settlement of the Action, and will so represent the same to the Court.

12 **D. Release by the Settlement Class**

13 44. Upon payment of the Gross Settlement Amount by Defendant, and
14 except as to such rights or claims as may be created by this Stipulation of Settlement,
15 each Participating Class Member will forever completely release and discharge the
16 Released Parties from the Released Claims for the Release Period. Each Participating
17 Class Member will be deemed to have made the foregoing release as if by manually
18 signing it.

19 45. Plaintiff and Defendant intend that the Settlement described in this
20 Agreement will release and preclude any further claim, whether by lawsuit,
21 administrative claim or action, arbitration, demand, or other action of any kind, by
22 each and all of the Participating Class Members to obtain a recovery for any and all
23 of the Released Claims. The Settlement Class Members shall be so notified in the
24 Notice. This paragraph does not apply to any Settlement Class Member who timely
25 and validly opts out of the Settlement.

26 46. Class Representative, on behalf of himself and the Settlement Class,
27 acknowledges and agrees that the claims for unpaid wages in the Action, and untimely
28 payment of wages in the Action, are disputed, and that the payments set forth herein

1 constitute payment of all sums allegedly due to him. Class Representative, on behalf
2 of himself and the Settlement Class, acknowledges and agrees that California Labor
3 Code Section 206.5 is not applicable to the Parties hereto. That section provides in
4 pertinent part as follows:

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

9 **E. Release by Class Representative**

10 47. As a material inducement to Defendant to enter into this Settlement
11 Agreement, Class Representative does hereby, for himself and for his respective
12 spouses, heirs, successors, beneficiaries, devisees, legatees, executors, administrators,
13 trustees, conservators, guardians, personal representatives, and assigns forever and
14 completely release and discharge the Released Parties from any and all charges,
15 complaints, claims, liabilities, obligations, promises, agreements, controversies,
16 damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and
17 expenses (including back wages, statutory penalties, civil penalties, liquidated
18 damages, exemplary damages, interest, attorneys' fees, and costs) of any nature
19 whatsoever, from the beginning of time through the execution of this Stipulation,
20 whether known or unknown, suspected or unsuspected, including but not limited to
21 all claims arising out of, based upon, or relating to Class Representative's
22 employment with Defendant or the remuneration for or termination of such
23 employment (collectively, the "Plaintiff's Released Claims").

24 48. Without limiting the generality of the foregoing, Class Representative
25 expressly releases all claims or rights against Released Parties arising out of or
26 relating to alleged violations of any contracts, express or implied (including but not
27 limited to any contract of employment); any contract or covenant of good faith and
28 fair dealing (express or implied); any tort, including any claim for improper or

1 unauthorized wage deductions, failure to pay the applicable wage, unpaid wages,
2 unpaid vacation benefits, penalties, liquidated damages, other damages, overtime, and
3 alleged "off the clock" work under federal and state law, including California Labor
4 Code Sections 204 and 558, waiting time penalties pursuant to California Labor
5 Section 203, damages or penalties pursuant to California Labor Code Section 226,
6 meal period and rest break payments and penalties pursuant to California Labor Code
7 Sections 226.7 and 512, failure to provide itemized wage statements pursuant to
8 California Labor Code Section 226, statutory or civil penalties pursuant to California
9 Labor Code Sections 210, unfair competition and unfair business practices pursuant
10 to Business and Professions Code Section 17200 et seq., interest and costs pursuant
11 to California Civil Code Section 3287 and California Labor Code Section 218.6,
12 statutory or common law rights to attorneys' fees and costs, including those pursuant
13 to California Labor Code Section 1194 et seq.; claims under the Private Attorneys
14 General Act of 2004, Labor Code section 2699 *et seq.*, and the alleged violation or
15 breach of any other state or federal statute, rule and or regulation; including all
16 applicable Industrial Welfare Commission Wage Orders, and all similar causes of
17 action, including but not limited to, any claim for restitution, equitable relief, interest,
18 penalties, costs or attorneys' fees in connection with any of the foregoing, negligent
19 infliction of emotional distress, intentional infliction of emotional distress, and
20 defamation; any "wrongful discharge," "constructive discharge," and "retaliation"
21 claims; any claims relating to any breach of public policy; any legal restrictions on
22 Defendant's right to discharge employees; and any federal, state, or other
23 governmental statute, regulation, or ordinance, including, without limitation: (1) Title
24 VII of the Civil Rights Act of 1964 (race, color, religion, sex, and national origin
25 discrimination or harassment, including retaliation for reporting discrimination or
26 harassment); (2) 42 U.S.C. § 1981 (discrimination); (3) Equal Pay Act, 29 U.S.C. §
27 209(d)(1) (equal pay); (4) Americans with Disabilities Act, 42 U.S.C. § 12100 et seq.
28 (disability discrimination); (5) Family and Medical Leave Act, 29 U.S.C. § 2601 et

1 seq. (family/medical leave); (6) California Fair Employment and Housing Act, Cal.
2 Government Code § 12900 et seq. (discrimination or harassment in employment
3 and/or housing, including discrimination or harassment based on race, religious creed,
4 color, national origin, ancestry, disability, marital status, sex (including pregnancy),
5 or age, including retaliation for reporting discrimination or harassment); (7)
6 California Family Rights Act, Cal. Government Code § 12945.1 et seq.
7 (family/medical leave); (8) California Labor Code, including Section 1720 et seq., or
8 any Industrial Welfare Commission Wage Order; (9) Executive Order 11246 (race,
9 color, religion, sex, and national origin discrimination or harassment); (10) Executive
10 Order 11141 (age discrimination); (11) Sections 503 and 504 of the Rehabilitation
11 Act of 1973 (handicap discrimination); (12) the Fair Labor Standards Act; (13)
12 Employee Retirement Income Security Act, 29 U.S.C. § 1000 et seq. (employee
13 benefits); (14) the California Business & Professions Code; (15) the California
14 Workers' Compensation and Insurance Act, claims arising under the Worker
15 Adjustment and Retraining Notification Act, and any other claim based upon any act
16 or omission of the Defendant and the Released Parties occurring prior to the Effective
17 Date of this Agreement. Class Representative agrees that there is a risk that any injury
18 that he may have suffered by reason of the Released Parties' relationship with him
19 might not now be known, and there is a further risk that said injuries, whether known
20 or unknown at the date of this Settlement Agreement, might possibly become
21 progressively worse, and that as a result thereof further damages may be sustained.
22 Nevertheless, Class Representative agrees to forever and fully release and discharge
23 the Released Parties, and understands that by the execution of this Settlement
24 Agreement no further claims for any such injuries that existed at the time of the
25 execution of this Settlement Agreement may ever be asserted by Class Representative
26 with respect to claims arising in the time period from the beginning of time to the
27 execution of this Settlement Agreement.

28 49. The Plaintiff's Released Claims include all claims, whether known or

1 unknown. Even if Plaintiff discovers facts in addition to or different from those that
2 he now knows or believes to be true with respect to the subject matter of Plaintiff's
3 Released Claims, those claims will remain released and forever barred. Thus, Plaintiff
4 expressly waives and relinquishes all rights and benefits afforded by Section 1542 of
5 the Civil Code of the State of California and does so understanding and
6 acknowledging the significance of the waiver of Section 1542. Section 1542 of the
7 Civil Code of the State of California states:

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

17
18 **F. Interim Stay of Proceedings**

19 50. Pending completion of all of the prerequisites necessary to effectuate this
20 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in
21 the Action except such as are necessary to effectuate the Settlement.

22 **G. Notice Process**

23 51. Appointment of Settlement Administrator. The Parties have agreed to
24 the appointment of the Settlement Administrator to perform the duties of a settlement
25 administrator. The Settlement Administrator shall provide the following services:

- 26 a. Establish and maintain a Qualified Settlement Fund account;
27 b. Calculate the Total Weeks Worked and Workweek Value;
28 c. Verify the last known address for each Settlement Class Member

1 through a generally utilized, national address update database prior to mailing the
2 Notice;

3 d. Print and mail the Notice;

4 e. Conduct additional address searches for mailed Notices that are
5 returned as undeliverable and, to the extent new and more current addresses are found,
6 also reprint and re-mail the Notice accordingly;

7 f. Establish and maintain a toll-free informational telephone support
8 line to assist Settlement Class Members who have questions regarding the Notice;

9 g. Field inquiries from Settlement Class Members, and administer
10 any Requests for Exclusion;

11 h. Provide weekly status reports to counsel for the Parties, including:
12 (a) the number of Notices mailed (including information regarding undeliverable
13 and/or emailed Notices); (b) the number of disputes received (and sending copies of
14 said disputes); (c) the number of objections received; and (d) the number of Requests
15 for Exclusion received;

16 i. Calculate Individual Settlement Payments;

17 j. Distribute and pay the Service Payment, Individual Settlement
18 Payments, the PAGA penalties to the LWDA, and fees and costs awarded to Class
19 Counsel;

20 k. Set up all necessary tax accounts and forwarding all payroll taxes
21 and penalties to the appropriate government authorities;

22 l. Issue tax forms and addressing employer and employee-side
23 payroll taxes as provided in Paragraph 41(i); and

24 m. Provide declarations and/or other information to the Court as
25 requested.

26 52. Disputes Regarding Settlement Administration. Any and all disputes
27 relating to administration of the Settlement by the Settlement Administrator (except
28 for disputes regarding Class List and Data) shall be referred to the Court, if necessary,
which will have continuing jurisdiction over the terms and conditions of this

1 Stipulation of Settlement, until Plaintiff and Defendant notify the Court that all
2 payments and obligations contemplated by this Stipulation of Settlement have been
3 fully carried out. Prior to presenting any issue to the Court, counsel for the Parties
4 will confer in good faith to resolve the dispute without the necessity of Court
5 intervention.

6 53. Class Data. Within fifteen (15) days after entry of the Preliminary
7 Approval Order, Defendant shall provide the Class List and Data, subject to the
8 Stipulated Protective Order, to the Settlement Administrator. Pursuant to the
9 Stipulated Protective Order, the Class List and Data provided to the Settlement
10 Administrator will remain confidential and will not be used or disclosed to anyone,
11 except as required by applicable tax authorities or by order of the Court, or pursuant
12 to Defendant's express written consent.

13 54. Notice. The Notice as approved by the Court, shall be sent by the
14 Settlement Administrator to the Settlement Class Members, by first class mail, in
15 English, within ten (10) calendar days following the Settlement Administrator's
16 receipt of the Class List and Data. The Settlement Administrator shall use standard
17 devices, including a skip trace, to obtain forwarding addresses of Settlement Class
18 Members if any envelopes are returned.

19 55. Returned Notice. The Settlement Administrator will take steps to ensure
20 that the Notice is received by all Settlement Class Members, including utilization of
21 the National Change of Address Database maintained by the United States Postal
22 Service to review the accuracy of and, if necessary, update a mailing address. Notices
23 will be re-mailed to any Settlement Class Member for whom an updated address is
24 located within ten (10) calendar days following both the Settlement Administrator
25 learning of the failed mailing and its receipt of the updated address. The Notice shall
26 be identical to the original Notice, except that it shall notify the Settlement Class
27 Member that the exclusion (opt-out) request or objection must be returned by the later
28 of the Response Deadline or fifteen (15) days after the re-mailing of the Notice.

1 56. Presumption Regarding Receipt of Notice. It will be conclusively
2 presumed that if an envelope has not been returned within thirty (30) days of the
3 mailing that the Settlement Class Member received the Notice.

4 57. Disputes Regarding Class Data. Settlement Class Members are deemed
5 to participate in the Settlement, unless they opt-out. The Notice will inform Settlement
6 Class Members of his/her estimated Individual Settlement Amount and the number of
7 Weeks Worked he/she worked during the Class Period. Settlement Class Members
8 may dispute their Weeks Worked if they feel they worked more workweeks in the
9 Class Period in California than Defendant's records show by timely submitting
10 evidence to the Settlement Administrator. Defendant's records will be presumed
11 determinative absent reliable evidence to rebut Defendant's records, but the
12 Settlement Administrator will evaluate the evidence submitted by the Settlement
13 Class Member and provide the evidence submitted to Class Counsel and Defense
14 Counsel who agree to meet and confer in good faith about the evidence to determine
15 the Settlement Class Member's actual number of workweeks and estimated Individual
16 Settlement Amount. If Class Counsel and Defense Counsel are unable to agree, they
17 agree to submit the dispute to the Settlement Administrator to render a final decision.
18 Settlement Class Members will have until the Response Deadline to dispute Weeks
19 Worked, object or opt out, unless extended by the Court.

20 58. Declaration of Due Diligence. The Settlement Administrator shall
21 provide counsel for the Parties, at least twenty-five (25) days prior to the Final
22 Approval Hearing, a declaration of due diligence and proof of mailing with regard to
23 the mailing of the Notice.

24 59. Settlement Class Members' Rights. Each Settlement Class Member will
25 be fully advised of the Settlement, the ability to object to the settlement, and the ability
26 to opt-out or request exclusion from the Settlement. The Notice will inform the
27 Settlement Class Members of the Court-established deadlines for filing objections or
28 requesting exclusion from the Settlement in accordance with the following guidelines:

1 (a) Requests for Exclusion from Settlement Class. Any Settlement
2 Class Member, other than Plaintiff, may request to be excluded from the Settlement
3 Class by submitting a "Request for Exclusion" to the Settlement Administrator. A
4 Request for Exclusion must: (1) contain the name, address, telephone number and the
5 last four digits of the Social Security number of the Settlement Class Member
6 requesting exclusion; (2) clearly state that the Settlement Class Member does not wish
7 to be included in the Settlement; (3) be returned by mail to the Settlement
8 Administrator at the specified address; and, (4) be postmarked on or before the
9 Response Deadline.

10 The Request for Exclusion must be returned by mail to the Settlement
11 Administrator at the specified address. Any such Request must be made in
12 accordance with the terms set forth in the Notice. A Request for Exclusion will be
13 timely only if postmarked by the Response Deadline, unless the Parties otherwise
14 agree in writing. Any Settlement Class Member who timely requests exclusion in
15 compliance with these requirements: (i) will not have any rights under this
16 Agreement, including the right to object, appeal or comment on the Settlement; (ii)
17 will not be entitled to receive any payments under this Agreement other than for their
18 share of the PAGA award; and (iii) will not be bound by this Agreement, or the
19 Judgment other than as it relates to the release of PAGA claims.

20 (b) Binding Effect on Participating Class Members. Except for those
21 Settlement Class Members who exclude themselves in compliance with the
22 procedures set forth above, all Settlement Class Members will: (i) be deemed to be
23 Participating Class Members for all purposes under this Agreement; (ii) will be bound
24 by the terms and conditions of this Agreement, the Judgment, and the releases set
25 forth herein; and (iii) except as otherwise provided herein, will be deemed to have
26 waived all objections and oppositions to the fairness, reasonableness, and adequacy
27 of the Settlement.

28 (c) Objections to Settlement. Any Settlement Class Member, other

1 than Plaintiff, may object to the terms of this Agreement. To object, a Settlement
2 Class Member shall inform the Settlement Administrator, in writing, of his or her
3 objection that must be postmarked by the Response Deadline at the address set forth
4 in the Notice. Such objection shall include the full name, address, telephone number,
5 dates of employment with Defendant of the Objecting Settlement Class Member, the
6 case name and number, the basis for the objection, including any legal support and
7 each specific reason in support of the objection, as well as any documentation or
8 evidence in support thereof, and, if the Objecting Settlement Class Member is
9 represented by counsel, the name and address of his or her counsel. The Settlement
10 Administrator shall provide objections, if any, to Class Counsel and Defense Counsel
11 within three (3) days of receipt, and the Settlement Administrator shall attach the same
12 to its declaration of due diligence and file with the Court prior to the Final Approval
13 Hearing. Any Participating Class Member who files an objection remains eligible to
14 receive monetary compensation from the Settlement. Plaintiff and Defendant shall
15 not be responsible for any fees, costs, or expenses incurred by any Class Member
16 and/or his or her counsel related to any objections to the Settlement. Submitting an
17 objection does not preserve the right to appeal a final judgment. Class Members who
18 wish to object may also appear at the Final Approval Hearing and voice their
19 objections to the Court, regardless of whether or not they previously submitted a
20 written objection.

21 (d) Failure to Object. Any Settlement Class Member who desires to
22 object but fails to do so waives any right to object and will be foreclosed from making
23 any objection (whether by appeal or otherwise) to this Settlement.

24 (e) Responses to Objections. Counsel for the Parties may file a
25 response to any objections submitted by Objecting Settlement Class Members at least
26 five (5) court days before the date of the Final Approval Hearing.

27 60. Settlement Class Members will have until the Response Deadline to
28 object or submit a Request for Exclusion to the Settlement Administrator by U.S.

1 Mail. The Settlement Administrator shall disclose jointly to Class Counsel and
2 Defendant's Counsel what objections or Requests for Exclusion were timely
3 submitted on a weekly basis, and upon the request of Class Counsel or Defense
4 Counsel.

5 61. Escalator Clause. Defendant represents that, as of August 6, 2021, there
6 were approximately 339 Settlement Class Members. If, as of the end of the Class
7 Period, the number of Settlement Class Members increases by more than ten percent
8 (10%), Defendant shall increase the Gross Settlement Amount proportionally (*i.e.*, for
9 an increase of eleven percent (11%) in the number of Class Members, Defendant shall
10 add an extra one percent (1%) to the Gross Settlement Amount; for a fifteen percent
11 (15%) increase in the number of Class Members, Defendant shall add an extra five
12 percent (5%) to the Gross Settlement Amount).

13 62. Funding of the Gross Settlement Amount. Defendant shall make a one-
14 time deposit into the QSF of the Gross Settlement Amount, as described in Paragraph
15 41(a) that is necessary to make all payments required under this Settlement, within
16 ten (10) days after the Effective Date, plus shall separately pay its share of employer
17 payroll taxes as calculated and directed by the Settlement Administrator.

18 63. Distribution of Funds. No later than ten (10) calendar days after the
19 deposit of the Gross Settlement Amount into the QSF, the Settlement Administrator
20 will mail the payments to the Participating Class Members, the payment for the
21 attorneys' fees and costs to Class Counsel, any Service Payment to the Class
22 Representative, the payment to the LWDA for PAGA penalties, and will pay itself
23 the Settlement Administration Costs.

24 64. Deadline for Cashing Settlement Checks. Participating Class Members
25 shall have 180 calendar days after mailing by the Settlement Administrator to cash
26 their settlement checks. If any Participating Class Member's check is not cashed
27 within that period, the check will be void and a stop-payment will be issued, and the
28 Settlement Administrator shall issue the unclaimed funds to the California State

1 Controller's Office, Unclaimed Property Division, in the name of the Class Member,
2 unless the Court directs the Parties to issue unpaid residue to other fund. The release
3 will be binding upon all Participating Class Members who do not cash their checks
4 within the 180-day period. In the event that any settlement check is returned to the
5 Settlement Administrator within 180 days of mailing, the Settlement Administrator
6 will, within five (5) business days of receipt of the returned settlement check, perform
7 a skip trace to locate the individual, and notify Defense Counsel and Class Counsel
8 of the results. If a new address is located by these means, the Administrator will have
9 ten (10) business days to re-issue the check. Neither Defendant, Defense Counsel,
10 Class Counsel, Plaintiff, nor the Settlement Administrator will have any liability for
11 lost or stolen settlement checks, forged signatures on settlement checks, or
12 unauthorized negotiation of settlement checks. Without limiting the foregoing, in the
13 event a Participating Class Member notifies the Settlement Administrator that he or
14 she believes that a settlement check has been lost or stolen, the Settlement
15 Administrator shall immediately stop payment on such check. If the check in question
16 has not been negotiated prior to the stop payment order, the Settlement Administrator
17 will issue a replacement check.

18 **H. Duties of the Parties Prior to the Court's Approval**

19 65. Promptly after execution of this Stipulation of Settlement, Plaintiff will
20 move the Court for Preliminary Approval of this Settlement and entry of the
21 Preliminary Approval Order accomplishing the following:

22 (a) Scheduling the Final Approval Hearing on the issue of whether
23 this Settlement should be finally approved as fair, reasonable and adequate as to the
24 Class Members and a hearing on fees, costs and the Service Payment;

25 (b) Approving as to form and content the proposed Notice, attached
26 hereto as Exhibit A;

27 (c) Directing the mailing of the Notice by first class mail to the
28 Settlement Class Members; and

1 (d) Preliminarily approving this Settlement.

2 Pursuant to Labor Code § 2699(1)(2), Class Counsel shall also submit its
3 Motion for Preliminary Approval to the LWDA.

4 66. Pursuant to the Class Action Fairness Act ("CAFA") Defendant will
5 provide timely notice to all appropriate government entities in compliance with the
6 CAFA (including California or any other state where Class Members may reside) and
7 file a statement of compliance with the Court soon after notice has been served so as
8 to prevent delay of the Effective Date.

9 **I. Duties of the Parties Following Court's Final Approval**

10 67. In connection with the Final Approval Hearing provided for in this
11 Stipulation of Settlement, Class Counsel shall submit a proposed Final Approval
12 Order:

13 (a) Approving the Settlement, adjudging the terms thereof to be fair,
14 reasonable and adequate, and directing consummation of its terms and provisions;

15 (b) Approving Class Counsel's application for an award of attorneys' fees
16 and reimbursement of litigation costs and expenses, the Service Payment to the Class
17 Representative, and the payment to the Settlement Administrator for costs of
18 administering the settlement; and

19 (c) Entering judgment approving settlement, thereby permanently barring
20 all Settlement Class Members from prosecuting any Released Claims against any of
21 the Released Parties.

22 Pursuant to Labor Code § 2699(1)(3), Class Counsel shall submit a copy of any
23 final judgment issued by the Court to the LWDA.

24 **J. Voiding the Agreement**

25 68. If the Court fails or refuses to enter a final order granting approval of the
26 Settlement or fails to approve any material condition of this Stipulation of Settlement
27 which effects a fundamental change of the Settlement, the entire Stipulation of
28 Settlement shall be rendered voidable and unenforceable as to all Parties herein at the

1 option of either Party.

2 69. Blow-Up Provision: Notwithstanding anything else contained in this
3 Settlement Agreement, if more than 10% of the total Settlement Class Members
4 (“Blow-Up Number”) request exclusion from the Settlement and/or object to the
5 terms of the Settlement pursuant to Paragraph 59 then Defendant may, in its sole
6 discretion, elect to terminate this Agreement. Defendant shall exercise the option to
7 terminate this Agreement within five (5) days of notification by the Settlement
8 Administrator that the number of Settlement Class Members who have requested
9 exclusion and/or objected to the terms of the Settlement exceeds the Blow-Up
10 Number, or the right shall be waived. If Defendant exercises its option to terminate
11 the Settlement, Defendant shall provide written notice to Class Counsel at least ten
12 (10) calendar days prior to the Final Approval Hearing. Class Counsel will then have
13 ten (10) calendar days to attempt to cause retraction of any election of exclusion
14 and/or objections by Settlement Class Members. To retract a prior Request for
15 Exclusion and/or Objection, the Settlement Class Member must provide to the Parties,
16 at least three (3) days prior to the Final Approval Hearing, a written notice stating his
17 or her desire to retract the Request for Exclusion and/or Objection from the Settlement
18 Class. If the Parties fail to receive a sufficient number of retractions three days prior
19 to the Final Approval Hearing, Defendant may terminate this Agreement. In that
20 event, (a) this Agreement shall terminate and become null and void, the Preliminary
21 Approval Order and all of its provisions shall be vacated by its own terms, and the
22 Action shall revert to the status that existed prior to the execution date of this
23 Settlement Agreement, including no certification of a class; and (b) no term of this
24 Settlement Agreement or any draft thereof, or of the negotiation, documentation, or
25 other part or aspect of the Parties’ settlement discussions, shall have any effect, nor
26 shall any such matter be admissible in evidence for any purpose in the Action, or in
27 any other proceeding. Any dispute among the parties concerning the interpretation or
28 application of this blow-up provision may be presented to the Court for resolution

1 upon the application of any party hereto.

2 70. If the Settlement is voided or fails for any reason, Plaintiff and Defendant
3 will have no further obligations under the Settlement, including any obligation by
4 Defendant to pay the Settlement Amount, or any amounts that otherwise would have
5 been owed under this Settlement.

6 71. If the Settlement is voided or fails for any reason, the Parties hereto and
7 any funds to be awarded under the Settlement shall be returned to their respective
8 statuses as of the date and time immediately prior to the execution of this Agreement,
9 and the parties shall proceed in all respects as if this Agreement had not been executed.

10 72. If the Settlement is voided or fails for any reason, any costs incurred by
11 the Settlement Administrator shall be borne equally by Defendant and Plaintiff, unless
12 otherwise specified in this Agreement.

13 **K. Other Terms**

14 73. Waiver. The waiver by one Party of any breach of this Agreement by
15 another Party shall not be deemed a waiver of any other prior or subsequent breach of
16 this Agreement.

17 74. Parties' Authority. The signatories hereto represent that they are fully
18 authorized to enter into this Stipulation of Settlement and bind the Parties hereto to
19 the terms and conditions hereof.

20 75. Mutual Full Cooperation. The Parties agree to fully cooperate with each
21 other to accomplish the terms of this Stipulation of Settlement, including but not
22 limited to, execution of such documents and to take such other action as may
23 reasonably be necessary to implement the terms of this Stipulation of Settlement. The
24 Parties to this Stipulation of Settlement shall use their best efforts, including all efforts
25 contemplated by this Stipulation of Settlement and any other efforts that may become
26 necessary by order of the Court, or otherwise, to effectuate this Stipulation of
27 Settlement and the terms set forth herein. As soon as practicable after execution of
28 this Stipulation of Settlement, Class Counsel shall, with the assistance and

1 cooperation of Defendant and Defendant's counsel, take all necessary steps to secure
2 the Court's preliminary and final approval of the settlement, and the final entry of
3 judgment.

4 76. No Prior Assignments. The Parties hereto represent, covenant, and
5 warrant that they have not, directly or indirectly, assigned, transferred, encumbered,
6 or purported to assign, transfer, or encumber to any person or entity any portion of
7 any liability, claim, demand, action, cause of action or rights released and discharged
8 by this Stipulation of Settlement.

9 77. No Admission. Defendant denies any and all liability to Plaintiff and/or
10 any Settlement Class Member in this Action, as to any and all causes of action that
11 were asserted or that might have been asserted in this Action. Nonetheless, Defendant
12 wishes to settle and compromise the matters at issue in the Complaint to avoid further
13 substantial expense and the inconvenience and distraction of protracted and
14 burdensome litigation. Defendant has also taken into account the uncertainty and
15 risks inherent in litigation, and without conceding any infirmity in the defenses that it
16 has asserted or could assert against Plaintiff, has determined that it is desirable and
17 beneficial that Plaintiff's claims be settled in the manner and upon the terms and
18 conditions set forth in this Agreement.

19 78. Inadmissibility of Agreement. Whether or not the Court issues the Final
20 Approval Order, nothing contained herein, nor the consummation of this Stipulation
21 of Settlement, is to be construed or deemed an admission of liability, culpability,
22 negligence, or wrongdoing on the part of Defendant or any of the other Released
23 Parties. Each of the Parties hereto has entered into this Stipulation of Settlement with
24 the intention of avoiding further disputes and litigation with the attendant
25 inconvenience and expenses. This Stipulation of Settlement is a settlement document,
26 and it, along with all related documents such as the notices, and motions for
27 preliminary and final approval, shall, pursuant to California Evidence Code section
28 1152 and/or Federal Rule of Evidence 408, be inadmissible in evidence in any

1 proceeding, except an action or proceeding to approve the settlement, and/or interpret
2 or enforce this Stipulation of Settlement. The stipulation for class certification as part
3 of this Stipulation of Settlement is for settlement purposes only and if, for any reason
4 the settlement is not approved, the stipulation will be of no force or effect.

5 78. Return of Documents and Information. Plaintiff, Class Members and
6 Class Counsel agree that none of the documents and information provided to the
7 Settlement Administrator by Defendant shall be used for any purpose other than
8 approval of this Settlement.

9 79. Notices. Unless otherwise specifically provided herein, all notices,
10 demands or other communications given hereunder shall be in writing and shall be
11 deemed to have been duly given as of the third business day after mailing by United
12 States registered or certified mail, return receipt requested, addressed:

13 To the Settlement Class:

14 Larry W. Lee, Esq.

15 Kristen Agnew, Esq.

16 Nicholas Rosenthal, Esq.

17 DIVERSITY LAW GROUP, P.C.

18 515 S. Figueroa St., Suite 1250

19 Los Angeles, CA 90071

20 Telephone: (213) 488-6555 Facsimile: (213) 488-6554

21
22 To Defendant:

23 Daniel B. Chammas, Esq.

24 Min K. Kim, Esq.

25 Ford & Harrison, LLP

26 350 S. Grand Ave., Suite 2300

27 Los Angeles, California 90071

28 Tel: (714) 379-6239; Fax: (714) 379-5444

1 80. Construction. The Parties hereto agree that the terms and conditions of
2 this Stipulation of Settlement are the result of lengthy, intensive arms' length
3 negotiations between the Parties and that this Stipulation of Settlement shall not be
4 construed in favor of or against any Party by reason of the extent to which any Party
5 or his or its counsel participated in the drafting of this Stipulation of Settlement.
6 Plaintiff and Defendant expressly waive the common-law and statutory rule of
7 construction that ambiguities should be construed against the drafter of an agreement
8 and further agree, covenant, and represent that the language in all parts of this
9 Agreement shall be in all cases construed as a whole, according to its fair meaning.

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

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

20 83. Dispute Resolution. Prior to instituting legal action to enforce the
21 provisions of this Agreement or to declare rights and/or obligations under this
22 Agreement, a Party shall provide written notice to the other Party and allow an
23 opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agrees to
24 seek the help of Steven Serratore to resolve any dispute they are unable to resolve
25 informally. During this period, the Parties shall bear their own attorneys' fees and
26 costs. This provision shall not apply to any legal action or other proceeding instituted
27 by any person or entity other than Plaintiff or Defendant.

28 84. Choice of Law. This Settlement Agreement shall be governed by and

1 construed, enforced and administered in accordance with the laws of the State of
2 California, without regard to its conflicts-of-law rules.

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

9 86. Binding On Assigns. This Stipulation of Settlement shall be binding
10 upon and inure to the benefit of the Parties hereto and their respective heirs, trustees,
11 executors, administrators, successors and assigns.

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

18 88. Counterparts. This Stipulation of Settlement may be executed in
19 counterparts, and when each Party has signed and delivered at least one such
20 counterpart, each counterpart shall be deemed an original, and, when taken together
21 with other signed counterparts, shall constitute one fully-signed Stipulation of
22 Settlement, which shall be binding upon and effective as to all Parties. Electronic
23 signatures shall have the same force and effect as an original.

1 Dated: 4-19-22, 2022

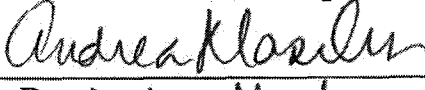
CLASS REPRESENTATIVE:

3 
4 ERNESTO DELGADO

5
6 Dated: April 14, 2022

DEFENDANT:

7
8
9 Kloeckner Metals Corporation

10 
11 By: Andrea Moxley

12 **APPROVED AS TO FORM**

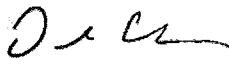
13
14 Dated: 4/19, 2022

CLASS COUNSEL:
DIVERSITY LAW GROUP, P.C.

15 
16
17 Larry W. Lee, Esq.
18 Kristen M. Agnew, Esq.
19 Nicholas Rosenthal, Esq.
20 Attorneys for Plaintiff

21 Dated: April 14, 2022

DEFENDANTS' COUNSEL:
FORD & HARRISON, LLP

22
23 
24
25 Daniel B. Chammas, Esq.
26 Min K. Kim Esq.
27 Attorneys for Defendant
28

1 **EXHIBIT A**

2
3 **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**
4 *Ernesto Delgado v. Kloeckner Metals Corporation et al.*
5 (Los Angeles Superior Court, Case No. 20STCV22503)

6 *You are not being sued. This is not an ad. This notice affects your rights. Please*
7 *read it carefully.*

8 **YOU ARE ESTIMATED TO RECEIVE APPROXIMATELY \$«MERGED_EstSettAmnt_CALC»**
9 **THROUGH THIS CLASS ACTION SETTLEMENT**

10 You have received this Notice of Proposed Class Action Settlement because
11 Kloeckner Metals Corporation's ("Defendant") records show you are what is called a
12 "Class Member," and therefore are entitled to a payment from this class action
13 settlement. Class Members are all persons employed by Defendant in California as
14 an hourly non-exempt employee during the period of April 6, 2016 through October
15 4, 2021 [the "Class Period"].

16 On _____, the Honorable Yvette . Palazuelos of the Los Angeles
17 Superior Court granted preliminary approval of this class action Settlement and
18 ordered that all Class Members be notified of the Settlement.

19 **Unless you choose not to participate in the Settlement (in other words, you choose**
20 **to "opt out") by following the procedures described below, you will be considered**
21 **a Participating Class Member, and if the Court grants final approval of the**
22 **Settlement, you will be mailed a check for your share of the settlement proceeds.**

23 The Final Approval Hearing on the adequacy, reasonableness, and fairness of the
24 Settlement will be held at _____m. on _____, 2022, in
25 Courtroom 9 of the Los Angeles Superior Court, located at 312 North Spring Street,
26 Los Angeles, CA, 90012. You are not required to attend the Hearing, but you are
27 welcome to do so.

28 **What Is This Case About?**

Ernesto Delgado is a former employee of Defendant. He is the "Plaintiff" in this case
and is suing on behalf of himself and all Class Members. Plaintiff sued Defendant
claiming that he and Class Members did not receive all legally compliant meal and
rest periods, did not receive payment of final wages at time of separation from
employment, that their paystubs did not contain all required information required by
law, and unfair competition. Based on these violations, Plaintiff and Class Members

1 also claim associated penalties under the California Private Attorneys General Act of
2 2004 ("PAGA").

3 Defendant denies it engaged in any alleged unlawful conduct and assert that it
4 provided all legally compliant meal and rest periods, properly paid all amounts owed
5 to them, properly compensated their employees properly at the time of separation of
6 employment, provided legally compliant wage statements, and the United States
District Court has made no ruling on the merits of Plaintiff's claims.

7 Plaintiff entered into settlement discussions with Defendant in an attempt to resolve
8 the disputed claims in this case. The parties have negotiated a settlement on behalf
9 of themselves and the Class Members with the assistance of a mediator. The parties'
10 agreement has been documented in a Joint Stipulation of Settlement ("Joint
11 Stipulation"). The Court has only preliminarily approved the Joint Stipulation. The
Court will decide whether to give final approval to the Settlement at the Final
Approval Hearing.

12 Plaintiff's attorneys are Larry W. Lee, Esq., Kristen Agnew, and Nicholas Rosenthal
13 of Diversity Law Group, P.C. ("Class Counsel"). Class Counsel has investigated and
14 researched the facts and circumstances underlying the issues raised in this case and
15 the applicable law. While Class Counsel believes Plaintiff's claims in this lawsuit
16 have merit, Class Counsel also recognizes that the risk and expense of continued
17 litigation justify settlement. Because of this, Class Counsel believes the proposed
Settlement is fair, adequate, reasonable, and in the best interests of the Class
Members.

18 Defendant has denied and continues to deny Plaintiff's factual and legal allegations.
19 Defendant believe this case has little to no merit. By agreeing to settle, Defendant is
20 not admitting liability on any of the factual allegations or claims in this case or that
21 this case can or should proceed as a class action.

22 Summary of the Settlement Terms

23 Plaintiff and Defendant have agreed to settle this case on behalf of himself and the
24 Class Members in exchange for the Gross Settlement Amount of \$465,000. The Gross
25 Settlement Amount includes: (1) Individual Settlement Payments to participating
26 Class Members; (2) Claims Administration Costs estimated to be no more than
\$11,000; (3) \$10,000 service payment to Plaintiff for his time and efforts in pursuing
27 this case and in exchange for a general release of claims against Defendant; (4) a
\$30,000 payment to the California Labor and Workforce Development Agency for
28 settlement of the PAGA claims; and (5) subject to Court approval of an application

1 for fees and costs, an award of up to \$155,000 in attorneys' fees and up to \$25,000 in
2 litigation costs and expenses to Class Counsel. After deducting the Claims
3 Administration Costs, the service payment to Plaintiff, the payment to the California
4 Labor and Workforce Development Agency, and attorneys' fees and costs/expenses,
5 a total of approximately \$234,000 will be available to Class Members who do not opt
6 out of the Settlement ("Net Settlement Amount").

7 **Plan of Distribution to Class Members**

8 Individual Settlement Payments will be calculated and apportioned from the Net
9 Settlement Amount based on the number of weeks a Class Member worked during
10 the Class Period ("Workweeks").

11 According to Defendant's records, you worked [REDACTED] Workweeks during the Class
12 Period. Accordingly, your estimated payment is approximately \$ [REDACTED].

13 If you believe the information provided above as to the number of your Workweeks
14 is incorrect and wish to dispute it, please contact the Claims Administrator at
15 [REDACTED] no later than 30 days after the date this Notice of Class Action
16 Settlement was mailed to you. If you dispute the information stated above, the
17 information Defendant provided to the Claims Administrator will control unless you
18 are able to provide documentation that establishes otherwise.

19 **Class Member Tax Matters**

20 IRS Forms W-2 and 1099-MISC will be distributed to participating Class Members
21 and the appropriate taxing authorities reflecting the payments Class Members receive
22 under the Settlement. Class Members should consult their tax advisors concerning
23 the tax consequences of the payments they receive under the Settlement. For purposes
24 of this Settlement, 20% of each Individual Settlement Payment will be allocated to
25 alleged unpaid wages, 80% will be allocated as penalties and interest. Again, please
26 consult a tax advisor regarding the significance of how each Individual Settlement
27 Payment is allocated between wages, penalties, and interest. This notice is not
28 intended to provide legal or tax advice. To the extent this notice or any of its
29 attachments is interpreted to contain or constitute advice regarding any United States
30 or Federal tax issue, such advice is not intended or written to be used, and cannot be
31 used, by any person for the purpose of avoiding penalties under the Internal Revenue
32 Code.

33 **Your Options Under the Settlement**

34 ***Option 1 – Automatically Receive a Payment from the Settlement***

1 If want to receive your payment from the Settlement, then no further action is required
2 on your part. You will automatically receive your Individual Settlement Payment
3 from the Claims Administrator if and when the Settlement receives final approval by
4 the Court.

5 If you choose **Option 1** and the Court grants final approval of the Settlement, you will
6 be mailed a check for your share of the Settlement funds. In addition, you will be
7 deemed to have released or waived the following claims ("Released Claims"):

8 a. All claims, including penalties, costs and attorneys' fees related
9 thereto, that were or could have been brought under the facts and allegations
10 made in the operative Complaint for violation of Labor Code sections 226.7
11 and 512, that accrued during the period of April 6, 2016 through October 4,
12 2021;

13 b. All claims, including penalties, costs and attorneys' fees related
14 thereto, that were or could have been brought under the facts and allegations
15 made in the operative Complaint for violation of Labor Code section 226, that
16 accrued during the period of April 6, 2019 through October 4, 2021;

17 c. All claims, including penalties, costs and attorneys' fees related
18 thereto, that were or could have been brought under the facts and allegations
19 made in the operative Complaint for violation of Labor Code sections 201, 202
20 and 203, that accrued during the period of June 26, 2018 through October 4,
21 2021; and

22 d. All claims for penalties under the California Private Attorneys'
23 General Act, including costs and attorneys' fees related thereto, predicated on
24 the violation of Labor Code sections 201, 202, 203, 212, 213, 226(a), 226.3,
25 226.7 and 512, that accrued during the period of May 20, 2019 through October
26 4, 2021.

27 Released Parties means:

28 Defendant and its present and former officers, directors, members, managers,
shareholders, agents, subsidiaries, insurers, operators, partners, professional
employment organizations, successors and assignees.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the Settlement, you may exclude yourself from
participating by submitting a written request to be excluded from the class, to the
Claims Administrator. Your written request must expressly and clearly indicate that
you do not want to participate in the settlement, and you want to be excluded from

1 the *Ernesto Delgado v. Kloeckner Metals Corporation* settlement. The written request
2 for exclusion must include your name, address, telephone number, and last four digits
3 of your Social Security Number. Sign, date, and mail your written request for
exclusion by U.S. First-Class Mail or equivalent, to the address below.

4
5 Claims Administrator

6 c/o [Name]

[Address]

7 Telephone: 1-888-XXX-XXXX

8 The written request to be excluded from the Settlement must be postmarked to the
9 Claims Administrator not later than [redacted]. If you submit a request for
10 exclusion which is not postmarked by [redacted], your request for exclusion
11 will be rejected, and you will be included in the Settlement Class.

12 If you choose **Option 2**, you will no longer be a Class Member. Therefore, you
13 (1) will not receive any class payment from the Settlement, (2) will not be deemed to
14 have released any class claims due to this Settlement, and (3) will be barred from
15 filing an objection to the Settlement. However, you will still be a part of the PAGA
settlement and therefore will release the PAGA claims brought in this matter and will
receive a payment for your share of the PAGA settlement.

16 **Option 3 – File an Objection to the Settlement**

17
18 If you wish to object to the Settlement because you find it unfair or unreasonable, you
19 may object to the terms of the Settlement. Your objection must provide: your full
20 name, address and telephone number, the last four digits of your Social Security
21 Number, the dates you were employed by Defendant, and your objections to the
22 Settlement including each specific reason in support of each objection and any legal
support for each objection. Sign, date, and mail your written objection by U.S. First-
Class Mail or equivalent, to the address below.

23
24 Claims Administrator

25 c/o [Name]

[Address]

26 Telephone: 1-888-XXX-XXXX

27 Your objection must be mailed and postmarked by not later than
28 [redacted].

1 Late objections will not be considered. By filing an objection, you are not excluding
2 yourself from the Settlement. To exclude yourself from the Settlement, you must
3 follow the directions described above in Option 2. Please note that you cannot both
4 object to the Settlement and exclude yourself. You must choose one option only.

5 Regardless of whether or not you have submitted a written objection, you may also
6 appear or appear through counsel of your choice, paid at your own expense, and be
7 heard at the time of the Final Approval Hearing set for [REDACTED] at
8 [REDACTED] m. in Courtroom 9 of the Los Angeles Superior Court, Spring Street
9 Courthouse located at 312 North Spring Street, Los Angeles, CA, 90012, and discuss
10 your objections with the Court and the Parties.

11 If you choose **Option 3**, you will still be entitled to the money from the Settlement.
12 If the Court overrules your objections, you will be deemed to have released the
13 Released Claims.

14 Additional Information

15 This Notice of Class Action Settlement is only a summary of this case and the
16 Settlement. For a more detailed statement of the matters involved in this case and the
17 Settlement, you may refer to the pleadings, the Joint Stipulation of Settlement, and
18 other papers filed in this case, which may be inspected at the Los Angeles Superior
19 Court, Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA, 90012,
20 during regular business hours of each court day.

21 All questions by Class Members regarding this Notice of Class Action Settlement
22 and/or the Settlement should be directed to the Claims Administrator or Class
23 Counsel.

24 The contact information for Class Counsel is as follows:

25 DIVERSITY LAW GROUP, P.C.

26 Larry W. Lee

27 Kristen Agnew

28 Nick Rosenthal

515 S. Figueroa Street, Suite 1250

Los Angeles, CA 90071

Telephone: (213) 488-6555

Fax: (213) 488-6554

**PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE,
DEFENDANTS, OR THEIR ATTORNEYS WITH QUESTIONS.**

EXHIBIT B

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT

ERNESTO DELGADO, as	)	Case No.
individuals and on behalf of	)	2:20-cv-07405-GW-SK
all others similarly placed,	)	
	)	
Plaintiff,	)	
	)	
v.	)	
	)	
KLOECKNER METALS CORPORATION,	)	
a Delaware corporation; and	)	
DOES 1 through 50, inclusive,	)	
	)	
Defendants.	)	
_____	)	

VIDEOCONFERENCE DEPOSITION OF ERNESTO DELGADO

Taken Thursday, November 5, 2020

Stenographically Reported by: DONNA J. RUDOLPH,
RPR, CA. CSR NO. 9652, NV. CCR NO. 420

1 VIDEOCONFERENCE DEPOSITION OF ERNESTO
2 DELGADO, taken on behalf of the Defendant,
3 commencing at the hour of 10:21 A.M., Thursday,
4 November 5, 2020, before Donna J. Rudolph, RPR,
5 Certified Shorthand Reporter, in and for the State
6 of California.

7 APPEARANCES:

8 For Plaintiff:

9 DIVERSITY LAW GROUP, P.C.
10 BY: NICHOLAS ROSENTHAL, ESQ.
11 515 South Figueroa Street
12 Suite 1250
13 Los Angeles, California 90071
14 (213)488-6555
15 nrosenthal@diversitylaw.com
16 (VIA VIDEOCONFERENCE)

17 For Defendants:

18 FORD & HARRISON LLP
19 BY: DANIEL B. CHAMMAS, ESQ.
20 350 South Grand Avenue
21 Suite 2300
22 Los Angeles, California 90071
23 (213)237-2400
24 dchammas@fordharrison.com
25 (VIA VIDEOCONFERENCE)

Also Present:

20 Sandra Chor, Kloeckner
21 Carolyn Viguery, Kloeckner
22 Sandra Books, Kloeckner
23 Aaron Torres, Videographer
24
25

1 others. But knowing that they needed me to do extra
2 work for them, they would look the other way.

3 Q So you're saying some -- some rules
4 applied to you, but they looked the other way
5 sometimes to allow you to not follow those rules.
6 Is that what you're saying?

7 A I said all rules apply to me, as well as
8 everyone else. That's what I said.

9 Q But I think you said they looked the other
10 way sometimes?

11 A Yes. But knowing that they needed me to
12 do extra work, they would look the other way.

13 Q Right. So, first, let's get a list of all
14 the rules that you believe apply to you and everyone
15 else during rest breaks.

16 A All the rules apply to me.

17 Q Okay. Well, one rule is --

18 A They apply to me.

19 Q One rule is they have to be ten minutes
20 long; right? You have to be back at your
21 workstation in ten minutes; right?

22 A Yes.

23 Q Another rule is is that you have to -- you
24 have to start it at 4:00 or two hours after your
25 shift started; right?

1 A Yes.

2 Q Are there any other recalls that you can
3 think of that were told to you like you have to do
4 this, you can't do this during your rest break?

5 A All the rules that applied to everyone
6 applied to me as well. That's my --

7 Q Can you remember any -- can you remember
8 any of those rules besides the ones we just listed?

9 A Well, as far as for breaks?

10 Q Yes.

11 A Well, it's a ten-minute break. You take
12 your ten minutes, and you go back to work at 4:10.

13 Q But you don't remember any other rules;
14 right?

15 A There is no other rule.

16 Q Okay. I know you were farther away, so
17 it'd be harder for you to have done it, but you were
18 allowed to go to the break room, right, during your
19 rest break?

20 A Yes, everyone is.

21 Q Right. Were -- were you allowed to go to
22 your car during your rest break?

23 A If you got back within the time.

24 Q Right. And I know this is maybe
25 impossible because of where the car was, but could

1 UNITED STATES DISTRICT COURT
2 FOR THE CENTRAL DISTRICT OF CALIFORNIA

3 I, DONNA J. RUDOLPH, RPR, CSR No. 9652,
4 Certified Shorthand Reporter, certify:

5 That the foregoing proceedings were taken
6 before me at the time and place therein set forth,
7 at which time the witness was put under oath by me;

8 That the testimony of the witness, the
9 questions propounded, and all objections and
10 statements made at the time of the examination were
11 recorded stenographically by me and were thereafter
12 transcribed;

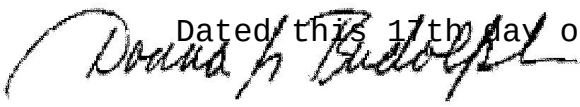
13 That a review of the transcript by the
14 deponent [was not] requested;

15 That the foregoing is a true and correct
16 transcript of my shorthand notes so taken.

17 I further certify that I am not a relative
18 or employee of any attorney of the parties, nor
19 financially interested in the action.

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

23 Dated this 17th day of December, 2020.

24 
25 Donna J. Rudolph, RPR
CA CSR No. 9652, NV CCR No. 420