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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

ROBERTO HERNANDEZ, 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.

MAR-CONE APPLIANCE PARTS CO., an
unknown business entity; and DOES 1
through 100, inclusive,

Defendant.

Case No.: 34-2020-00281810-CU-OE-GDS

Honorable Gerrit W. Wood
Department 31

CLASS ACTION

**DECLARATION OF YASMIN HOSSEINI
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 (Roberto
Hernandez); and [Proposed] Order filed
concurrently herewith]

Reservation #: 2690179
Date: December 9, 2022
Time: 9:00 a.m.
Department: 31

Complaint Filed: September 18, 2018
FAC Filed: September 3, 2020
SAC Filed: December 3, 2020
Trial Date: None Set

DECLARATION OF YASMIN HOSSEINI

I, Yasmin Hosseini, 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 Roberto Hernandez (“Plaintiffs”). 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.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

2. Since October 2008, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, the firm is attorney of record in over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. The firm has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has 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, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA

1 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
2 From approximately September 2002 to approximately December 2002, he served as a Judicial
3 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
4 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
5 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
6 Appellate District. In December of 2004, he obtained a license to practice law from the California
7 State Bar. From approximately December 2004 to approximately August 2008, he was employed
8 by Girardi & Keese. At Girardi & Keese, his practice focused on class actions and other complex
9 cases involving toxic torts and products liability. In addition, he gained substantial experience on
10 cases involving insurance bad faith, premises liability, and medical negligence. While employed
11 by Girardi & Keese, he argued approximately one hundred (100) motions, took or defended
12 approximately one hundred fifty (150) depositions, and prepared dozens of expert witnesses for
13 deposition or trial. Since in or around October of 2008, through his work at Lawyers *for* Justice,
14 PC, he has almost exclusively focused on the prosecution of consumer and employment class
15 actions, involving wage-and-hour claims, race discrimination, unfair business practices, or
16 consumer fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred
17 (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of
18 expert witnesses for deposition or trial, and attended over one hundred seventy-five (175)
19 mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-
20 counsel, he has successfully litigated cases involving the executive, administrative, and other
21 overtime exemptions to the State of California and federal overtime compensation requirements.
22 Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by
23 contested motion practice in approximately fifteen (15) cases in the last decade, and litigated over
24 1,000 class action or representative action cases.

25 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
26 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
27 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.
28 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the

1 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
2 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
3 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
4 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
5 of the State of California and all United States District Courts in the State of California. He has
6 worked on many wage-and-hour class action and representative action cases, taking the lead in
7 taking and defending depositions, arguing motions, and attending mediations. He has played an
8 integral role in preparing matters for class certification, including and not limited to, successful
9 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
10 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
11 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
12 RG13680477). He has worked on over one hundred (100) class action or representative action
13 cases which have resulted in settlement, including and not limited to those listed in paragraph 7
14 herein.

15 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a
16 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of
17 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from
18 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)
19 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in
20 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme
21 Court. She has taken and defended dozens of depositions and successfully handled motion practice
22 in class action cases regarding discovery (including and not limited to, regarding class contact
23 information), class certification (both contested class certification and stipulated class
24 certification), arbitration agreements, coordination, intervention. She has successfully handled
25 briefing and oral argument on appeal, and obtained notable decisions regarding the Private
26 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*
27 *Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017),
28 cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also

1 has extensive experience with class action and/or representative action settlements. Under her,
2 Edwin Aiwarzian, and Arby Aiwarzian’s supervision, the firm has handled the class certification
3 and court approval process for hundreds of class action and/or representative action matters that
4 have successfully resolved. She is a member of the California Employment Lawyers Association.

5 6. I am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Arts degree
6 from University of California, Santa Barbara in 2013 and earned my Juris Doctor degree from
7 Pepperdine University School of Law in 2017. I was admitted to practice law in California in
8 2019. I am admitted to practice before all courts of the State of California and all federal district
9 courts in the State of California. I have worked on many wage and hour class action and PAGA
10 representative matters, and my work has included, *inter alia*, researching and drafting pleadings,
11 administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement
12 agreements, engaging in motion practice, claims evaluation and analysis, and making court
13 appearances. Prior to working at Lawyers *for* Justice, PC, I represented filmmakers and talent,
14 negotiating and structuring various types of agreements on their behalf. I am a member of the
15 California Employment Lawyers Association, Beverly Hills Bar Association, and Iranian
16 American Bar Association.

17 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
18 **REPRESENTATIVE ACTION CASES**

19 7. What follows are just a few examples of the type of results Lawyers *for* Justice, PC
20 (“LFJ”) has achieved on behalf of its clients:

21 a) LFJ, in association with co-counsel therein, represented the plaintiffs in a
22 wage-and-hour class action against a major property management company involving allegations
23 of misclassification of various “manager” positions. On September 20, 2010, the court granted
24 final approval of the class action settlement. The Los Angeles County Superior Court Case
25 Number is BC400414.

26 b) LFJ, in association with co-counsel therein, represented the plaintiffs in a
27 wage-and-hour class action against a national retailer of household items involving allegations of
28 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court

1 granted final approval of the class action settlement. The Los Angeles County Superior Court
2 Case Number is BC413498.

3 c) LFJ, in association with co-counsel therein, represented the plaintiffs in a
4 wage-and-hour class action against a national property management company involving
5 allegations of misclassification of the “Property Manager” position. On May 23, 2012, the court
6 granted final approval of the class action settlement. The Los Angeles County Superior Court
7 Case Number is BC430918.

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

13 e) LFJ, in association with co-counsel therein, represented the plaintiff in a
14 wage-and-hour class and PAGA representative action against a bank, involving allegations of
15 misclassification of the “Assistant Branch Manager” position. On August 27, 2013, the court
16 granted final approval of the class and PAGA representative action settlement. The Kern County
17 Superior Court Case Number is S-1500-CV-273194-LHB.

18 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
19 wage-and-hour class and PAGA representative action against a national wholesale distributor of
20 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
21 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
22 representative action settlement. The Sacramento County Superior Court Case Number is 34-
23 2012-00136285.

24 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
25 wage-and-hour class action against a multinational corporation that provides global workplace
26 solutions, involving allegations of misclassification of the “Operations Manager” position. On
27 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles
28 County Superior Court Case Number is BC478769.

1 h) LFJ, in association with co-counsel therein, represented the plaintiff in a
2 wage-and-hour class and PAGA representative action against a national retailer of household
3 items, on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted
4 final approval of the class and PAGA representative action settlement. The San Francisco County
5 Superior Court Case Number is CGC-13-532344.

6 i) LFJ, in association with co-counsel therein, represented the plaintiff in a
7 wage-and-hour class and PAGA action involving allegations of misclassification of the salaried
8 residential “Property Manager” position. On September 17, 2015, the court granted plaintiff’s
9 motion for class certification. On October 20, 2017, the court granted final approval of the class
10 and PAGA representative action settlement. The Los Angeles County Superior Court Case
11 Number is BC474784.

12 j) LFJ, in association with co-counsel therein, represented the plaintiffs in a
13 wage-and-hour class and PAGA representative action against a national retailer of upscale
14 hardware and home furnishings, on behalf of non-exempt employees. On April 28, 2016, the court
15 granted final approval of the class and PAGA representative action settlement. The Los Angeles
16 County Superior Court Case Numbers are BC516795 and JCCP4794, and the Judicial Council
17 Coordination Proceeding Number is 4794.

18 k) LFJ, in association with co-counsel therein, represented the plaintiffs in a
19 wage-and-hour class action against a national retailer of apparel and fashion accessories, on behalf
20 of non-exempt employees. On August 5, 2016, the court granted final approval of the class action
21 settlement. The Los Angeles County Superior Court Case Number is BC488069.

22 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
23 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
24 involving allegations of misclassification of the “Department Manager” position. On August 12,
25 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On
26 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
27 County Superior Court Case Number is RG13680477.
28

1 m) LFJ represented the plaintiff in a PAGA representative action against a real
2 estate and property management company, on behalf of non-exempt employees. On November 4,
3 2016, the court granted approval of the PAGA representative action settlement. The Orange
4 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

5 n) LFJ, in association with co-counsel therein, represented the plaintiffs in a
6 wage-and-hour class and PAGA representative action against a full-service bank, on behalf of non-
7 exempt employees. On November 18, 2016, the court granted final approval of the class and
8 PAGA representative action settlement. The San Francisco County Superior Court Case Number
9 is CJC-13-004839 and the Judicial Council Coordination Proceeding Number is 4839.

10 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
11 representative action against a foodservice distributor, on behalf of non-exempt employees. On
12 January 26, 2017, the court granted final approval of the class and PAGA representative action
13 settlement. The San Bernardino County Superior Court Case Number is CIVDS1507260.

14 p) LFJ, on behalf of the plaintiff and respondent in a PAGA representative
15 action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the
16 employer's motion to compel arbitration, which resulted in a published opinion by the California
17 Court of Appeal in favor of employees. *Roberto Betancourt v. Prudential Overall Supply* (Cal.
18 App. 4th Dist., Mar. 7, 2017) 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court
19 Docket No. 17-254). The Riverside County Superior Court Case Numbers are RIC1503952 and
20 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

21 q) LFJ, in association with co-counsel therein, represented the plaintiffs in a
22 wage-and-hour class and PAGA representative action against a consumer packaging company, on
23 behalf of non-exempt employees. On March 10, 2017, the court granted final approval of the class
24 and PAGA representative action settlement. The Los Angeles County Superior Court Case
25 Number is BC590429.

26 ///

27 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
28 wage-and-hour class and PAGA representative action against a manufacturer of food service

1 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final
2 approval of the class and PAGA representative action settlement. The Orange County Superior
3 Court Case Number is 30-2015-00810013-CU-OE-CXC.

4 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
5 hour class and PAGA representative action against a lumber and hardware company on behalf of
6 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
7 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
8 00747750-CU-OE-CXC.

9 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
10 representative action against a property management company, on behalf of non-exempt
11 employees. On June 14, 2017, the court granted final approval of the class and PAGA
12 representative action settlement. The Los Angeles County Superior Court Case Number is
13 BC586234.

14 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
15 representative action against a food company on behalf of non-exempt employees. On June 30,
16 2017, the court granted final approval of the class and PAGA representative action settlement. The
17 Sacramento County Superior Court Case Number is 34-2015-00175871.

18 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
19 representative action against a chocolate company on behalf of non-exempt employees. On July
20 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
21 The Alameda County Superior Court Case Number is RG15764300.

22 w) LFJ firm represented the plaintiff in a PAGA representative action, against
23 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
24 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
25 Los Angeles County Superior Court Case Number is BC569664.

26 ///

27 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
28 representative action against a manufacturer of plastic containers on behalf of non-exempt

1 employees. On October 31, 2017, the court granted final approval of the class and PAGA
2 representative action settlement. The Los Angeles County Superior Court Case Number is
3 BC577233.

4 y) LFJ, in association with co-counsel therein, represented the plaintiffs in a
5 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt
6 employees. On December 11, 2017, the court granted final approval of the class and PAGA
7 representative action settlement. The Los Angeles County Superior Court Case Number is
8 BC569646.

9 z) LFJ, in association with co-counsel therein, represented the plaintiffs in a
10 wage-and-hour class and PAGA representative action against a property management company
11 on behalf of hourly-paid and non-exempt employees. On January 4, 2018, the court granted final
12 approval of the class and PAGA representative action settlement. The Los Angeles County
13 Superior Court Case Number is JCCP4819 and the Judicial Council Coordination Proceeding
14 Number is 4819.

15 aa) LFJ, in association with co-counsel therein, represented the plaintiffs in a
16 wage-and-hour class and PAGA representative action against a global provider of flexible office
17 space solutions. On February 15, 2018, the court granted final approval of the class and PAGA
18 representative action settlement. The Los Angeles County Superior Court Case Number is
19 BC498401.

20 bb) LFJ, in association with co-counsel therein, represents the plaintiff in a
21 wage-and-hour class action against a container manufacturer, on behalf of non-exempt employees.
22 On October 15, 2018, the court granted the plaintiff's motion for class certification. The Tulare
23 County Superior Court Case Number is VCU264528.

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

1 dd) LFJ, in association with co-counsel therein, represented the plaintiff in a
2 PAGA representative action against a global provider of products and services to the energy
3 industry, on behalf of hourly-paid and non-exempt employees. On November 19, 2018, the court
4 granted approval of the PAGA representative action settlement. The Kern County Superior Court
5 Case Number is S-1500-CV-280215-SDC.

6 ee) LFJ, in association with co-counsel therein, represents the plaintiff in a
7 wage-and-hour class action against a parking company on behalf of non-exempt employees. On
8 September 3, 2019, the court granted the plaintiff's motion for class certification and certified a
9 class. The Santa Clara County Superior Court Case Number is 16CV292208 and the Judicial
10 Council Coordination Proceeding Number is 4886.

11 ff) LFJ, in association with co-counsel therein, represents the plaintiffs in a
12 wage-and-hour class and representative action against a bank on behalf of non-exempt employees.
13 On September 27, 2019, the court granted the plaintiffs' motion for class certification in part and
14 certified a class. The Alameda County Superior Court Case Number is RG15757606 and the
15 Judicial Council Coordination Proceeding Number is 4921.

16 gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a
17 wage-and-hour class and PAGA representative action against a national retailer of apparel and
18 fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted
19 the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the
20 court granted final approval of the class and PAGA representative action settlement. The
21 Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

22 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
23 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
24 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
25 notable decision from the California Supreme Court clarifying the law and finding, in part, that
26 employer arbitration agreements are unenforceable where they block a PAGA claim from
27 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court
28

1 granted approval of the PAGA representative action settlement. The San Diego County Superior
2 Court Case Number is 34-2015-00175330.

3 ii) LFJ, in association with co-counsel therein, represents the plaintiff in a
4 wage-and-hour class and PAGA representative action against a medical equipment supplier on
5 behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion
6 for class certification and certified a class. The San Bernardino County Superior Court Case
7 Number is CIVDS1505744.

8 jj) LFJ, in association with co-counsel therein, represents the plaintiff in a
9 wage-and-hour class and PAGA representative action against a large national drug testing
10 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the
11 plaintiff's motion for class certification and certified a class. The San Diego County Superior
12 Court Case Number is 37-2018-00019611-CU-OE-CTL.

13 kk) LFJ, in association with co-counsel therein, represents the plaintiffs in a
14 wage-and-hour class and PAGA representative action against a national retailer of sportswear,
15 footwear, and camping equipment on behalf of non-exempt employees. On March 16, 2020, the
16 court granted in part the plaintiff's motion for class certification and certified a class. The
17 Riverside County Superior Court Case Numbers are RIC1507504 and RICJCCP4930, and the
18 Judicial Council Coordination Proceeding Number is 4930.

19 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a
20 wage-and-hour class action against manufacturer and supplier of power products and services on
21 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion
22 for class certification and certified a class. The San Diego County Superior Court Case Number is
23 37-2015-00025968-CU-OE-CTL.

24 mm) LFJ represents the plaintiff in a wage-and-hour class action against a
25 nutritional products manufacturer on behalf of non-exempt production line employees. On
26 December 13, 2021, the court granted the plaintiff's motion for class certification in part and
27 certified a class. The Solano County Superior Court Case Number is FCS051001.
28

nn) LFJ represents the plaintiff in a wage-and-hour class action against an iconic lifestyle accessories brand and retailer on behalf of non-exempt employees. On March 15, 2022, the court granted the plaintiff's motion for class certification in part and certified a class. The San Francisco Superior Court Case Number is CGC-16-550794.

PRELIMINARY APPROVAL

8. Marked and attached hereto as "**EXHIBIT A**" is the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant Mar-Cone Appliance Parts Co. ("Defendant"), on the other hand. The Parties and their counsel have approved the proposed Class Notice ("Notice"), which is attached to the Settlement Agreement as "Exhibit A" and respectfully request that the Court approve it as well.

8. On February 22, 2022, the Court entered an order granting Plaintiff's Request for Dismissal of Carmen Ramirez's Claims, dismissing former plaintiff Carmen Ramirez's individual claims and putative class claims without prejudice.

9. Based on information provided by Defendant, as of June 8, 2020, the Class is estimated to consist of approximately one hundred seventy-seven (177) individuals.

10. The effectiveness of Lawyers for Justice, PC ("Class Counsel") in prosecuting this matter has translated into tangible monetary benefits for the Class Members in the following respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the cases; and (3) significant savings in Class Counsel's fees and/or costs that would have only increased significantly had the cases progressed through certification, trial, and/or appeals.

11. Class Counsel has litigated the matters for over three years since former plaintiff Carmen Ramirez's putative wage-and-hour class action lawsuit, *Carmen Ramirez v. Mar-Cone Appliance Parts Co.*, Superior Court of California for the County of Fresno, Case No.

18CECG03479, was commenced on September 18, 2018, and was actively preparing the matters for class certification and trial. Plaintiff Roberto Hernandez’s putative wage-and-hour class action and representative PAGA action lawsuit, i.e., the above-captioned action, was commenced on July 15, 2020. Plaintiff and Defendant (together, the “Parties”) have engaged in extensive settlement negotiations and participated in a formal, full-day mediation on June 10, 2020, conducted by Paul Grossman, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. Prior to and during the mediation and settlement discussions, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the cases and various aspects of the cases, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA representative actions, and federal and state wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm’s length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting investigations, formal and informal discovery and exchange of information, extensive settlement negotiations, and with the aid of the mediator’s evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiff’ principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Claims of Plaintiff and Settlement Class Members, against the Released Parties.

12. The Parties used the pre-mediation time to investigate the veracity, strength, and scope of the claims, and Class Counsel was preparing the actions for class certification and trial. Prior to engaging in mediation, Plaintiff conducted significant investigation and formal and informal discovery regarding the facts of the cases, including and not limited to, the exchange, review, and analysis of thousands of pages of documents and data obtained from Defendant,

1 Plaintiff, and other sources. Class Counsel propounded multiple sets of formal written discovery
2 requests onto Defendant (specifically, Requests for Production of Documents (Sets One and Two),
3 Special Interrogatories (Sets One, Two, and Three), and Form Interrogatories-General (Set One)),
4 reviewed Defendant's responses and supplemental responses to Plaintiff's discovery requests, and
5 noticed the depositions of Defendant's Person Most Knowledgeable designees. Class Counsel
6 also worked with former plaintiff Carmen Ramirez to provide responses and supplemental
7 responses to Special Interrogatories (Set One) and Request for Production of Documents (Set One)
8 propounded by Defendant, prepared for and took the deposition of Defendant's Person Most
9 Knowledgeable witnesses (specifically, Defendant's Regional Distribution Manager and
10 Northern California Regional Branch Manager (who was also a Branch Manager in Sacramento
11 until May 2019)) over the course of three (3) separate days in August 2019 and December 2019,
12 and prepared for and defended the deposition of former plaintiff Carmen Ramirez in February
13 2020. Parties also engaged in a *Belaire-West* privacy notice and opt-out process with a neutral
14 third-party, Simpluris, Inc. (the same third-party proposed as the Settlement Administrator), and
15 after this process was completed, the class contact information was produced to former plaintiff
16 Carmen Ramirez and Class Counsel in October 2019. The volume of data and documents that
17 Class Counsel reviewed and analyzed included and was not limited to: Plaintiff's and other Class
18 Members' employment records, a detailed sampling of Class Members' time and pay data,
19 company policy acknowledgements (e.g., the Handbook Acknowledgement Form), internal
20 memoranda, Defendant's operations and employment practices, policies, and procedures
21 (including but not limited to Defendant's Policies and Procedures Manual for Employees,
22 Employment Practices and Procedures, Complaint Resolution Procedure, Hours and Pay Practice,
23 Drug and Alcohol Free Workplace Policy, Operations Policies, and Leave of Absence Policies),
24 among other information and documents. Class Counsel interviewed Plaintiff and other Class
25 Members to gather facts and to identify potential witnesses. Counsel for the Parties also met and
26 conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, discovery, and
27 the production of documents and data prior to the mediation. Class Counsel also drafted pleadings
28 and the mediation brief and prepared for and attended court proceedings, mediation, and settlement

1 negotiations, among other tasks.

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

8 14. The Settlement provides for a Total Settlement Amount of Six Hundred Thousand
9 Dollars (\$600,000.00), however, in accordance with the Settlement Agreement, if the total number
10 of Workweeks for the time period of September 18, 2014 to June 10, 2020 exceeds 12,000 by
11 more than ten percent (i.e., exceeds 13,200), the Total Settlement Amount will be increased *pro*
12 *rata*. As of this date, the actual total Workweeks for the period of September 18, 2014, to June
13 10, 2020 is estimated to be 14,081 and as a result the Total Settlement Amount is estimated to be
14 approximately Seven Hundred and Four Thousand Dollars \$704,000. The Net Settlement Amount
15 is the Total Settlement Amount less the following amounts subject to approval by the Court:
16 Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, Settlement
17 Administration Costs to Settlement Administrator, and LWDA Payment to the Labor and
18 Workforce Development Agency ("LWDA"). Assuming that the amounts allocated under the
19 Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will
20 be available for distribution to Settlement Class Members is currently estimated to be Three
21 Hundred Sixty-One Thousand One Hundred Dollars (\$361,100.00). Additionally, 25% of the
22 PAGA Penalties which is \$12,500 out of \$50,000, will be distributed to Settlement Class Members
23 as part of the Net Settlement Amount. The Total Settlement Amount will be fully distributed in
24 accordance with the terms of the Settlement and there is no reversion to Defendant.

25 15. The Parties have agreed to retain Simpluris, Inc. ("Simpluris" or "Settlement
26 Administrator") to handle the notice and settlement administration process. The Parties
27 respectfully request that the Court appoint Simpluris to handle these procedures and serve as the
28 Settlement Administrator. Defendant will provide Simpluris with a list of Class Members that

1 Defendant will compile from its records, which will include each Class Member's full name; last
2 known mailing address; Social Security Number; dates worked for Defendant as an hourly-paid
3 or non-exempt employee during the Class Period; and the number of shifts worked during the
4 Class Period, and such other information as is necessary for the Settlement Administrator to
5 calculate Workweeks ("Class Data and List"), and Simpluris will calculate each Class Member's
6 estimated share of the Net Settlement Amount ("Individual Settlement Share"). Simpluris will
7 also receive requests for exclusion from the Settlement, objections to the Settlement, and disputes
8 regarding Workweeks; provide necessary reports and declarations; calculate, subtract, and
9 transmit necessary taxes and withholdings; prepare and submit informational and other tax filings
10 and documents; issue and transmit all payments provided for by the Settlement, including and not
11 limited to, mailing Individual Settlement Share checks to the Settlement Class Members; and
12 perform any other usual and customary duties for administering a class action settlement.
13 Settlement Administration Costs are currently estimated not to exceed Eight Thousand Dollars
14 (\$8,000.00) and will be paid out of the Total Settlement Amount, subject to approval of the Court.

15 16. Based on investigation and information discovered, Class Counsel believes that
16 there is sufficient evidence to support the allegations made in the lawsuits, including the
17 allegations that Defendant, with respect to Plaintiff and the Class Members, *inter alia*, failed to
18 properly pay overtime and minimum wages and associated premium pay, failed to provide
19 compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages
20 during employment and upon termination of employment, failed to provide compliant wage
21 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
22 expenses, and thereby engaged in unfair business practices and conduct giving rise to civil
23 penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code
24 sections 2698, et seq.). Plaintiff also asserted that Class Members were expected to perform
25 similar job duties and were subject to the same or similar operations and employment policies,
26 practices, and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping
27 practices with respect to Plaintiff and the Class Members were substantially the same during the
28 time period at issue. As a result of said alleged uniform practices, Plaintiff claims that the Class

1 Members were not paid all of the compensation that was owed to them by Defendant since
2 September 18, 2014. Thus, in Class Counsel's view, it is clear that the outcome of this litigation
3 would be determined by Defendant's uniform operations and employment practices, policies, and
4 procedures that Plaintiff alleges applied across its hourly-paid or non-exempt employees in
5 California during the Class Period.

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

15 18. Defendant, on the other hand, denied and continues to deny any liability and
16 wrongdoing of any kind associated with the claims alleged in the lawsuits, and further denies that
17 the lawsuits are appropriate for class treatment or representative adjudication for any purpose other
18 than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides
19 have also had the opportunity to interview witnesses and review documents and information
20 relating to Plaintiff's and Class Members' employment with Defendant, and Defendant's
21 operations and employment policies, practices, and procedures. The Parties also reviewed and
22 analyzed thousands of pages of documents and data, including but not limited to a detailed
23 sampling of Class Members' time and pay information, to determine the potential value and
24 strength of the claims. The available information enabled Class Counsel to estimate the potential
25 claims of the Class and prepare damages/valuation models. Accordingly, the Parties have
26 conducted adequate investigation and discovery to be sufficiently informed of the nature and
27 extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for
28 its fairness, adequacy, and reasonableness. The Parties have agreed that the matter is well-suited

1 for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and
2 risks to both sides that would attend further litigation. The Settlement takes into account the
3 strengths and weaknesses of each side's position and the uncertainty of how the cases might have
4 concluded at certification, trial, and/or appeals.

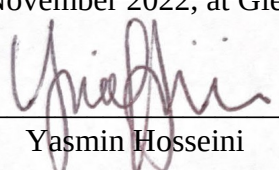
5 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
6 in an amount of up to thirty-five percent (35%) of the Total Settlement Amount
7 (i.e., \$246,400.00) and expenses and costs in an amount not to exceed Forty-Five Thousand
8 Dollars (\$45,000.00), which will be paid out of the Total Settlement Amount, subject to approval
9 by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
10 and will not receive any compensation until recovery is obtained.

11 20. The Settlement Agreement provides for payment of up to Six Thousand Dollars
12 (\$6,000.00) to Plaintiff as an Enhancement Payment, to be paid out of the Total Settlement
13 Amount subject to approval by the Court. Plaintiff spent considerable time and effort to produce
14 relevant documents and past employment records and to provide the facts and evidence necessary
15 to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed him
16 and actively tried to obtain information that would facilitate the pursuit of the class and PAGA
17 claims. Accordingly, it is appropriate and just for Plaintiff to receive an Enhancement Payment,
18 in addition to his individual settlement payments, for his services on behalf of the Class.

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

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

26 Executed on this 10th day of November 2022, at Glendale, California.

27
28 

Yasmin Hosseini

EXHIBIT A

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release (“Agreement” or “Settlement Agreement”), is made and entered into by and between Plaintiff Roberto Hernandez (“Plaintiff” or “Class Representative”), as individuals and on behalf of all others similarly situated and aggrieved employees, and Defendant Mar-Cone Appliance Parts Co. (“Defendant”) (collectively with Plaintiff, the “Parties”).

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

RECITALS

1. On September 18, 2018, Carmen Ramirez commenced a putative class action entitled *Carmen Ramirez v. Mar-Cone Appliance Parts Co.*, Superior Court of California for the County of Fresno, Case No. 18CECG03479 (“*Ramirez Action*”) against Defendant. On July 15, 2020, Roberto Hernandez filed commenced a putative class and representative PAGA action entitled *Roberto Hernandez v. Mar-Cone Appliance Parts Co.*, Superior Court of California for the County of Sacramento, Case No. 34-2020-00281810 (the “*Action*”) against Defendant. On September 3, 2020, Roberto Hernandez filed the First Amended Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. (“*First Amended Complaint*”) which added Plaintiff Carmen Ramirez and alleges eleven (11) causes of action against Defendant for failure to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during and after employment and pay associated waiting-time penalties, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses, and for violations of California Business and Professions Code Section 17200, *et seq.* and civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code Section 2698, *et seq.* (“*PAGA*”), on behalf of all current and former hourly-paid or non-exempt employees who worked for Defendant in California at any time during the period September 18, 2014 through final judgment. On December 3, 2020, Roberto Hernandez filed the Second Amended Consolidated Class Action Complaint for Damages & Enforcement Under the Private Attorneys General

Act, California Labor Code § 2698, *Et Seq.* (“Operative Complaint”) which included Plaintiff Carmen Ramirez as a plaintiff. The Operative Complaint alleges eleven (11) causes of action against Defendant for failure to properly pay minimum and overtime wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during and after employment and pay associated waiting-time penalties, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses, and for violations of California Business and Professions Code Section 17200, *et seq.* and civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code Section 2698, *et seq.* (“PAGA”). The Operative Complaint also alleges two (2) causes of action under the Fair Labor Standards Act against Defendant for failure to properly pay minimum and overtime wages. The Operative Complaint alleges putative class claims on behalf of all current and former hourly-paid or non-exempt employees who worked for Defendant in California at any time during the period from September 18, 2014 through final judgment. On February 22, 2022, the Court entered an order granting Plaintiff’s Request for Dismissal of Carmen Ramirez’s Claims, dismissing former plaintiff Carmen Ramirez’s individual claims and putative class claims without prejudice. Plaintiff Roberto Hernandez’s individual, putative class, and representative claims remain and persist. On February 22, 2022, the Superior Court of California for the County of Fresno entered an order dismissing the *Ramirez* action in its entirety, and dismissing former plaintiff Carmen Ramirez’s individual claims and putative class claims without prejudice.

2. Defendant denies all material allegations set forth in the Action, defined below, and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Action and Released Claims (as defined below).

3. Class Counsel (as defined below) 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 numerous corporate policies and practices.

4. On June 10, 2020, the Parties participated in mediation with Paul Grossman, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, and eventually, after continued settlement negotiations and with the assistance of the Mediator and his evaluations, the Parties reached

1 the settlement that is memorialized in this Agreement. The settlement discussions were conducted at
2 arm's-length, and the settlement is the result of an informed and detailed analysis of Defendant's
3 potential liability and total exposure in relation to the costs and risks associated with continued
4 litigation. Based on the documents produced, as well as Class Counsel's own independent investigation
5 and evaluation, Class Counsel believe that the settlement with Defendant for the consideration and on
6 the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
7 interest of the Class Members in light of all known facts and circumstances, including the risk of
8 significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

13 DEFINITIONS

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

16 a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for
17 Class Counsel's litigation and resolution of this Action, and all actual costs incurred and to be incurred
18 by Class Counsel in the Action, as set forth in Paragraph 10 below.

19 b. "Class Counsel" or "Plaintiff's Counsel" mean Edwin Aiwazian, Arby Aiwazian,
20 and Joanna Ghosh of Lawyers *for* Justice, PC, counsel for Plaintiff, who will seek to be appointed
21 counsel for the Class.

22 c. "Class Data and List" means a complete list of all Class Members that Defendant
23 will diligently and in good faith compile from its records and provide to the Settlement Administrator
24 within thirty (30) calendar days after Preliminary Approval. The Class Data and List will be formatted
25 in a readable Microsoft Office Excel spreadsheet and will include the following information for each
26 and every Class Member: full name, last known mailing address, Social Security Number, dates worked
27 for Defendant as an hourly-paid or non-exempt employee during the Class Period, and the number of
28 shifts worked during the Class Period, and such other information as is necessary for the Settlement

1 Administrator to calculate Workweeks (as defined below).

2 d. "Class Member(s)" or "Class" means all current and former hourly-paid or non-
3 exempt employees, who worked for Defendant at Defendant's locations in California at any time during
4 the Class Period (as defined below) and who received at least one paycheck during the Class Period from
5 Defendant.

6 e. "Class Notice" means the Notice of Class Action Settlement approved by the
7 Court, substantially in the form attached as "**Exhibit A.**"

8 f. "Class Period" means the time period from September 18, 2014, through the date
9 of preliminary approval.

10 g. "Class Representative," or "Plaintiff" means Roberto Hernandez.

11 h. "Court" means the Superior Court of the State of California for the County of
12 Sacramento.

13 i. "Defendant" means Mar-Cone Appliance Parts Co.

14 j. "Defendant's Counsel" means Randall Thompson, AJ Weissler, Cooper Page, and
15 Amberly Morgan of Husch Blackwell LLP.

16 k. "Effective Date" means the date when all of the following events have occurred:
17 (1) this Agreement has been executed by all Parties, Class Counsel, and Defendant's Counsel; (2) the
18 Court has given preliminary approval to the Settlement; (3) the Class Notice has been mailed to the
19 Class Members, providing them with an opportunity to object to the terms of the Settlement or opt out
20 of the Settlement; (4) the Court has held a Final Approval Hearing and entered a Final Approval Order
21 and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order
22 and Judgment; and (6) in the event there are written objections filed prior to the Final Approval Hearing
23 which are not later withdrawn or denied, the later of the following events: five business days after the
24 period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval
25 Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been
26 filed; or, if any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order
27 and Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings
28 opposing the Settlement has finally and conclusively dismissed with no right to pursue further remedies

1 or relief. .

2 l. “Enhancement Payment” means the amount to be paid to Plaintiff Roberto
3 Hernandez in recognition of his efforts and work in prosecuting the Action on behalf of Class Members
4 and in exchange for a general release and withdrawal of any pending claims, as set forth in Paragraph
5 11 below.

6 m. “FLSA Settlement Class Members” means all Class Members who cash their
7 Individual Settlement Payment checks, and thereby will be deemed to have given their consent to “opt in”
8 as a party plaintiff in this action pursuant to the Fair Labor Standards Act of 1938, 29 U.S.C. § 216(b)
9 (“FLSA”) and to have waived and released any Released FLSA Claims.

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

12 o. “Final Approval Hearing” means the hearing at which the Court will consider and
13 determine whether the settlement should be granted Final Approval.

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

18 q. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
19 Amount that a Class Member may be eligible to receive under this Agreement, to be calculated in
20 accordance with Paragraph 14.

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

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

27 t. “Notice of Objection” means a Class Member’s valid and timely written objection
28 to this Agreement, which must be in writing and include: (a) the case name and number of the Action;

(b) the objector's full name, signature, address, and telephone number, (c) a written statement of all grounds for the objection accompanied by any legal support for such objection, and (d) copies of any papers, briefs, or other documents upon which the objection is based.

u. "Party" means either Plaintiff or Defendant.

v. "Parties" collectively means Plaintiff and Defendant, collectively, and "Party" means either Plaintiff or Defendant.

w. "Preliminary Approval" means entry by the Court of an order granting preliminary approval of the Settlement Agreement.

x. "Released Claims" means all claims under state, federal, or local law, whether statutory law, common law or administrative law, based on the factual allegations set forth in the Operative Complaint, arising during the Class Period, including but not limited to, claims for minimum wage violations, failure to pay overtime wages, unreimbursed expenses, rest period violations, meal period violations, failure to keep proper records, itemized wage statement violations, conversion, waiting time penalties, unfair competition, declaratory relief, violation of the Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA"), injunctive relief, punitive damages, liquidated damages, penalties of any nature, interest, fees, and costs.

y. "Released FLSA Claims" means all claims under the Fair Labor Standards Act, 29 U.S.C. §§ 206 and 207, based on the factual allegations set forth in the Operative Complaint, including but not limited to: claims for failure to pay minimum wages, overtime wages, injunctive relief, punitive damages, liquidated damages, penalties of any nature, interest, fees, and costs.

z. "Released Parties" means Defendant, and all its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Claims.

aa. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the settlement. The Request for Exclusion must: (a) contain the case name and number of the Action, (b) be signed by the Class Member, (c) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the Class Member

1 requesting exclusion, (d) clearly state that the Class Member does not wish to be included in the
2 settlement, and (e) be returned by fax or mail to the Settlement Administrator at the specified address
3 and/or facsimile number, postmarked or faxed on or before the Response Deadline. The date of the
4 postmark on the return mailing envelope or fax-stamp on the submission will be the exclusive means to
5 determine whether a Request for Exclusion has been timely submitted. A Class Member who does not
6 request exclusion from the settlement will be deemed a Settlement Class Member and will be bound by
7 all terms of this Agreement, if the settlement is granted Final Approval by the Court.

8 bb. “Response Deadline” means the deadline by which Class Members must submit
9 a Request for Exclusion, objection, and/or dispute of the Workweeks credited to them, which shall be
10 the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement
11 Administrator, unless the forty-fifth (45th) day falls on a Sunday or Federal holiday, in which case the
12 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The
13 Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s
14 Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to
15 extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the
16 Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days.

17 cc. “Settlement Administrator” means Simpluris, Inc. or any other third-party class
18 action settlement administrator agreed to by the Parties and approved by the Court for purposes of
19 administering this settlement. The Parties each represent that they do not have any financial interest in
20 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that
21 could create a conflict of interest.

22 dd. “Settlement Administration Costs” means the costs payable from the Total
23 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this
24 settlement, as set forth in Paragraph 12 below.

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

27 ff. “Total Settlement Amount” means the amount of Six Hundred Thousand Dollars
28 (\$600,000), subject to increase as provided in Paragraph 36, to be paid by Defendant in full resolution

1 of all Released Claims and the Action, which includes all Attorneys' Fees and Costs, Enhancement
2 Payment, LWDA Payment, Net Settlement Amount to be paid to the Settlement Class Members (which
3 includes the Settlement Class Members' portion of the PAGA Payment), and Settlement Administration
4 Costs. The employer's share of taxes on the wages portion of Individual Settlement Shares will be paid
5 separately and in addition to the Total Settlement Amount.

6 gg. "Workweeks" means the number of weeks each Class Member worked for
7 Defendant as an hourly-paid or non-exempt employee at a location in California during the Class Period,
8 which will be calculated by the Settlement Administrator by identifying any week (from 12:00 AM
9 Sunday to 11:59 PM on the following Saturday) in which the Class Member worked four or more shifts,
10 where a shift is defined as over three and a half hours worked during a work day. For any period of time
11 for which there is no shift data available, the number of Workweeks will be calculated by using the
12 average number of Workweeks worked per year by that Class Member, based on available time data,
13 and applied to the period of time that Class Member was employed by Defendant as an hourly-paid or
14 non-exempt employee during the period of time in which there is no available data. For Class Members
15 who were employed by Defendant as an hourly-paid or non-exempt employee only during the period of
16 time for which there is no available data, the average number of Workweeks worked per year by all
17 Class Members will be applied to the period of time that that Class Member was employed by Defendant
18 as an hourly-paid or non-exempt employee to calculate Workweeks. Each Class Member will be
19 credited with at least one (1) Workweek.

20 **CLASS AND COLLECTIVE CERTIFICATION**

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

24 8. The Parties agree that certification for the purpose of settlement is not an admission that
25 certification is proper under Section 382 of the California Code of Civil Procedure or 29 U.S.C. § 216(b).
26 Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class and
27 collective action certification as part of the settlement shall become null and void *ab initio* and shall
28 have no bearing on, and shall not be admissible in connection with, the issue of whether or not

1 certification would be inappropriate in a non-settlement context.

2 **TERMS OF AGREEMENT**

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

5 9. Funding of the Total Settlement Amount. Within fifteen (15) calendar days after the
6 Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts
7 to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within forty-five (45)
8 calendar days of the Effective Date, Defendant will make a one-time deposit of the Total Settlement
9 Amount into a settlement account to be established by the Settlement Administrator. Within seven (7)
10 calendar days of the funding of Total Settlement Amount, the Settlement Administrator will issue
11 payments due under the settlement and approved by the Court, as follows: (a) Individual Settlement
12 Payments to Settlement Class Members; (b) LWDA Payment to the Labor and Workforce Development
13 Agency; (c) Enhancement Payment to Plaintiff; and (d) Attorneys' Fees and Costs to Class Counsel.
14 The Settlement Administrator will also issue a payment to itself for Court-approved services performed
15 in connection with the settlement.

16 10. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose
17 attorneys' fees of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., the ultimate Total
18 Settlement Amount pursuant to Paragraph 36) and reimbursement of actual costs and expenses
19 associated with Class Counsel's litigation and settlement of the Action, in an amount not to exceed
20 Forty-Five Thousand Dollars (\$45,000), both of which will be paid from the Total Settlement Amount
21 subject to Court approval. These amounts will cover any and all work performed and any and all costs
22 incurred by Class Counsel in connection with the litigation of the Action, including without limitation
23 all work performed and costs incurred to date, and all work to be performed and all costs to be incurred
24 in connection with obtaining the Court's approval of this Settlement Agreement, including any
25 objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and
26 legally responsible for correctly characterizing this compensation for tax purposes and for paying any
27 taxes on the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the
28 Settlement Administrator may purchase an annuity to utilize U.S. Treasuries and bonds or other attorney

1 fee deferral vehicles, for Class Counsel. Any additional expenses for the purchase of an annuity by the
2 Settlement Administrator shall be paid separately by Class Counsel and shall not be included within the
3 Settlement Administrator Costs. Any portion of the Attorneys' Fees and Costs not awarded to Class
4 Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

5 11. Enhancement Payment. In recognition of his efforts and work in prosecuting the Action,
6 Defendant agrees not to oppose or impede any application or motion for Enhancement Payment in an
7 amount up to Six Thousand Dollars (\$6,000) to Plaintiff Roberto Hernandez. The Enhancement Payment,
8 which will be paid from the Total Settlement Amount, subject to Court approval, will be in addition to
9 his Individual Settlement Payment that is to be paid pursuant to the settlement. The Settlement
10 Administrator will issue an IRS Form 1099 to Plaintiff for his Enhancement Payment, and Plaintiff shall
11 be solely and legally responsible for correctly characterizing this compensation for tax purposes and for
12 paying any taxes on the amounts received. Plaintiff agrees to indemnify and hold Defendant harmless
13 from any claim or liability for taxes, penalties, or interest arising as a result of the Enhancement
14 Payment. Should the Court approve the Enhancement Payment to Plaintiff in an amount that is less
15 than that set forth above, the difference between the lesser amount approved by the Court and the amount
16 allocated toward the Enhancement Payment will be part of the Net Settlement Amount for the benefit
17 of Settlement Class Members.

18 12. Settlement Administration Costs. The Settlement Administrator will be paid for the
19 reasonable costs of administration of the Settlement and distribution of payments under the settlement,
20 which is currently estimated not to exceed Eight Thousand Dollars (\$8,000). These costs, which will
21 be paid from the Total Settlement Amount, subject to Court approval, will include, *inter alia*, printing,
22 distributing, and tracking Class Notices and other documents for this settlement, calculating and
23 distributing payments due under the settlement, issuing of 1099 and W-2 IRS Forms and all required
24 tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and
25 other duties and responsibilities set forth herein to process this settlement, and as requested by the Parties.
26 To the extent actual Settlement Administrations Costs are greater than the estimated amount stated herein,
27 such excess amount will be deducted from the Total Settlement Amount, subject to approval by the Court.
28 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 Fifty Thousand Dollars (\$50,000) from the Total Settlement Amount will be allocated toward penalties under the Private Attorneys General, California Labor Code Section 2698, *et seq.* (“PAGA Penalties”), of which seventy-five percent (75%), or \$37,500, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$12,500, 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 Member 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).

16. Delivery of the Class Data and List. Within thirty (30) calendar days of Preliminary Approval, Defendant will provide the Class Data and List to the Settlement Administrator.

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

a. Within forty-five (45) calendar days after receiving the Class Data and List from Defendant, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

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

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

1 Member produces information and/or documents to the contrary, the Settlement Administrator will
2 evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve
3 and determine the number of eligible Workweeks that the disputing Class Member should be credited
4 with under the settlement. The Settlement Administrator's decision on such disputes will be final and
5 non-appealable.

6 19. Settlement Checks. The Settlement Administrator will be responsible for undertaking
7 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
8 of check to the Settlement Class Members in accordance with this Settlement Agreement. Each
9 Individual Settlement Payment check will be valid and negotiable for one hundred and twenty (120)
10 calendar days from the date the checks are issued, and thereafter, shall be cancelled. All funds
11 associated with such cancelled checks will be transmitted, pursuant to California Code of Civil
12 Procedure Section 384, to Legal Aid at Work. The Parties each represent that they do not have any
13 significant affiliation or involvement with the proposed *cy pres* recipient. The Settlement Administrator
14 shall undertake amended and/or supplemental tax filings and reporting, required under applicable local,
15 state, and federal tax laws, that are necessitated due to the cancellation of any Individual Settlement
16 Payment checks. Settlement Class Members whose Individual Settlement Payment checks are cancelled
17 shall, nevertheless, be bound by this Settlement Agreement. Each Individual Settlement Payment issued
18 to Settlement Class Members shall contain the following language on the back: "I understand and agree
19 that I am releasing any and all claims described in the Notice of Class Action Settlement and that by
20 cashing this check I am electing to opt into an action under the Fair Labor Standards Act ("FLSA") and
21 to release and the Released FLSA claims."

22 20. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing to
23 be excluded from the Settlement must submit a written Request for Exclusion to the Settlement
24 Administrator, by mail or fax, within the Response Deadline. The date of fax or the postmark on the
25 return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has
26 been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and
27 Defendant's Counsel the Requests for Exclusion that were timely submitted, and also identify the
28 individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be

1 filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a
2 Request for Exclusion is prohibited from making any objection to the Settlement Agreement.

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

8 22. Procedures for Objecting to the Settlement. To object to the settlement, Class Members
9 who have not opted out of the Settlement (i.e., Settlement Class Members) must submit a timely and
10 complete Notice of Objection to the Settlement Administrator, by fax or mail, on or before the Response
11 Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain all
12 information required by this Settlement Agreement. The postmark or fax-stamp date will be deemed
13 the exclusive means for determining that the Notice of Objection is timely. At no time will any of the
14 Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to
15 the Settlement Agreement or appeal from the Final Approval Order and Judgment.

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

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

28 25. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be

1 allocated as follows: one-third (1/3) wages and two-thirds (2/3) penalties, interest, and non-wage
2 damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions
3 allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement
4 Administrator. The Settlement Administrator will withhold the employee's share of taxes and
5 withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to
6 Settlement Class Members for their Individual Settlement Payment (i.e., payment of their Individual
7 Settlement Share net of these taxes and withholdings). The employer's share of taxes and contributions
8 on the wages portion of Individual Settlement Shares will be paid separately and in addition to the Total
9 Settlement Amount.

10 26. Administration of Taxes by the Settlement Administrator. The Settlement Administrator
11 will be responsible for issuing to Plaintiff, Settlement Class Members, and Class Counsel any W-2,
12 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement
13 Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes,
14 contributions, and withholdings to the appropriate government authorities.

15 27. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel make no
16 representations or warranties as to the tax consequences, treatment, or legal effect of any payments made
17 under this Settlement Agreement, do not intend anything contained in this Settlement Agreement to
18 constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied
19 on as such. Plaintiff and Settlement Class Members understand and agree that Plaintiff and Settlement
20 Class Members will be solely responsible for correctly characterizing any compensation received under
21 the settlement on his/her personal income tax returns and paying any and all taxes due for any and all
22 amounts paid to them under the settlement.

23 28. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR
24 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
25 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
26 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT
27 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
28 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS

1 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
2 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF
3 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
4 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,
5 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING
6 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT
7 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION
8 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND
9 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
10 ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY
11 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO
12 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE
13 CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES
14 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
15 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
16 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
17 BY THIS SETTLEMENT AGREEMENT.

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

22 30. Release of Claims by Settlement Class Members and FLSA Settlement Class Members.
23 Upon the Effective Date, Plaintiff and all Class Members who do not submit a valid and timely Request
24 for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally and forever
25 released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims
26 he or she may have or had. Upon cashing their Individual Settlement Payment checks, FLSA Settlement
27 Class Members will be deemed to have fully, finally and forever released, settled, compromised,
28 relinquished, and discharged the Released Parties of all Released FLSA Claims.

1 31. General Release of Claims by Plaintiff. In addition, upon the Effective Date, Plaintiff will
2 be deemed to have fully released and discharged the Released Parties of and from all claims arising from
3 Plaintiff's employment with Defendant, separation of employment from Defendant, and any acts that have
4 or could have been asserted in any legal action or proceeding against Defendant, whether known or
5 unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under
6 the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the
7 Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act,
8 California Corporations Code, California Business and Professions Code, California Fair Employment
9 and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for
10 discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment
11 compensation, emotional distress, medical expenses, other economic and non-economic damages,
12 attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to
13 those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all
14 rights and benefits available under California Civil Code Section 1542, which provides:

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

19 Plaintiff understands and agrees that claims or facts in addition to or different from those which are now
20 known or believed by him to exist may hereafter be discovered. It is Plaintiff's intention to settle fully
21 and release all claims they now have against the Released Parties, whether known or unknown, suspected
22 or unsuspected. The Enhancement Payment shall be paid to Plaintiff specifically in exchange for the
23 general release of the Released Parties from all claims, including those specified in this paragraph and a
24 covenant not to sue the Released Parties. To the extent Plaintiff has a claim or claims against any Released
25 Party pending with any administrative agency or court, said Plaintiff agrees to withdraw such claim or
26 claims with prejudice within (14) days of the final approval of this settlement. Notwithstanding the above,
27 the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for
28 unemployment benefits, or other claims that may not be released by law.

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

2 Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for
3 Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will
4 be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion.
5 Class Counsel will provide Defendant's Counsel a draft of the Preliminary Approval Motion at least
6 three (3) calendar days before the filing deadline. Defendant agrees not to oppose the Motion for
7 Preliminary Approval of the Settlement consistent with this Settlement Agreement. Said motion shall
8 apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually
9 agreed upon by the Parties, seeking the following:

- 10 a. Conditionally certifying the Class for settlement purposes only;
- 11 b. Granting Preliminary Approval of the Settlement;
- 12 c. Preliminarily appointing Plaintiff as representatives of the Class;
- 13 d. Preliminarily appointing Plaintiff's Counsel as counsel for the Class;
- 14 e. Approving, as to form and content, the mutually-agreed upon and proposed Class
15 Notice and directing its mailing to the Class by first class mail;
- 16 f. Approving the manner and method for Class Members to request exclusion from
17 the Settlement as contained herein and within the Class Notice; and
- 18 g. Scheduling a Final Approval Hearing at which the Court will determine whether
19 the Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class
20 Members.

21 33. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
22 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted
23 to determine whether Final Approval of the Settlement should be granted, along with the amounts
24 properly payable for (a) Individual Settlement Payments; (b) LWDA Payment; (c) Attorneys' Fees and
25 Costs; (d) Enhancement Payment; and (e) Settlement Administration Costs. The Final Approval
26 Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff
27 and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement.
28 Class Counsel will provide Defendant's Counsel a draft of the Final Approval Motion at least three (3)

1 calendar days before the filing deadline. By way of said motion, Plaintiff will apply for the entry of the
2 mutually-agreed upon proposed order and judgment (“Final Approval Order and Judgment”), which
3 will provide for, in substantial part, the following:

4 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
5 consummation of its terms and provisions;

6 b. Certification of the Settlement Class;

7 c. Approval of the application for Attorneys’ Fees and Costs to Class Counsel;

8 d. Approval of the application for Enhancement Payment to Plaintiff;

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

11 f. Entering judgment in this Action by which all Settlement Class Members are
12 deemed to have fully resolved any and all Released Claims that they may have against Released Parties
13 and FLSA Settlement Class Members are deemed to have fully resolved any and all Released FLSA
14 Claims that they may have against Released Parties, while maintaining continuing jurisdiction, in
15 conformity with California Rules of Court 3.769 and the Settlement Agreement.

16 34. Termination or Revocation of Settlement.

17 a. If five percent (5%) or more of the Class Members submit timely and valid
18 Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must
19 exercise this right of rescission in writing that is provided to Class Counsel within thirty (30) calendar
20 days of the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of
21 settlement administration owed to the Settlement Administrator incurred up to that date.

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

25 35. Effects of Termination of the Settlement. Termination of the Settlement Agreement shall
26 have the following effects:

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

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

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

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

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

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

16 g. The Parties shall request that the Court reopen proceedings within thirty (30)
17 calendar days.

18 36. Escalator Clause. At the time of mediation, Defendant represented that, for the period of
19 September 18, 2014 to June 10, 2020 (i.e., the date of mediation), there were 175 individuals in the
20 Class and a total of 12,000 Workweeks. After mediation, Defendant represented that the updated total
21 workweeks for the time period of September 18, 2014 to June 10, 2020 is approximately 14,081, which
22 would represent a 17.34% increase over the 12,000 estimate provided at the time of mediation. If it is
23 determined by the Settlement Administrator based on all available Class Data that the actual number of
24 Workweeks for the period of September 18, 2014, to June 10, 2020, is more than ten percent (10%)
25 above 12,000 (i.e., 13,200), then the Total Settlement Amount will be increased by the percentage that
26 the actual number of Workweeks exceeds 12,000. If the actual number is more than 30% above 12,000,
27 then Defendant can pay the percentage increase or cancel the agreement. If confirmed by the Settlement
28 administrator, the 14,081 workweeks count for the period September 18, 2014 to June 10, 2020 referenced

herein, will trigger the escalator clause and raise the total settlement value from \$600,000 to approximately \$704,000.

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

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

39. Limitation on Publicity. Plaintiff and Class Counsel, including its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, will not make any public disclosure of the settlement or discuss the settlement or this Settlement Agreement with anyone other than those necessary to effectuate the filing of the Motion for Preliminary Approval, until after the Motion for Preliminary Approval is filed. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against any public disclosure of the settlement until after the Motion for Preliminary Approval is filed. Prior to and following Preliminary Approval of the Settlement, Plaintiff and Class Counsel will not have any communications with any media other than to direct any media inquiries to the public records of the Action on file with the Court and will not publicize the Settlement, including but not limited to, postings on Class Counsel's websites and social media sites/outlets. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against any media comment on the settlement and its terms. Class Counsel further agrees not to use the settlement of the Action or any of its terms for any marketing or promotional purposes, or for attempting to influence business relationships at Defendant, either before or after the Motion for Preliminary Approval is filed. Nothing herein will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Furthermore, Plaintiff

1 and Class Counsel will undertake any and all disclosures required to be made to the LWDA in
2 conformity with PAGA. Neither Plaintiff nor Class Counsel shall engage in any disparagement of any
3 type related to this settlement.

4 40. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
5 entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements
6 may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625
7 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be
8 construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the
9 Parties agree that no such extrinsic oral or written representations or terms will modify, vary or
10 contradict the terms of this Settlement Agreement.

11 41. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the
12 Action, except such proceedings necessary to implement and complete the Settlement Agreement,
13 pending the Final Approval hearing to be conducted by the Court.

14 42. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of
15 this Settlement Agreement except by written agreement signed by counsel for all Parties, and subject to
16 any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement
17 will not constitute a waiver of any other provision.

18 43. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
19 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
20 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
21 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
22 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
23 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement
24 will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to
25 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
26 provisions that otherwise might apply under state or federal law.

27 44. Signatories. It is agreed that because the members of the Class are so numerous, it is
28 impossible or impractical to have each Settlement Class Member execute this Settlement Agreement.

1 The Class Notice will advise all Class Members of the binding nature of the release as to the Settlement
2 Class Members, and the release shall have the same force and effect as if this Settlement Agreement
3 were executed by each Settlement Class Member.

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

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

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

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

21 49. Invalidity of Any Provision. Before declaring any provision of this Settlement
22 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
23 possible consistent with applicable precedents so as to define all provisions of this Settlement
24 Agreement valid and enforceable.

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

27 51. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
28 the dispute that has arisen between them and to avoid the burden, expense and risk of continued

1 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically
2 denies, that it has violated any state, federal, or local law; violated any regulations or guidelines
3 promulgated pursuant to any statute or any other applicable laws, regulations or legal requirements;
4 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
5 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
6 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
7 construed as an admission or concession by Defendant of any such violations or failures to comply with
8 any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
9 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as
10 evidence in any action or proceeding to establish any liability or admission on the part of Defendant or
11 to establish the existence of any condition constituting a violation of, or a non-compliance with state,
12 federal, local or other applicable law.

13 52. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted
14 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
15 provisions of this Settlement Agreement.

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

21 54. Representation by Counsel. The Parties acknowledge that they have been represented by
22 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that
23 this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in
24 full. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement
25 Agreement.

26 55. All Terms Subject to Final Court Approval. All amounts and procedures described in
27 this Settlement Agreement herein will be subject to final Court approval.

28 56. Notices. All notices, demands, and other communications to be provided concerning this

Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiff and Class Counsel:

Edwin Aiwazian, Esq.
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendant:

Randall Thompson
AJ Weissler
Cooper Page
HUSCH BLACKWELL LLP
190 Carondelet Plaza, Suite 600
St. Louis, MO 63105

57. Final Judgment. The Parties shall provide the Settlement Administrator with a copy of 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.

58. 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.

59. 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 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

IT IS SO AGREED.

[Signatures on Next Page]

1 Dated: 08/12/22, 2022

Electronically Signed 2022-08-12 22:19:58 UTC - 172.56.31.73
Nintex AssureSign® 39dd9e54-5023-4-dc-907f-aea0166002

Roberto Hernandez, Plaintiff

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4 **DEFENDANT MAR-CONE APPLIANCE PARTS
CO.**

5 Dated: _____, 2022

Full Name: _____

6
7 Title: _____
8 On behalf of Mar-Cone Appliance Parts Co.

9 **APPROVED AS TO FORM**

10 **LAWYERS for JUSTICE, PC**

11 Dated: August 12, 2022


Edwin Aiwanian
Attorneys for Plaintiff and Proposed Class Counsel

14 **HUSCH BLACKWELL LLP**

15
16 Dated: August 11, 2022


Randall Thompson
AJ Weissler
Cooper Page
Kathy Huynh
Attorneys for Defendant Mar-Cone Appliance Parts Co.

1 Dated: _____, 2022

Roberto Hernandez, Plaintiff

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4 **DEFENDANT MAR-CONE APPLIANCE PARTS
CO.**

5 Dated: 8/24/, 2022



Full Name: Rose O'Brien

Title: VP Finance

On behalf of Mar-Cone Appliance Parts Co.

9 **APPROVED AS TO FORM**

10 **LAWYERS for JUSTICE, PC**

11 Dated: _____, 2022

Edwin Aiwasian

Attorneys for Plaintiff and Proposed Class Counsel

13 **HUSCH BLACKWELL LLP**



16 Dated: August 11, 2022

Randall Thompson

AJ Weissler

Cooper Page

Kathy Huynh

Attorneys for Defendant Mar-Cone Appliance Parts Co.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Roberto Hernandez v. Mar-Cone Appliance Parts Co.
Superior Court of California for the County of Sacramento
Case No. 34-2020-00281810-CU-OE-GDS

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 Roberto Hernandez ("Plaintiff") and Defendant Mar-Cone Appliance Parts Co. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the case entitled *Roberto Hernandez, et al. v. Mar-Cone Appliance Parts Co.*, Sacramento County Superior Court, Case No. 24-2020-00281810 ("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-paid or non-exempt employees, who worked for Defendant at Defendant's locations in California at any time during the Class Period who received at least one paycheck during the Class Period from Defendant.

"Class Member" means a member of the Class.

"Class Period" means the time period from September 18, 2014 through [date of Preliminary Approval].

II. BACKGROUND OF THE ACTION

On September 18, 2018, former plaintiff Carmen Ramirez commenced an action in the Fresno County Superior Court, Case No. 18CECG03479 ("*Ramirez* Action"). On July 15, 2020, Plaintiff Roberto Hernandez filed his Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Sacramento County Superior Court (i.e., the Action). On September 3, 2020, Plaintiff Roberto Hernandez filed a First Amended Consolidated Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("First Amended Complaint") in the Action which added former plaintiff Carmen Ramirez and consolidated her claims with the claims in the Action. On December 3, 2020, Plaintiff filed a Second Amended Consolidated Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("Operative Complaint") in the Action to effectuate the terms of the settlement. On February 22, 2022, the Superior Court of California for the County of Fresno entered an order dismissing the *Ramirez* Action in its entirety, and dismissing former plaintiff Carmen Ramirez's individual claims and putative class claims without prejudice.

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 compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses, and thereby engaged in unfair business practices and conduct that gives rise to civil 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 a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed [redacted] as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Roberto Hernandez as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

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 settlement amount is Six Hundred Thousand Dollars (\$600,000) (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., \$210,000) and reimbursement of litigation costs and expenses in an amount not to exceed Forty-Five Thousand Dollars (\$45,000) to Class Counsel; (2) Enhancement Payments in an amount not to exceed Six Thousand Dollars (\$6,000) to Plaintiff Roberto Hernandez for his services in the Action; (3) payment to the California Labor and Workforce Development Agency (“LWDA”) in the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500) for its 75% portion of the PAGA Penalties (“LWDA Payment”); and (4) Settlement Administration Costs in an amount not to exceed Eight Thousand Dollars (\$8,000) to the Settlement Administrator. Note: a total of Fifty Thousand Dollars (\$50,000) from the Total Settlement Amount has been allocated toward penalties under the Private Attorneys General Act (“PAGA Penalties”), of which the LWDA will be paid 75% and the remaining 25% (i.e., Twelve Thousand Five Hundred Dollars (\$12,500)) will be a part of the Net Settlement Amount for distribution to Settlement Class Members.

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 each Class Member worked for Defendant as an hourly-paid or non-exempt employee at a location in California during the Class Period (“Workweeks”).

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 one-third (1/3) wages which will be reported on an IRS Form W2 and two-thirds (2/3) penalties, interest, and non-wage damages which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share shall 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:

According to Defendant's records, you have been credited with [] Workweeks during the Class Period, i.e., from September 18, 2014 to [date of Preliminary Approval].

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 Action (*Roberto Hernandez v. Mar-Cone Appliance Parts Co.*, Case No. 24-2020-00281810); (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 fax or mail to the Settlement Administrator at the address or fax number specified in Section IV.B below, postmarked or fax-stamped **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, 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.

"Released Claims" means all claims under state, federal or local law, whether statutory, common law or administrative law, based on the factual allegations set forth in the Operative Complaint, arising during the Class Period, including but not limited to: claims for minimum wage violations, failure to pay overtime wages, unreimbursed expenses, rest period violations, meal period violations, failure to keep proper records, itemized wage statement violations, conversion, waiting time penalties, unfair competition, declaratory relief, claims for violation of the Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA"), injunctive relieve, punitive damages, liquidated damages, penalties of any nature, interest, fees, costs.

"Released FSLA Claims" means all claims under the Fair Labor Standards Act, 29 U.S.C. §§ 206 and 207, based on the factual allegations set forth in the Operative Complaint, including but not limited to: claims for failure to pay minimum wages, overtime wages, injunctive relief, punitive damages, liquidated damages, penalties of any nature, interest, fees, and costs.

“Released Parties” means Defendant, and all its present and former parent companies, subsidiaries, divisions, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Claims.

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 \$210,000 if the Total Settlement Amount remains \$600,000) and reimbursement of litigation costs and expenses in an amount of up to Forty-Five Thousand Dollars (\$45,000) (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 Six Thousand Dollars (\$6,000) for Plaintiff Roberto Hernandez (“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 Eight Thousand Dollars (\$8,000) (“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 contemplated judgment that may be entered by the Court based thereon, and you will release the Released 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 (*Roberto Hernandez v. Mar-Cone Appliance Parts Co.*, Case No. 24-2020-00281810); (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 or fax, postmarked or fax-stamped **no later than [Response Deadline]**, at the following mailing address or fax number:

[Settlement Administrator]

[Mailing Address]

[Fax Number]

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 Released Claims described in Section III.D above, as well as the contemplated 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.

A Notice of Objection must: (a) contain the case name and number of the Action (*Roberto Hernandez v. Mar-Cone Appliance Parts Co.*, Case No. 24-2020-00281810); (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 or faxed to the Settlement Administrator at the address listed in Section IV.B above, postmarked or fax-stamped **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 25 of the Sacramento County Superior Court, Hall of Justice, located at 813 6th Street, Sacramento, California 95814, 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 documents filed in the Action for a fee by visiting the civil clerk’s office, located at Gordon D. Schaber Sacramento County Courthouse, located at 720 9th Street, Sacramento, California 95814, during regular business hours, or online by visiting the following website: <https://services.saccourt.ca.gov/PublicCaseAccess/Civil/SearchByCaseNumber>.

Please note, due to the COVID-19 pandemic, there may be restrictions on access to the court facilities. You can find the Court’s most current COVID-19 guidelines online at: <https://saccourt.ca.gov/general/coronavirus.aspx>.

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.