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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF IMPERIAL

OPHELIA OU, on behalf of herself and all
similarly situated employees, and on behalf
of all "aggrieved employees" pursuant to
Labor Code § 2698 *et seq.*

Plaintiff,

v.

GEMALTO COGENT, INC., a Delaware
corporation, and DOES 1 through 10,
inclusive,

Defendants.

CASE NO: ECU001834

CLASS ACTION

**SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

Complaint Filed: March 30, 2021

1 **SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

2 This Settlement Agreement and Release of Claims (“Settlement Agreement”) is made and
3 entered into by and between Plaintiff Feihong “Ophelia” Ou (“Ou” or “Plaintiff” or “Class
4 Representative”), individually and on behalf of all others similarly situated, on the one hand, and
5 Defendant Gemalto Cogent, Inc. (“Defendant”), on the other hand, subject to the terms and
6 conditions herein and the Court’s approval.

7 **A. Definitions.**

8 1. Plaintiff and the Settlement Class (as defined below) and Defendant are collectively
9 referred to herein as “the Parties.”

10 2. Daniel F. Gaines and Alex P. Katofsky of Gaines & Gaines, APLC and Joseph
11 Tojarieh of Stonebrook Law are counsel of record for Plaintiff. For purposes of this settlement
12 only, the firms of Gaines & Gaines, APLC and Stonebrook Law shall be designated as “Class
13 Counsel.”

14 3. The “Action” means the case entitled *Ophelia Ou, Plaintiff, v. Gemalto Cogent, Inc.,*
15 *And Does 1 Through 10, Inclusive, Defendants,*” Case No. ECU001834, pending before the
16 Superior Court of the State of California for the County of Imperial.

17 4. The “Settlement Class” shall be defined as “all current and former non-exempt
18 California employees of Defendant or its successors/predecessors (Gemalto, Inc., Thales DIS USA,
19 Inc., and 3M Cogent, Inc.) employed from June 23, 2016 through the earlier of May 26, 2021 or
20 the date the Court enters an order granting preliminary approval of this Settlement” (the “Class
21 Period”). Defendant represents and warrants that this Class contains no more than approximately
22 38 members as of February 25, 2021.

23 5. Members of the Settlement Class shall collectively be referred to as a “Class
24 Member” or “Class Members.” Any Class Member who files a timely request for exclusion, as
25 detailed below, will be excluded from the final Settlement Class.

26 **B. General.**

27 1. On June 23, 2020, Plaintiff exhausted the pre-filing requirements of the Labor Code
28 Private Attorneys General Act of 2004 (“PAGA”).

1 2. Thereafter, the Parties tolled the statute of limitations on Plaintiff's claims to engage
2 in settlement discussions, including the exchange and disclosure of classwide data and applicable
3 documents and a mediation with Marc Feder, Esq. on February 25, 2021.

4 3. On March 30, 2021, Plaintiff initiated the Action by filing a Complaint, on behalf
5 of herself and all other aggrieved employees. The Complaint asserts direct class and representative
6 action claims against Defendant for (1) failure to pay all wages due (Labor Code §§ 510 and 1194;
7 IWC Wage Order 4-2001); (2) failure to provide rest periods or compensation in lieu thereof (Labor
8 Code § 226.7; IWC Wage Order 4-2001); (3) failure to provide meal periods or compensation in
9 lieu thereof (Labor Code §§ 226.7 and 512; IWC Wage Order 4-2001); (4) knowing and intentional
10 failure to comply with itemized employee wage statement provisions (Labor Code §§ 226(a), (e),
11 (h)); (5) failure to timely pay wages due at separation of employment (Labor Code §§ 201-203);
12 (6) violation of Business and Professions Code § 17200; and (6) penalties pursuant to Labor Code
13 § 2699(f) for violations of Labor Code §§ 201-203, 226(a), 226.3, 226.7, 510, 512, 558, 1194 and
14 2802. (the "Complaint").

15 4. Defendant denies any liability or wrongdoing of any kind associated with the claims
16 alleged in the Action, and further denies that the Action is appropriate for class treatment for any
17 purpose other than this settlement. Defendant contends that it has complied at all times with the
18 California Labor Code. It is Defendant's position that, if this case were to be litigated, class
19 certification would be inappropriate because Plaintiff is not an adequate class representative,
20 Plaintiff's claims are not typical of putative class members, and individual issues predominate over
21 class issues. The Action, the negotiation and execution of this Settlement Agreement, and all acts
22 performed or documents executed pursuant to or in furtherance of the Settlement Agreement (i)
23 shall not be used as an admission or evidence of wrongdoing on behalf of Defendant; (ii) shall not
24 be an admission or evidence of fault on behalf of Defendant in any action before a civil, criminal,
25 or administrative agency; and (iii) shall not be deemed to be, and may not be used as, an admission
26 or evidence of the appropriateness of these or similar claims for class certification in the Action or
27 with respect to any other proceeding.

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1 5. The Class Representative contends that Defendant violated the California Labor
2 Code and that this case is appropriate for class certification.

3 6. Class Counsel represent that they have conducted a thorough investigation into the
4 facts and law during the prosecution of this class action case, including the exchange of extensive
5 informal discovery and the review and verification of statistical data and other facts and information
6 provided by Defendant. Counsel for the Parties also represent that they have investigated the
7 applicable law as applied to the facts discovered regarding the alleged claims of Plaintiffs and
8 potential defenses thereto, and the damages claimed by Plaintiff.

9 7. Based on their own independent investigation and evaluation, Class Counsel are of
10 the opinion (and will so represent to the Court) that settlement for the consideration and on the
11 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best
12 interest of the Settlement Class in light of all known facts and circumstances, including the risk of
13 significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses
14 asserted by Defendant. Defendant and its counsel also agree (and will so represent to the Court)
15 that this settlement is fair and in the best interest of the Settlement Class.

16 8. The Parties agree that the Settlement Class described herein may be certified for
17 settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the
18 Settlement Class is for purposes of the settlement only. If for any reason the settlement is not
19 approved, the certification will have no force or effect and will immediately be revoked. The
20 Parties further agree that certification for purposes of the settlement is in no way an admission that
21 class certification is proper under the more stringent standard applied for litigation and that
22 evidence of this limited stipulation for settlement purposes only will not be admissible for any
23 purpose in this or any other proceeding.

24 **C. Terms of Settlement.**

25 1. The financial terms of the settlement are as follows:

26 (a) **Maximum Settlement Amount:** The Parties agree to settle this Action for
27 a Maximum Settlement Amount of Two Hundred Fifty Thousand U.S. Dollars (\$250,000.00) (“the
28 Maximum Settlement Amount”). The Maximum Settlement Amount includes the attorneys’ fees

1 of Class Counsel, litigation costs and expenses (which includes, without limitation, all such fees
2 and costs incurred to date, as well as such fees and costs to be incurred in documenting the
3 settlement, providing any notices required as part of the settlement, securing Court approval of the
4 settlement, and obtaining judgment in the Action), the service payment to the Class Representative,
5 as approved by the Court, the payment to the LWDA pursuant to the PAGA claims in the Action,
6 and all costs of administration, including, without limitation, settlement administration fees and
7 expenses. Defendant shall pay all employer payroll tax obligations due on wage payments made
8 from the Net Settlement Proceeds in addition to, and separate and apart from, the Maximum
9 Settlement Amount.

10 (b) **Net Settlement Proceeds:** “Net Settlement Proceeds” is defined as the
11 Maximum Settlement Amount less the amounts approved and awarded by the Court for: attorneys’
12 fees and documented litigation costs and expenses incurred or advanced by Class Counsel, the
13 service payment to the Class Representative, the payment to the LWDA pursuant to PAGA, and
14 the costs of administering the settlement.

15 (c) **Calculation of the Individual Payment Amounts:** “Individual Payment
16 Amount” means the portion of the Net Settlement Proceeds distributable to each Class Member
17 who participates in the Settlement (i.e., who does not submit a valid request for exclusion form).
18 The Individual Payment Amounts will be calculated by dividing the Net Settlement Proceeds by
19 the total weeks worked by all participating Class Members for Defendant or its
20 successors/predecessors (Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc.) in California
21 in a non-exempt position during the Class Period, which will yield the applicable weekly rate. The
22 weekly rate shall be multiplied by the number of weeks each individual participating Class Member
23 worked for Defendant or its successors/predecessors (Gemalto, Inc., Thales DIS USA, Inc., and
24 3M Cogent, Inc.) in California in a non-exempt position during the Class Period to yield their
25 Individual Payment Amount. Each Participating Settlement Class Member who does not opt out
26 will receive an Individual Payment Amount equal to their individual weeks worked in California
27 in a non-exempt position during the Class Period multiplied by the Workweek Value.

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i. For tax purposes, each Individual Payment Amount will be apportioned (a) 33-1/3% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 66-2/3% split equally as penalties and interest (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to Class Members will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

(d) **PAGA Payments:** The Parties agree that Twenty Thousand Dollars (\$20,000.00) shall be allocated to settle Plaintiff's claims brought pursuant to PAGA. Of this amount, Seventy-Five Percent (75%), or Fifteen Thousand Dollars (\$15,000.00) shall be paid to the LWDA, and Twenty-Five Percent (25%), or Five Thousand Dollars (\$5,000.00) shall be paid to Class Members who have not submitted a valid and timely Request for Exclusion Form as part of the Net Settlement Proceeds.

(e) **Service Payment to Class Representative:** The amount awarded to the Class Representative as a service payment will be set by the Court in its discretion, not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00). This amount will be deducted from the Maximum Settlement Amount. An IRS Form 1099 will be issued to the Class Representative for her service payment. Defendant agrees not to dispute or otherwise object to the service payment if Plaintiff requests \$7,500 or less.

(f) **Attorneys' Fees:** An award to Class Counsel of attorneys' fees will be deducted from the Maximum Settlement Amount in an amount to be set by the Court taking into account the settlement award that has been made available for the Settlement Class by the efforts of Class Counsel. The amount awarded shall not exceed 40% of the Maximum Settlement Amount (i.e. \$100,000). An IRS Form 1099 will be issued to Class Counsel with respect to its award of attorneys' fees. Defendant agrees not to dispute or otherwise object to the attorneys' fee award requested by Class Counsel so long as the request does not exceed 40% of the Maximum Settlement Amount.

(g) **Attorneys' Costs and Expenses:** Class Counsel will be reimbursed from the Maximum Settlement Amount in an amount to be set by the Court for documented out-of-pocket litigation costs and expenses, not to exceed Ten Thousand Dollars (\$10,000.00). An IRS

Form 1099 will be issued to Class Counsel with respect to its award of costs and expenses. Defendant agrees not to dispute or otherwise object to the attorneys' cost award requested by Class Counsel so long as the request does not exceed \$10,000.

(h) **Settlement Administration Costs:** The fees and other charges of the Settlement Administrator to administer the Settlement are expected to total no more than Five Thousand Dollars (\$5,000.00), and will be paid from the Maximum Settlement Amount. These fees shall include any costs associated with the required tax reporting on any Individual Payment Amounts, and the issuing of any and all W-2 and 1099 forms. Subject to approval of the Court, the Parties have agreed that ILYM Group, Inc. will serve as a neutral third-party claims' administrator ("Settlement Administrator") to perform all acts related to providing notice to the Settlement Class. Settlement Administrator shall be responsible for (a) printing and distributing the Court-approved Notice of Class Action Settlement ("Class Notice") to all Class Members; (b) administering the settlement; (c) processing exclusions and objections; (d) resolving disputes; (e) distributing the Maximum Settlement Amount as directed by the Court and set forth herein; (f) tax reporting; (g) providing necessary weekly status reports; and (h) other duties and responsibilities set forth herein.

(i) **No Warranty by Defendant:** Plaintiff understands and agrees that Defendant is not providing Plaintiff or Class Members with tax or legal advice and that Defendant makes no representations regarding tax obligations or consequences, if any, related to this Settlement Agreement.

D. Release of Claims.

1. Upon the Effective Date, and subject to Defendant's full payment of the Maximum Settlement Amount, Plaintiff and all Settlement Class members who do not timely opt-out will be deemed to have fully released and discharged Defendant, and any of its related companies, parent companies including Thales USA, Inc., successors and predecessors including Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc., assigns, current and former employees, insurers and attorneys ("Released Parties") from any and all Released Claims which arose during their employment by Defendant in a non-exempt position in California during the Class Period.

1 “Released Claims” are all claims asserted in the Action or any other claims that could have been
2 asserted in the Action based on the facts alleged, including but not limited to unpaid wages,
3 premium pay for missed meal periods, premium pay for missed rest periods, waiting time
4 penalties, wage statement violations, unfair business practice claims premised on the above claims,
5 and PAGA claims premised on the above claims.
6

7 2. Upon the Effective Date, and subject to Defendant’s full payment of the Maximum
8 Settlement Amount, Plaintiff releases the Released Parties from all claims, demands, rights,
9 liabilities and causes of action of every nature and description whatsoever, known or unknown,
10 asserted or that might have been asserted, whether in tort, contract, or for violation of any state or
11 federal statute, rule or regulation arising out of, relating to, or in connection with any act or
12 omission by or on the part of the Released Parties. Plaintiff stipulates and agrees that upon the
13 Effective Date, shall be deemed to have, expressly waived and relinquished, to the fullest extent
14 permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code,
15 or any other similar provision under federal or state law, which provides:
16

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

24 **E. Notice and Exclusion Process.**

25 1. Within fourteen (14) calendar days after entry of the order granting preliminary
26 approval of this Settlement, Defendant shall provide to the Settlement Administrator a list of all
27 Class Members, including their last known addresses, telephone numbers, social security numbers,
28 and their dates of employment in a non-exempt position in California during the Class Period
29 (“Settlement Class Information”). The names, addresses, telephone numbers, and Social Security

1 numbers will only be disclosed to the Settlement Administrator and not to Plaintiff's Counsel. All
2 information provided to the Settlement Administrator will be marked CONFIDENTIAL. This
3 information shall be kept confidential and shall not be disclosed, either in writing or orally, by the
4 Settlement Administrator. The Settlement Administrator shall use due care with respect to the
5 storage, custody, use, and/or dissemination of the confidential information. Such information must
6 be stored in a secure fashion and all persons who access the data must agree to keep it confidential.

7 2. A notice of pendency of class action, proposed settlement and hearing date for Court
8 approval ("Class Notice") in the form attached hereto as Exhibit 1, and as approved by the Court,
9 shall be sent by the Settlement Administrator to the Class Members, by first class mail, within
10 fourteen (14) calendar days after receipt of the Settlement Class Information from Defendant.
11 Attached to the Class Notice will be a request for exclusion form ("Request for Exclusion Form")
12 in the form attached hereto as Exhibit 2.

13 3. The Settlement Administrator will make reasonable efforts to ensure that the Class
14 Notice and Request for Exclusion Form are sent to all Class Members. It will conclusively be
15 presumed that if an envelope has not been returned within thirty (30) days of the mailing that the
16 Class Member received the Class Notice. In the event of returned or non-deliverable notices, the
17 Settlement Administrator will make reasonable efforts to locate Class Members and re-send the
18 notices.

19 4. Each Class Member will be fully advised of the settlement, the ability to object to
20 the settlement, and the ability to submit a Request for Exclusion Form. The Class Notice will
21 inform the Class Members of the Court-established deadlines for filing objections and a Request
22 for Exclusion Form.

23 5. Each Class Notice will contain personalized information setting forth the number of
24 weeks each Class Member worked for Defendant in California in a non-exempt position during the
25 Class Period and their estimated Individual Payment Amount. To the extent a Class Member
26 disputes any of the information listed on his or her Class Notice, the Class Member may produce
27 evidence to the Settlement Administrator showing such information the Class Member contends
28 should be reflected in the Class Notice. Defendant's records will be presumed determinative,

1 however, and the Settlement Administrator's decision on these matters will be subject only to Court
2 review upon the petition of either Party or the Class Member. The Class Notice will also set forth
3 IRS W-9 information if required.

4 6. All Class Members who do not submit a Request for Exclusion Form will be eligible
5 to receive an Individual Payment Amount, which shall be mailed to them if and when the Effective
6 Date occurs.

7 7. In order to elect not to participate in the Settlement, a Class Member must submit a
8 Request for Exclusion Form, and mail it to the Settlement Administrator no later than forty-five
9 (45) calendar days after the initial mailing of the Class Notice and Request for Exclusion Form to
10 Class Members, unless the Court requires a longer period, in which case the Court ordered
11 exclusion period will apply. The date of the postmark shall be deemed the date of submission. The
12 timeliness of submitted Request for Exclusion Forms will be determined by valid postmark. If the
13 45th day falls on a Sunday or federal holiday, the time to request exclusion will be extended to the
14 next day on which the U.S. Postal Service is open.

15 8. The deadline for submission of Exclusion Forms shall be extended once by 30 days
16 for those Class Members whose Class Notice and Exclusion Form are returned as "undeliverable."
17 If the 30th day falls on a Sunday or federal holiday, this deadline will be extended to the next day
18 on which the U.S. Postal Service is open.

19 9. The Settlement Administrator will search for additional addresses on returned mail
20 and will re-mail the Class Notice and Exclusion Form to an updated address (if any) within 15 days
21 of receipt of the returned mail. The 30-day extended time limit will run from the date of the second
22 mailing for those Class Members. To the extent a Class Notice from the initial mailing is not
23 returned within 30 days, it shall be deemed to have been sent to a valid address even if it is thereafter
24 returned. It is the intent of the Parties that reasonable, but not extraordinary, efforts be used to
25 locate Class Members. If the initial Class Notice and Request for Exclusion Form is returned, the
26 Settlement Administrator will search using the social security number for a more current address.
27 If no address is found within 10 days, no further action is required.

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1 10. The Settlement Administrator will notify the Parties of the total number of valid
2 Request for Exclusion Forms within ten (10) calendar days after the deadline for receipt of the
3 Request for Exclusion Forms (fifty-five (55) days following the initial mailing of the Class Notice
4 and Request for Exclusion Forms to Class Members).

5 11. In order to object to the settlement, a Class Member must mail his or her objection
6 to the Settlement Administrator no later than forty-five (45) calendar days after the mailing of the
7 Class Notice and Request for Exclusion Form to Class Members, unless the Court requires a longer
8 period, in which case the Court ordered objection period will apply. If the 45th day falls on a
9 Sunday or federal holiday, the time to object to the settlement will be extended to the next day on
10 which the U.S. Postal Service is open. Under no circumstances shall the objection deadline be
11 extended for any reason.

12 12. The Settlement Administrator shall provide to the Parties, at least twelve (12)
13 calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a declaration
14 of due diligence and proof of mailing with regard to the mailing of the Class Notice and Request
15 for Exclusion Forms. The Settlement Administrator will also provide to the Parties, at least twelve
16 (12) calendar days prior to the final approval hearing, or as otherwise ordered by the Court, a report
17 listing the amount of all payments to be made to each Class Member without names or personal
18 identifying information.

19 13. Defendant shall deposit the Maximum Settlement Amount with the Settlement
20 Administrator no later than ten (10) calendar days after the Effective Date. The effective date of
21 this Settlement Agreement ("Effective Date") is the date the Court signs an order granting final
22 approval of the settlement and entering judgment thereon. If objections to the settlement are filed,
23 the Effective Date of the settlement is the sixty-fifth (65th) day after notice of the final approval
24 order is mailed, unless an appeal is filed, in which case the Effective Date is the day after (a) the
25 settlement is upheld by the Court of Appeals, or (b) all appeals are dismissed.

26 14. The Settlement Administrator shall disburse the Maximum Settlement Amount
27 within fifteen (15) calendar days after its receipt thereof. Class Members must cash each of their
28 Individual Payment Amount checks within one hundred eighty (180) calendar days after they are

1 mailed by the Settlement Administrator. The value of any checks uncashed more than one hundred
2 eighty (180) days after mailing shall be paid to the State of California State Controller's Office, to
3 be held in the name of the respective Class Member.

4 **F. Duties of the Parties Prior to Court Approval.**

5 1. Promptly after execution of this Settlement Agreement, Plaintiff shall move the
6 Court for preliminary approval of this settlement and entry of an order accomplishing the
7 following:

8 (a) scheduling a fairness hearing on the question of whether the proposed
9 settlement should be finally approved as fair, reasonable and adequate as to the Class Members;

10 (b) approving as to form and content the proposed Class Notice;

11 (c) approving as to form and content the proposed Request for Exclusion
12 Form;

13 (d) preliminarily certifying the Settlement Class for purposes of settlement;

14 (e) preliminarily approving the PAGA payment of \$15,000 to the LWDA;

15 (f) preliminarily setting attorneys' fees and costs payable to Class Counsel;

16 (g) preliminarily setting the service payment to the Class Representative; and

17 (h) preliminarily approving ILYM Group, Inc. as the Settlement
18 Administrator and its estimated fees and costs of \$5,000.

19 The Parties shall submit this Settlement Agreement to the Court and the LWDA in support
20 of Plaintiff's unopposed motion for preliminary approval of the settlement.

21 **G. Duties of the Parties in Connection with and Following Final Court Approval.**

22 1. In connection with the hearing on final approval of the settlement provided for in
23 this Settlement Agreement, the Parties will submit a proposed final order no later than ten (10)
24 calendar days prior to the scheduled date of the hearing on final approval (unless otherwise ordered
25 by the Court):

26 (a) approving the settlement, adjudging the terms thereof to be fair, reasonable
27 and adequate, and directing consummation of its terms and provisions;
28

1 (b) approving Class Counsel's application for an award of attorneys' fees and
2 reimbursement of documented litigation costs and expenses, the service payment to the Class
3 Representative, the payment to the LWDA, and the costs of administering the settlement; and

4 (c) Entering judgment in this Action in accordance with this Stipulation,
5 pursuant to Cal. Rules of Court, Rule 3.769(h).

6 2. Class Counsel shall file an application for attorneys' fees and reimbursement of
7 costs and expenses no later than ten (10) calendar days prior to the scheduled date of the hearing
8 on final approval (unless otherwise ordered by the Court).

9 **H. Miscellaneous Provisions:**

10 1. **Voiding the Agreement.**

11 A failure of the Court to approve any material condition of this Settlement Agreement which
12 effects "a fundamental change of the Parties' settlement," or if the settlement is reversed or
13 materially modified on appellate review, shall render the entire Stipulation of Settlement voidable
14 and unenforceable as to all Parties herein at the option of any Party.

15 2. **Parties' Authority.**

16 The signatories hereto represent that they are fully authorized to enter into this Settlement
17 Agreement and bind the Parties hereto to the terms and conditions hereof.

18 3. **Mutual Full Cooperation.**

19 The Parties agree to fully cooperate with each other to accomplish the terms of this
20 Stipulation of Settlement, including but not limited to, execution of such documents and such other
21 action as may reasonably be necessary to implement the terms of this Settlement Agreement. The
22 Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated
23 by this Settlement Agreement and any other efforts that may become necessary by order of the
24 Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As
25 soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the
26 assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the
27 Court's preliminary and final approval of the settlement.

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1 4. **No Prior Assignments.**

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

6 5. **No Admission.**

7 Nothing contained herein, nor the consummation of this Stipulation of Settlement, is to be
8 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
9 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
10 Settlement Agreement with the intention of avoiding further disputes and litigation with the
11 attendant inconvenience and expenses. This Settlement Agreement is a settlement document and
12 shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408
13 and/or any other similar law, be inadmissible in evidence in any proceeding, except an action or
14 proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement.

15 6. **Notices.**

16 Unless otherwise specifically provided herein, all notices, demands or other
17 communications given hereunder shall be in writing and shall be deemed to have been duly given
18 as of the third business day after mailing by United States registered or certified mail, return receipt
19 requested, addressed:

20 **To Plaintiff and the Settlement Class:**

21 Daniel F. Gaines, Esq.
22 Alex P. Katofsky, Esq.
23 GAINES & GAINES, APLC
24 27200 Agoura Road, Suite 101
25 Calabasas, CA 91301

26 -and-

27 Joseph Tojarieh, Esq
28 Stonebrook Law
 10250 Constellation Blvd., Suite 100
 Los Angeles, CA 90067

To Defendant:

Spencer W. Waldron, Esq.
FISHER & PHILLIPS LLP
2050 Main Street, Suite 1000
Irvine, CA 92614

7. Construction.

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

8. Captions and Interpretations.

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

9. Modification.

This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by each of the Parties hereto on their attorneys.

10. Integration Clause.

This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transactions 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.

11. Binding on Assigns.

This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

1 **12. Governing Law.**

2 All terms of this Settlement Agreement and its exhibits shall be governed by and interpreted
3 according to the laws of the State of California, without giving effect to any conflict of law
4 principles or choice of law principles.

5 **13. Signatures of All Class Members Unnecessary to be Binding.**

6 It is agreed that, because the members of the Settlement Class are numerous, it is impossible
7 or impractical to have each Class Member execute this Settlement Agreement. The Class Notice,
8 attached hereto as Exhibit 1, will advise all Class Members of the binding nature of the release
9 provided herein and such shall have the same force and effect as if this Settlement Agreement was
10 executed by each Class Member.

11 **14. Counterparts.**

12 This Settlement Agreement may be executed in counterparts, and when each Party has
13 signed and delivered at least one such counterpart, each counterpart shall be deemed an original,
14 and when taken together with other signed counterparts, shall constitute one fully-signed Settlement
15 Agreement, which shall be binding upon and effective as to all Parties.

16 **15. Confidentiality**

17 Until Plaintiff files her motion for preliminary approval of the class action settlement, the
18 Parties and their Counsel agree to maintain confidentiality as to the Settlement, including the
19 amount and terms of the Settlement, except as to spouses, tax or financial advisors, attorneys, taxing
20 agencies, or as otherwise required by law.

21 **16. No Publicity**

22 Plaintiff and his Counsel will not contact the media about the settlement or respond to any
23 inquiries by the media regarding the Settlement, other than to state that the matter was amicably
24 settled, and the Court did not find Defendant liable. Plaintiff and her Counsel also will not post any
25 information about the settlement on social media or their firms' websites.

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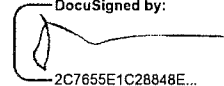
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1 **17. Representation Regarding Class Size.**

2 Defendant represents that the Settlement Class contains no more than 38 employees who
 3 worked a total of approximately 5,194 workweeks as of February 25, 2021. In the event it is
 4 determined that the actual number of workweeks during the Settlement Period exceeds 5,194
 5 workweeks by more than 10% (i.e. 5,713 workweeks), the Settlement Amount shall be increased
 6 by the same number of percentage points above 10%. For example, if the actual number of
 7 workweeks is determined to be 12% higher than 5,194, the Settlement Amount shall be increased
 8 by 2%. As an alternative to paying an increased Settlement Amount, Defendant may select an
 9 earlier end date for the Settlement Period which brings the total workweeks below 5,713
 10 workweeks.
 11

12
 13 April 14, 2021
 14 Dated: April _____, 2021

By:  2C7655E1C28848E...

 FEIHONG "OPHELIA" OU
 Plaintiff and Class Representative

15
 16
 17 Dated: April _____, 2021

GEMATO COGENT, INC.

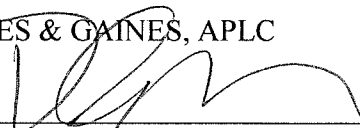
By: _____

Its: _____

18
 19
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 21 **APPROVED AS TO FORM AND CONTENT:**

22 Dated: April 14th, 2021

GAINES & GAINES, APLC

By: 
 Daniel F. Gaines, Esq.
 Alex P. Katofsky, Esq.
 Counsel for Plaintiff and Class
 Representative

17. **Representation Regarding Class Size.**

Defendant represents that the Settlement Class contains no more than 38 employees who worked a total of approximately 5,194 workweeks as of February 25, 2021. In the event it is determined that the actual number of workweeks during the Settlement Period exceeds 5,194 workweeks by more than 10% (i.e. 5,713 workweeks), the Settlement Amount shall be increased by the same number of percentage points above 10%. For example, if the actual number of workweeks is determined to be 12% higher than 5,194, the Settlement Amount shall be increased by 2%. As an alternative to paying an increased Settlement Amount, Defendant may select an earlier end date for the Settlement Period which brings the total workweeks below 5,713 workweeks.

Dated: April _____, 2021

By: _____

FEIHONG "OPHELIA" OU
Plaintiff and Class Representative

Dated: 4/14/2021

GEMATO COGENT, INC.

By: Antonio Lo Brutto
Its: Antonio Lo Brutto vice President

APPROVED AS TO FORM AND CONTENT:

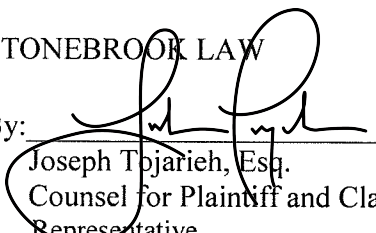
Dated: April _____, 2021

GAINES & GAINES, APLC

By: _____
Daniel F. Gaines, Esq.
Alex P. Katofsky, Esq.
Counsel for Plaintiff and Class
Representative

1 Dated: April 14, 2021

STONEBROOK LAW

By: 

Joseph Tbjarieh, Esq.
Counsel for Plaintiff and Class
Representative

2
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7 Dated: April _____, 2021

FISHER & PHILLIPS LLP

By: _____

Spencer W. Waldron, Esq.
Counsel for Defendant

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Dated: April _____, 2021

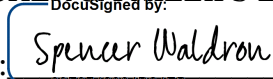
STONEBROOK LAW

By: _____

Joseph Tojarieh, Esq.
Counsel for Plaintiff and Class
Representative

Dated: 4/19/2021 _____

FISHER & PHILLIPS LLP

By:  _____

Spencer W. Waldron, Esq.
Counsel for Defendant

EXHIBIT 1

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

OPHELIA OU, on behalf of herself and all similarly situated employees, and on behalf of all “aggrieved employees” pursuant to Labor Code § 2698 *et seq.*

Plaintiff,

v.

GEMALTO COGENT, INC., a Delaware corporation, and DOES 1 through 10, inclusive,

Defendants.

CASE NO: ECU001834

*Assigned to the Hon. L. Brooks Anderholt,
Department 9*

**NOTICE OF PENDENCY OF CLASS
ACTION SETTLEMENT AND FINAL
HEARING**

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM A SETTLEMENT

A California court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide \$250,000 to pay claims to all current and former non-exempt California employees of Gemalto Cogent, Inc. and/or its successors and predecessors (Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc.) (all together, the “Defendant”) employed from June 23, 2016 through [class period end date].
- The settlement resolves a lawsuit over whether Defendant failed to pay all wages due; provide meal and rest periods or compensation in lieu thereof; timely issued wages upon separation of employment; and issued accurate and complete wage statements. It avoids costs and risks to you from continuing the lawsuit; pays money to employees; and releases Defendant from liability from the claims asserted in this lawsuit.
- Lawyers for the employees will ask the Court to award them up to \$100,000 as attorneys’ fees and \$10,000 as expenses for investigating the facts, litigating the case, and negotiating the settlement. This will be paid from the settlement amount.
- Defendant denies liability and the Parties disagree on how much money could have been awarded if employees won at trial.
- **Your legal rights are affected whether you act or do not act. Read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	You do not need to take any action if you wish to receive your settlement payment. If the settlement is approved by the Court, you will automatically be mailed a settlement check at the address on file with the Settlement Administrator. If you move, you must notify the Settlement Administrator of your new address.
Exclude Yourself	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Defendant about the legal claims that were brought in this case.
Object	Write to the Court about why you don't like the settlement.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement.

WHY DID YOU RECEIVE THIS NOTICE?

This notice explains a proposed settlement of a class action lawsuit, and informs you of your legal rights under that proposed settlement. You are receiving this notice because you may be a member of the Class on whose behalf this class action lawsuit has been brought.

WHAT IS THIS LAWSUIT ABOUT?

On March 30, 2021, Plaintiff Ophelia Ou filed this lawsuit in the Imperial County Superior Court. The lawsuit alleges violations of the California Labor Code. The Lawsuit seeks to certify a class of all current and former non-exempt California employees of Defendant employed from June 23, 2016 through [class period end date] ("Class Period"). The lawsuit alleges that members of the Class were not paid all wages due; were not provided all meal and rest periods or compensation in lieu thereof; were not timely issued wages upon separation of employment; and were not issued accurate and complete wage statements. It seeks recovery of wages, damages, interest, statutory and civil penalties, attorneys' fees and costs. Defendant denies all of the material allegations in the Lawsuit.

The lawyers for the parties are:

Plaintiff's Attorneys

Daniel F. Gaines, Esq.
 Alex P. Katofsky, Esq.
 GAINES & GAINES, APLC
 27200 Agoura Road, Suite 101
 Calabasas, CA 91301
 Phone: (866) 550-0855

Joseph Tojarieh, Esq.
 STONEBROOK LAW
 10250 Constellation Blvd., Suite 100
 Los Angeles, CA 90067
 Phone: (310) 553-5533

Defendant's Attorneys

Spencer W. Waldron, Esq.
 FISHER & PHILLIPS LLP
 2050 Main Street, Suite 1000
 Irvine, CA 92614

SUMMARY OF THE SETTLEMENT

A. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Plaintiff believes she would have prevailed on his claims at a trial. Defendant does not believe that Plaintiff would have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, they all avoid the costs, risks, and uncertainty of a trial, and the people affected will get compensation. Plaintiff and Plaintiff's Attorneys think the settlement is fair, reasonable and adequate and in the best interests of all Class members.

B. Who is in the Settlement Class?

The Settlement encompasses a class composed of all current and former non-exempt California employees of Defendant employed from June 23, 2016 through [class period end date].

C. What does the Settlement provide?

1. Maximum Settlement Amount.

Defendant will pay \$250,000 (the "Maximum Settlement Amount") to settle the lawsuit. The following sums will be paid from the Maximum Settlement Amount: (1) \$15,000 to the California Labor and Workforce Development Agency; (2) Class Counsel's attorneys' fees in an amount set by the Court not to exceed \$100,000 and Class Counsel's documented litigation costs in an amount set by the Court not to exceed \$10,000; (3) a service payment to the Class Representative set by the court, not to exceed \$7,500, for her service in the Action; and (4) a reasonable amount set by the Court to the settlement administrator for administering the settlement, not to exceed \$5,000. The amount of the Maximum Settlement Amount remaining after these payments is the "Net Settlement Proceeds."

2. Individual Payment Amount.

Your share of the Net Settlement Proceeds will be determined by the formula detailed in section E below.

D. What Are You Giving Up To Get A Payment Or Stay In The Class?

Upon the Effective Date, and subject to Defendant's full payment of the Maximum Settlement Amount, Plaintiff and all Settlement Class members who do not timely opt-out will be deemed to have fully released and discharged Defendant, and any of its related companies, assigns, successors or predecessors, current and former employees, insurers and attorneys ("Released Parties") from any and all Released Claims which arose during their employment by Defendant in a non-exempt position in California during the Class Period.

“Released Claims” are all claims asserted in the Action or any other claims that could have been asserted in the Action based on the facts alleged, including but not limited to unpaid wages, premium pay for missed meal periods, premium pay for missed rest periods, waiting time penalties, wage statement violations, unfair business practice claims premised on the above claims, and PAGA claims premised on the above claims.

E. How Is My Share Of The Settlement Calculated?

Each participating claimant (those who do not opt out of the Settlement) shall receive an “Individual Payment Amount,” which is a portion of the Net Settlement Proceeds distributable to each Class Member who participates in the Settlement (i.e. who does not submit a valid request for exclusion form).

The Individual Payment Amounts will be calculated by dividing the Net Settlement Proceeds by the total weeks worked by all participating Class Members for Defendant or its successors/predecessors (Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc.) in California in a non-exempt position during the Class Period, which will yield the applicable weekly rate. The weekly rate shall be multiplied by the number of weeks each individual participating Class Member worked for Defendant or its successors/predecessors (Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc.) in California in a non-exempt position during the Class Period to yield their Individual Payment Amount. Each Participating Settlement Class Member who does not opt out will receive an Individual Payment Amount equal to their individual weeks worked in California in a non-exempt position during the Class Period multiplied by the Workweek Value.

For tax purposes, each Individual Payment Amount will be apportioned (a) 33-1/3% as wages (reported on an IRS Form W-2 and subject to applicable withholdings); and (b) 66-2/3% split equally as penalties and interest (reported on an IRS Form 1099, if required). All Individual Payment Amounts paid to Class Members will be subject to any applicable wage garnishments, liens, or other legally mandated treatment as required by law.

According to the records of Defendant, you worked [_____] weeks while employed by Gemalto Cogent, Inc., or its successors/predecessors (Gemalto, Inc., Thales DIS USA, Inc., and/or 3M Cogent, Inc.) in a non-exempt position in California from June 23, 2016 through [class period end date]. Based on these weeks worked, you are entitled to an Individual Payment Amount of approximately \$[_____]. This amount is subject to change based on the final ruling of the Court.

Please be advised that the individual data above is presumed to be correct unless you submit documentation proving otherwise. If you disagree with the data, please submit an explanation and evidence in support of your position to the Settlement Administrator no later than _____, 2021. In the event of a dispute, the Settlement Administrator will resolve the challenge with input from the Defendant and will make a determination, subject to final review by the Court upon petition by any Party or by you.

THE SETTLEMENT HEARING

The Court will conduct a final fairness hearing regarding the proposed settlement (the “Final Settlement Hearing”) on _____, 2021, at _____, in the Courtroom of Judge _____ of the Imperial County Superior Court, located at [Courtroom address]. The Court will determine: (i) whether the lawsuit should finally be certified as a class action for settlement purposes; (ii) whether the settlement should be given the Court’s final approval as fair, reasonable, adequate and in the best interests of the Settlement Class Members; (iii) whether the Settlement Class Members should be bound by the terms of

the settlement; (iv) the amount of the attorneys' fees and costs to be awarded to Plaintiff's Attorneys; and (v) the amount that should be awarded to Plaintiff as a service payment. At the Final Settlement Hearing, the Court will hear all properly filed objections, as well as arguments for and against the proposed settlement. You have a right to attend this hearing, but you are not required to do so. You also have the right to hire an attorney to represent you, or to enter an appearance and represent yourself.

WHAT ARE YOUR OPTIONS?

- **OPTION 1 – DO NOTHING AND PARTICIPATE IN THE SETTLEMENT**

IF YOU TAKE NO ACTION IN RESPONSE TO THIS NOTICE, YOU WILL AUTOMATICALLY RECEIVE YOUR SHARE OF THE SETTLEMENT IF IT IS APPROVED BY THE COURT. YOU ARE NEVER REQUIRED TO GO TO COURT OR PAY ANYTHING TO THE LAWYERS IN THIS CASE. If you move, you must update your address with the Settlement Administrator. If you disagree with pre-printed data indicated in section E above, you must submit an explanation and/or documentation to the Settlement Administrator to justify your position, postmarked no later than [45 days after mailing]. The Settlement Administrator's address is [Settlement Administrator address].

- **OPTION 2 – OBJECT TO THE SETTLEMENT**

If you wish to remain a Settlement Class Member, but you object to the proposed settlement (or any of its terms) and wish the Court to consider your objection at the Final Settlement Hearing, you may object to the proposed settlement in writing. If you object in writing, you may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense. All written objections, supporting papers, and/or notices of intent to appear at the Final Approval Hearing must clearly identify the case name and number and be mailed to the Settlement Administrator at [Settlement Administrator address]. Objections must be postmarked no later than _____ [45 days after mailing].

- **OPTION 3 – EXCLUDE YOURSELF FROM THE SETTLEMENT**

You have a right to exclude yourself ("opt out") from the Settlement Class, but if you choose to do so, you will not receive any benefits from the proposed settlement. You will not be bound by a judgment in this case and you will have the right to file your own lawsuit against the Defendant and pursue your own claims in a separate suit. You can opt out of the Class by completely filling out and mailing the enclosed Request for Exclusion Form to the Settlement Administrator at the above-stated address, such that it is postmarked no later than _____ [45 days after mailing].

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should review the detailed "Settlement Agreement and Release of Claims" which is on file with the Clerk of the Court. The pleadings and other records in the Lawsuit may be examined at any time during regular business hours at the Office of the Clerk of the Imperial County Superior Court, located at [Court address].

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at [address], [telephone number] or Gemalto Cogent Action Settlement.

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE CLAIMS PROCESS.

**BY ORDER OF THE SUPERIOR COURT OF
THE STATE OF CALIFORNIA**

EXHIBIT 2

REQUEST FOR EXCLUSION

ONLY COMPLETE THIS REQUEST FOR EXCLUSION FORM IF YOU WANT TO OPT OUT OF (NOT PARTICIPATE IN) THE SETTLEMENT OF THE ACTION KNOWN AS *Ophelia Ou, Plaintiff, v. Gemalto Cogent, Inc., And Does 1 Through 10, Inclusive, Defendants, Imperial County Superior Court, Case No. ECU001834*. **IF YOU OPT OUT OF THE SETTLEMENT, YOU WILL NOT RECEIVE ANY PORTION OF THE SETTLEMENT AMOUNT.**

I confirm that I was employed by Gemalto Cogent, Inc., and/or its successors or predecessors Gemalto, Inc., Thales DIS USA, Inc., and 3M Cogent, Inc. (together, the “Defendant”) as a non-exempt employee in California during the period from June 23, 2016 through [class period end date].

I do not wish to receive any payment under the terms of the proposed class action settlement or to otherwise participate in the proposed settlement.

Date: _____

Signature: _____

Print Name: _____

Residence Street Address: _____

City, State and Zip Code: _____

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, MAILED BY FIRST CLASS MAIL, AND POSTMARKED ON OR BEFORE [45 days after mailing of Notice]. Send this signed request for exclusion form to the Settlement Administrator:

Gemalto Cogent Claims Administrator
c/o ILAYM Group, Inc.

