

Larry W. Lee (State Bar No. 228175)
Max W. Gavron (State Bar No. 291697)
DIVERSITY LAW GROUP, P.C.
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
(213) 488-6555
(213) 488-6554 facsimile

William L. Marder (State Bar No. 170131)
Polaris Law Group LLP
501 San Benito Street, Suite 200
Hollister, CA 95023
(831) 531-4214
(831) 634-0333 facsimile

Attorneys for Plaintiff, the Class, and Aggrieved Employees

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

EDWARD ALCANTAR, as an individual
and on behalf of all others similarly situated,

Plaintiffs,

vs.

AEROJET ROCKETDYNE, INC., an Ohio
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 31-2020-00281224

**DECLARATION OF MAX W. GAVRON IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: August 25, 2021
Time: 9:00 a.m.
Dept.: 54

Reservation No.: 2574248

Complaint Filed: June 29, 2020
FAC Filed: July 12, 2021

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I, Max W. Gavron, declare as follows:

1. I am an attorney at law duly admitted to practice before all courts in the State of California and am a member of the law firm of the Diversity Law Group, P.C., one of the attorneys of record for Plaintiff Edward Alcantar (“Plaintiff”) in the above-entitled action. I have personal knowledge of the matters set forth herein, and if called upon as a witness to testify thereto, I could and would competently do so.

PROCEDURAL HISTORY

2. From the inception of the case, Class Counsel has zealously represented the interests of the Class. The proposed settlement was obtained for the benefit of the Class, not for the individual Plaintiff.

3. On June 16, 2020, Plaintiff submitted his written notice under Labor Code § 2699.3 (the “PAGA Notice”) to the California Labor & Workforce Development Agency (“LWDA”) and Defendant. As set forth in the PAGA Notice, Plaintiff alleges that Defendant failed to adhere to Labor Code § 226(a)’s mandate that employers identify all applicable hourly rates in effect during the pay period and corresponding number of hours worked on the wage statements issued to hourly employees. More specifically, Plaintiff alleges that, when shift differential wages or any form of additive pay were paid, Defendant’s wage statements did not identify the applicable hourly rate or number of hours worked used to calculate shift differential wages. Rather, Plaintiff alleges that the wage statements only identified the amount paid.

4. On June 29, 2020, Plaintiff filed a complaint in this Action in the Sacramento County Superior Court. The complaint alleges class and representative PAGA claims for violation of Labor Code § 226(a), and violation of California Labor Code §§ 2698, *et seq.*, based on the same facts. Plaintiff seeks statutory and civil penalties under the California Labor Code and the PAGA, as well as attorneys' fees and costs.

5. On July 12, 2021, Plaintiff filed a First Amended Complaint broadening his Labor Code § 226(a) claims against Defendant. Specifically, Plaintiff alleged that Defendant also failed to identify the applicable rate of pay and number of hours worked whenever any form of additive

1 pay was disbursed to employees. The First Amended Complaint is the operative complaint
2 (“Complaint”).

3 **MEDIATION**

4 6. In August 2020, the Parties agreed to attempt to resolve this matter through
5 private mediation. The Parties engaged in informal discovery in order for Class Counsel to assess
6 the claims, as well as analyze the maximum exposure of damages and penalties. Defendant
7 provided my office with informal data and information pertaining to the putative class size, the
8 number of aggrieved employees, the number of wage statements at issue, and information
9 regarding Defendant’s wage statement policies and practices.

10 7. On January 19, 2021, the Parties participated in an all-day mediation session with
11 neutral Steve Serratore, Esq., a well-regarded neutral with experience mediating employment
12 matters. After a full day of negotiation, the Parties were not initially able to resolve their dispute.
13 Thereafter, with the aid of continuing discussions, the Parties were able to reach an agreement
14 for settlement and the key terms with the assistance of a mediator’s proposal.

15 8. Defendant argued that Plaintiff would be unable to establish a “knowing and
16 intentional” violation of Labor Code section 226(a). Defendant maintains that it acted in good
17 faith and should not be subject to penalties for a “technical” violation. Defendant also argued it
18 was not required to identify the rate or hours for shift differentials and/or additive pay.

19 9. Defendant also maintained that maximum liability exposure is unrealistically high
20 and subject to significant reduction.

21 10. After a full day of negotiation, the Parties were not initially able to resolve their
22 dispute. Thereafter, with the aid of continuing discussions, the Parties were able to reach an
23 agreement for settlement and the key terms.

24 **SUMMARY OF THE MONETARY TERMS OF THE SETTLEMENT**

25 11. The material terms of the settlement are memorialized in the Settlement
26 Agreement and Release (“Settlement Agreement” or “SA”). Attached hereto as **Exhibit A** is a
27 true and correct copy of the Settlement Agreement.

28 12. As defined by the Settlement Agreement, the proposed Class consists of “all

1 current and former non-exempt employees employed by Defendant in California who received
2 shift differential wages and/or any form of additive pay from April 6, 2019 through September
3 10, 2020.” SA ¶ A.5. Defendant represents that there are approximately 382 individuals who
4 comprise the Class. Based on Defendant’s records Class Members received approximately 8,932
5 wage statements reflecting the payment of shift differential and/or additive pay from April 6,
6 2019 through September 10, 2020. SA ¶ B.29.

7 13. The Settlement Agreement provides for the Class Settlement Amount of Four
8 Hundred Fifty Thousand Dollars (\$450,000.00). The balance of the Class Settlement Amount
9 remaining after deduction of the approved Attorneys’ Fees and Costs, Incentive Award to
10 Plaintiff, LWDA portion of the PAGA Allocation, and Settlement Administrator’s Costs is the
11 “Net Settlement Amount.” The Net Settlement Amount will be available for distribution to Class
12 Members who do not timely opt-out of the Class. SA ¶ A.18.

13 14. The amount allocated to each Class Member will be based on the number of pay
14 periods during which the employee received shift differential or additive pay through preliminary
15 approval. SA ¶ B.18.b. This is fair, as it directly allocates greater recovery to individual Class
16 Members who have allegedly suffered greater harm.

17 15. Additionally, the Settlement Agreement allocates Forty Thousand Dollars
18 (\$40,000.00) of the Class Settlement Amount to PAGA penalties. SA ¶ A.20. Pursuant to the
19 PAGA, 75% of this amount, i.e. the sum of Thirty Thousand Dollars (\$30,000.00), shall be paid
20 to the LWDA. The remaining 25%, i.e. the sum of Ten Thousand Dollars (\$10,000.00), shall be
21 distributed to Class Members.

22 16. As part of the Settlement Agreement, Defendant does not object to Plaintiff’s
23 Counsel’s request for attorney’s fees up to thirty-five percent of the Class Settlement Amount,
24 i.e. the sum of One Hundred Fifty-Seven Thousand Five Hundred Dollars (\$157,500.00), plus up
25 to Twenty Thousand Dollars (\$20,000.00) for reimbursement of actual litigation costs, subject to
26 the Court finally approving this Settlement. SA ¶ B.5.

27 17. Defendant also agrees that it will not object to Plaintiff’s request for an Incentive
28 Award of Ten Thousand Dollars (\$10,000.00). SA ¶ B.4. Both Plaintiff and Class Counsel

expressly acknowledge that the Court has final discretion in any fee award or Class Representative Incentive Award. *See* SA ¶¶ B.4., B.5.

18. Finally, the Settlement Agreement provides for the payment of the fees and expenses reasonably incurred by the Settlement Administrator. SA ¶ B.6. The Parties have received a quote from Phoenix Settlement Administrators for a fee of approximately Seven Thousand Nine Hundred and Fifty Dollars (\$7,950.00) to administer the settlement. Any portion of the Settlement Administration Costs not used or approved by the Court shall be added to the Net Settlement Amount. The Parties believe that the administration fee is reasonable and should be approved.

PAYMENTS TO CLASS MEMBERS

19. Provided that the Court approves the Class Representative Incentive Award (\$10,000.00), attorney's fees (\$157,500.00), litigation costs (\$20,000.00), payment to the LWDA (\$30,000.00) and the Settlement Administrator's costs (\$7,950.00), I estimate that the Net Settlement Amount will total \$224,550.00.

20. Based on the number of Class Members, employees will be entitled to recover, on average, up to \$587.83 each. The amount any particular Class Member will be entitled to recover will be greater or lower than this average, depending on the number of qualifying pay periods during which the individual received shift differential or additive pay during the Settlement Class Period and the number of opt-outs received.

21. Any individual settlement payments to Class Members that remain un-cashed within one hundred eighty (180) days of the mailing of settlement payment checks by the Settlement Administrator will be distributed to the *cy pres* recipient Legal Aid at Work. *See* SA ¶¶ A.32, B.18.f.

POTENTIAL STATUTORY AND CIVIL PENALTIES

22. Using the data provided by Defendant, I performed a comprehensive damages analysis. Defendant issued approximately 8,932 qualifying wage statements between April 6, 2019, through September 10, 2020. The total penalties under Labor Code section 226(e) amount to approximately \$893,200 [8,932 wage statements x \$100].

1 23. The penalty calculation assumes that Plaintiff will prevail both on class
2 certification and the merits. However, Plaintiff’s claims are contested. This calculation assumes
3 that the Court would find that the Class suffered “injury” as a result of the alleged violation, and
4 also that the violation was “knowing and intentional.” As explained above, Defendant strongly
5 disputes that Plaintiff can establish either on a class-wide basis.

6 24. Based on the data provided, I also calculated potential civil penalties for
7 Plaintiff’s PAGA claim. I estimated that Defendant could face civil penalties of approximately
8 up to a maximum \$2.2 million, which is premised on \$250 per wage statement if Plaintiff were
9 successful at trial.

10 25. Assuming that Plaintiff prevailed on liability, under the facts of this case, I
11 appreciate the substantial risk that Defendant could present a persuasive argument to reduce the
12 amount of PAGA penalties at trial. Defendant, for example, has argued that even if the Court
13 ultimately found that the wage statements violate Labor Code section 226, the alleged violation
14 is a technical one. Defendant has also argued that the award of both statutory and civil penalties
15 for the same “technical” violation would be confiscatory. I am also aware that Courts routinely
16 award far less than the statutory maximum amount of civil penalties, even where an underlying
17 violation of the Labor Code is found. For example, just very recently, in the matter of *Magadia*
18 *v. Wal-Mart Assocs. et al.*, while the trial court imposed substantial PAGA penalties upon the
19 defendant, such amount still represented reductions of 67% and 80% of the potential PAGA
20 penalties at issue. 384 F. Supp. 3d 1058, 1069 (N.D. Cal. 2019). Thereafter, on appeal, the Ninth
21 Circuit reversed the award completely. *Magadia*, 999 F.3d at 680. Similarly, in *Fleming v.*
22 *Covidien, Inc.*, 2011 U.S. Dist. LEXIS 154590 (C.D. Cal. Aug. 12, 2011), while the plaintiff
23 ultimately prevailed in a PAGA trial predicated on a violation of Labor Code section 226(a), *i.e.*,
24 inaccurate wage statements, the Court assessed only 17% of the maximum penalties. Thus, the
25 approximate maximum penalty calculation does not factor in the likelihood that the Court would
26 reduce the amount of penalties at trial.

27 26. Based on the data provided by Defendant, I estimate that Defendant’s maximum
28 liability exposure is approximately \$3 million. However, this number assumes that Section

226(e) statutory penalties and full PAGA penalties are awarded.

THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

27. I strongly believe that a class can be certified and that Plaintiff can prevail at trial. However, after taking into account sharply disputed factual and legal issues involved in this litigation, the risks attending further prosecution, and the substantial benefits to be received pursuant to the compromise and settlement of the litigation, I have concluded that settlement on the terms set forth in the Settlement Agreement is appropriate and in the best interests of Plaintiff and the Class.

ATTORNEY EXPERIENCE

28. Class Counsel has a great deal of experience in wage and hour class action litigation and has been approved as class counsel in a number of class actions. My co-counsel and I can and will adequately represent the Class Members in this action. I have no conflicts with the Class and will adequately represent the Class.

29. I have spent significant time researching and pursuing the claims that have been alleged in this action. Based on my review of all the information, and based on my experience in class action litigation, I believe this settlement to be fair, adequate, and reasonable.

30. Any remaining monies from uncashed settlement checks will be distributed to Legal Aid at Work. Plaintiff's counsel does not have any relationship or connection with or to Legal Aid at Work.

31. I am one of the primary attorneys on this matter. My qualifications are as follows: I received a full-tuition scholarship, and graduated from Southwestern Law School in 2013, magna cum laude. I was in the top 5% of my class. During my time at Southwestern, I was a Notes and Comments Editor on the Southwestern Law Review. I also received awards for achieving the highest grade in my class in several courses. In 2012, I was a full-time extern, at the United States District Court for the Central District. Immediately after law school, I taught several courses at Southwestern, including Principles of Legal Analysis and Legal Methods. I taught those courses for approximately four years.

32. I practiced civil litigation at Haight Brown & Bonesteel LLP from approximately

1 September 2013, through January 2016. I was third-chair in a federal court jury trial that resulted
2 in a defense verdict in our client's favor on a \$21 million commercial breach of contract dispute.
3 I also regularly litigated cases across the civil litigation spectrum, including employment matters.

4 33. From February 2016, through Fall 2017, I practiced at the international law firm
5 of Arnold & Porter, which had recently merged with Kaye Scholer, LLP. I defended Fortune 50
6 companies in Multi-District Litigation primarily in the product liability sphere. I also
7 successfully drafted an appellate brief in the Ninth Circuit resulting in the reversal of a summary
8 judgment decision regarding trade secret issues, in addition to working in several other practice
9 groups.

10 34. From September 2017, through September 2018, I served as a law clerk to a
11 Judge sitting on the United States District Court, Central District of California. I regularly
12 prepared bench memoranda, on cases involving all types of civil litigation, including regularly
13 working on wage and hour class actions.

14 35. I am currently an associate at the law firm Diversity Law Group, P.C., an
15 employment law firm that has handled numerous wage and hour class and individual actions, on
16 both plaintiff and defense sides. My current practice focuses on employment matters involving
17 both class actions, and single plaintiffs. The firm currently has cases in the Los Angeles Superior
18 Courts, the Orange County Superior Courts, the San Diego County Superior Courts, and the
19 United States District Courts for the Central, Northern, and Eastern Districts of California. I am
20 currently handling numerous wage and hour class action lawsuits with the firm, including, but
21 not limited to: *Agar v. Sensient Natural Ingredients, LLC* (Case No. CV-19-001906, Stanislaus
22 County Superior Court); *Cunningham, et al. v. Diverse Business Solutions* (Case No.
23 CIVDS1817095, San Bernardino County Superior Court); *Heredia v. Eddie Bauer LLC* (Case
24 No. 16CV300475, United States District Court, Northern District of California); *Parsons v.*
25 *Estenson Logistics, LLC* (Case No. 34-2019-00252929, Sacramento County Superior Court); and
26 *Coronel v. Pinnacle Agriculture* (Case No. 18CV004287, Monterey County Superior Court).

27 36. On June 14, 2019, I argued two related cases in front of the Ninth Circuit Court of
28 Appeals. One of them was *Rodriguez v Nike Retail Service Inc.*, Case No. 17-16866. On June 28,

1 2019, the Ninth Circuit issued a published decision, reversing and remanding in favor of our
2 clients. *Rodriguez v. Nike Retail Servs., Inc.*, 928 F.3d 810 (9th Cir. 2019).

3 37. I have also assisted the firm in numerous wage and hour class action mediations.

4 38. My co-counsel and I will adequately represent the Class Members in this action.
5 Plaintiff's counsel have and will zealously represent Plaintiff and the Class and pursue this
6 lawsuit to its conclusion.

7 39. I have no conflicts with the Class and will adequately represent the Class.

8 40. Attached as **Exhibit A** is a true and correct copy of the signed Settlement
9 Agreement in this matter. A copy of the proposed notice to be sent to Class Members is attached
10 to the Stipulation as **Exhibit A to the Settlement Agreement**.

11 **NOTICE TO THE LWDA**

12 41. Concurrent with the filing of the Motion for Preliminary Approval of Class
13 Action Settlement, my office uploaded the Motion and Settlement Agreement to the LWDA's
14 website.

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

17 Executed on this 3rd day of August 2021, at Los Angeles, California.

18 
19 _____
20 Max W. Gavron

EXHIBIT A

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement (“Agreement”) is made by and between Plaintiff Edward Alcantar (“Plaintiff”), on behalf of himself and all others similarly situated, on the one hand, and Defendant Aerojet Rocketdyne, Inc. (“Defendant”), on the other hand, with regard to the case entitled *Edward Alcantar v. Aerojet Rocketdyne, Inc., et al.*, Sacramento County Superior Court Case No. 31-2020-00281224 (the “Action” or “Litigation”). Plaintiff and Defendant are collectively referred to as “the Parties.”

NOW, THEREFORE, in light of the foregoing, for good and valuable consideration, the receipt of which is hereby mutually acknowledged, Plaintiff and Defendant agree to this Settlement, subject to approval of the Superior Court, as follows:

A. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings set forth below:

1. The “**Action**” means and refers to the lawsuit entitled *Edward Alcantar v. Aerojet Rocketdyne, Inc., et al.*, Sacramento County Superior Court Case No. 31-2020-00281224.

2. “**Attorneys’ Fees and Costs**” means the amount of money for which Class Counsel shall apply to the Court for an award of attorneys’ fees in an amount not to exceed Thirty-Five Percent (35%) of the gross Class Settlement Amount. Costs shall mean reimbursement of actual costs incurred and shall not exceed twenty thousand dollars (\$20,000.00). Both the attorneys’ fees and costs shall be paid out of the Class Settlement Amount. If the Court reduces the amount of Plaintiffs’ counsels’ fees and costs in the course of the settlement approval process, only the amount approved by the Court shall be paid to Plaintiffs’ counsel. Any fees and costs not awarded by the Court will be added to the Net Settlement Amount.

3. “**Award**” means a payment to a Settlement Class Member pursuant to Section B.18, below.

4. “**Class Counsel**” means:

DIVERSITY LAW GROUP, P.C.

Larry W. Lee
Max W. Gavron
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

POLARIS LAW GROUP LLP

William L. Marder
501 San Benito Street, Suite 200
Hollister, CA 95023

Telephone: (831) 531-4214
Facsimile: (831) 634-0333

5. **“Class” or “Class Members”** means all current and former non-exempt employees employed by Defendant in California who received shift differential wages and/or any form of additive pay from April 6, 2019 through September 10, 2020.

6. **“Class Settlement Amount”** means the sum of four hundred fifty thousand dollars and zero cents (\$450,000.00), which Defendant will be required to pay and is the maximum sum required to be paid under the terms of this Agreement. The Class Settlement Amount is inclusive of all settlement payments to Class Members, Incentive Awards, Attorneys’ Fees and Costs, the Settlement Administrator’s fees and costs, and payment of the PAGA Allocations. The Class Settlement Amount is a material term of this Agreement and to the extent Plaintiff, the Court, or the LWDA seeks to require Defendant to pay more than the Class Settlement Amount as part of this Agreement, Defendant retains the right in its discretion to void the Settlement Agreement. If Defendant exercises this discretion, it will be responsible for all Settlement Administrator fees and costs incurred to the date of its decision to void the Settlement Agreement.

7. **“Complaint”** means the operative complaint in the Action, or an Amended Complaint filed in the Action as necessary to effectuate this Agreement.

8. **“Amended Complaint”** means a complaint filed in the Action that includes all claims encompassed by the Releases described in Sections B.20 and B.21, below.

9. The **“Court”** means the Sacramento County Superior Court, where Plaintiff filed his Complaint.

10. **“Defendant”** means Aerojet Rocketdyne, Inc.

11. **“Defense Counsel”** means:

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

Barbara I. Antonucci
Sarah K. Hamilton
601 Montgomery Street, Suite 350
San Francisco, CA 94111
Telephone: (415) 918-3000
Facsimile: (415) 918-3021

12. **“Effective Date”** means the first day following the last of the following consequences:

a. If no objection to the Settlement is made, the date the Court enters an Order Granting Final Approval of Class Action Settlement; or

b. If an objection to the Settlement is made but no appeal is filed by the deadline to file an appeal based on the Court’s Final Approval Order, then within thirty (30) calendar days of the Order Granting Final Approval of Class Action Settlement being entered or from the deadline to file an appeal of the Final Approval Order, whichever is later; or

c. If the LWDA otherwise challenges the Settlement, within thirty (30) calendar days from the date the judgment is final and no longer subject to challenge by the LWDA; or

d. If an appeal is filed, within thirty (30) calendar days of the date the judgment is final and no longer subject to appeal.

13. **“Escrow Account”** means an account held at a bank or banks selected by the Settlement Administrator in consultation with Class and Defense Counsel, and shall be synonymous with a Qualified Settlement Fund (or QSF).

14. **“Final Approval Date”** means the date that the Court enters the Final Approval Order granting final approval of the Settlement and determines the amount of Attorneys’ Fees and Costs and the amount of Incentive Award to Plaintiff.

15. **“Final Approval Order”** means the order that the Court issues granting final approval of the Settlement.

16. **“Incentive Award” or “Payment for General Release”** means payment to Plaintiff in an amount not to exceed \$10,000 and approved by the Court, and in addition to the payment he is entitled to as Class Members, to be paid out of the Class Settlement Amount.

17. **“LWDA”** means the California Labor & Workforce Development Agency.

18. **“Net Settlement Amount”** means the Class Settlement Amount minus: the combined total of Class Counsel’s Attorneys’ Fees and Costs as approved by the Court; costs of notice and settlement administration as approved by the Court; Incentive Award to Plaintiff and approved by the Court; and the LWDA PAGA Allocation approved by the Court (*i.e.*, the amount to be paid to the LWDA pursuant to PAGA).

19. **“Notice Program”** means the methods provided for in this Agreement for giving notice to the Class of the Settlement, as set forth in Section B.12, below, and including the Settlement Class Notice in Section A.33, below.

20. **“PAGA Allocation”** means the amount of the Class Settlement Amount allocated to settle all claims and remedies under the Labor Code Private Attorneys’ General Act, California Labor Code secs. 2698, *et seq.* (“PAGA”). The PAGA Allocation shall be forty thousand dollars and zero cents (\$40,000.00), or an amount to be approved by the Court, of which seventy five percent (75%), or thirty thousand dollars and zero cents (\$30,000.00), shall be paid to the LWDA (the “LWDA PAGA Allocation”) out of the Class Settlement Amount and twenty five percent (25%), or ten thousand dollars and zero cents (\$10,000.00), shall be paid to the Settlement Class Members as part of the Net Settlement Amount.

21. **“Plaintiff” or “Class Representative”** means Plaintiff Edward Alcantar.

22. **“Preliminary Approval Order”** means an order by the Court preliminarily approving this Settlement.

23. **“Aerojet Rocketdyne”** means Defendant Aerojet Rocketdyne, Inc.

24. **“Released Claims”** means the claims set forth in Sections B.20 and B.21, below.

25. **“Released Parties”** means Defendant Aerojet Rocketdyne, Inc., Aerojet Rocketdyne Holdings, Inc., all entities affiliated with it, and all officers, directors, representatives, owners, partners, subsidiaries, parent companies, joint venturers, clients, joint employers, predecessors, managers, servants, successors-in-interest, assigns, current and former employees of Defendant, and all agents, insurers, attorneys, and all persons or entities acting in concert with or affiliated with any of them.

26. **“Released Claims Period”** means the time period from April 6, 2019 through the date of preliminary approval of the settlement, for which claims are to be released as set forth in Section B.20, below.

27. **“Settlement”** means the settlement documented in this Agreement.

28. **“Settlement Administrator”** means a nationally-recognized settlement claims administration firm to which the Parties may agree, subject to approval by the Court, and that will perform customary duties of a settlement administrator and as set forth herein.

29. **“Settlement Class Member(s)”** means all persons who are part of the Class to be certified for Settlement purposes only in accordance with this Agreement and excluding those who timely opt out after Settlement Class Notice pursuant to Section B.12, below.

30. **“Settlement Class Notice”** means the notice of proposed class action settlement that the Parties will ask the Court to approve in connection with the motion for preliminary approval of the Settlement in a form that is agreed to by the Parties and subject to the Court’s approval. The Settlement Class Notice, to include an explanation of the settlement calculation, will provide Settlement Class Members with an estimated settlement Award.

31. **“Settlement Class Period”** means the time period from April 6, 2019 through the date of preliminary approval, inclusive.

32. **“Unclaimed Award”** means an Award to which a Settlement Class Member would otherwise be entitled under this Agreement, but which is unclaimed by that Settlement Class Member either because the Settlement Class Member could not be found prior to or within one hundred eighty (180) calendar days after the distribution of settlement payments, or the Settlement Class Member has not cashed the Award payment check within one hundred eighty (180) calendar days after the distribution of settlement payments. Any Unclaimed Award will be paid to cy pres recipient Legal Aid At Work.

B. TERMS OF SETTLEMENT

The Parties have stipulated to certification of the Class for settlement purposes only and this Agreement requires preliminary and final approval by the Court. Accordingly, this Agreement is contingent upon the approval and certification by the Court. If the Court does not grant either Preliminary or Final Approval of the Settlement, the fact that the Parties were willing to stipulate to class certification for the purposes of this Agreement shall have no bearing on, nor be admissible in connection with, the issues of whether any class should be certified in a non-settlement context. Defendant expressly reserves the right to challenge the propriety of class certification for any purpose if the Settlement does not become final.

1. **Class Settlement Amount.** Defendant shall pay the Class Settlement Amount of four hundred fifty thousand dollars and zero cents (\$450,000.00) in settlement of all individual, class and PAGA claims in the Action. The Class Settlement Amount shall constitute the maximum total Settlement

amount by Defendant, which shall include (a) all amounts paid to Settlement Class Members; (b) all Attorneys' Fees and Costs to be paid to Class Counsel relating to this Action (which includes, without limitation, all such fees and costs incurred to date, as well as such fees and costs to be incurred in documenting the Settlement, securing Court approval of the Settlement and obtaining final judgment); (c) any Incentive Award / Payment for General Release to Plaintiff; (d) all costs in connection with the Settlement (including but not limited to, those related to notice, legal and accounting advice obtained by the Settlement Administrator relating to the establishment of the Settlement as a "qualified settlement fund" as contemplated by Section B.7, below, and the tax treatment and tax reporting of Awards and other payments from the Settlement, preparation of the Settlement's tax returns, and the taxes associated with such tax returns, as defined below); and (e) the PAGA Allocation.

2. **No Reversion.** There are no reversionary rights to Defendant. To the extent that there are any Unclaimed Awards, they shall be distributed pursuant to Code of Civil Procedure 384 to cy pres recipient Legal Aid At Work if checks are not cashed within 180 calendar days of when they are issued.

3. **No Claims Made.** Settlement Class Members will not be required to file a claim to receive an Award.

4. **Incentive Award / Payment for General Release.** Defendant will not object to Incentive Awards in the amount of up to ten thousand dollars and zero cents (\$10,000.00) to Plaintiff, to be paid out of the Escrow Account, subject to Court approval. Such Incentive Award shall be paid at the same time the Awards are distributed and will be reflected by the issuance of a Form 1099-MISC. Defendant shall not be required to contribute any additional funds beyond the Class Settlement Amount as a result of a potential decision by any taxing authority with respect to the Court awarded Incentive Award. The Plaintiff agrees to assume responsibility for any federal, state, or local taxes relating to this payment. Court approval of the Incentive Awards, or their amount, is not a condition of the Settlement. As a condition to receiving an Incentive Award, Plaintiff agrees to a general release of all claims, including their individual claims against Defendant, if any, and a Civil Code section 1542 waiver. To the extent that the court reduces or denies said incentive awards, those funds shall become part of the net settlement amount and distributed to Class Members.

5. **Attorneys' Fees and Costs.** All Class Counsel's Attorneys' Fees and Costs, which include but are not limited to all such fees and costs to date and those in connection with securing approval of this Agreement and any monitoring of this Agreement, shall be paid from the Escrow Account, subject to approval of those attorneys' fees and costs by the Court. Defendant shall not object to a motion for attorneys' fees and costs so long as the amount requested for attorneys' fees is not more than Thirty-Five Percent (35 %) of the Class Settlement Amount, and the amount for actual costs of not more than twenty thousand dollars and zero cents (\$20,000.00). Class Counsel shall be entitled to payment of the Attorneys' Fees and Costs awarded by the Court out of the Escrow Account within fourteen (14) calendar days after Defendant funds the balance of the settlement as set forth in Section 11 below. Court approval of Attorneys' Fees and Costs, or their amount will not be a condition of the Settlement. The Parties and Class Counsel agree that Class Counsel shall not seek, and shall not be eligible for, an award of fees and costs in excess of these maximum requested amounts. In the event Class Counsel is awarded less than the amount of fees and costs requested (and which Defendant has agreed not to oppose), Defendant will not restrict Class Counsel's right to appeal the Court's award of fees and costs and Defendant will not oppose their appeal.

(as long as Class Counsel is not seeking more than the maximum fees and costs agreed to). Any portion of the sums listed in this Section that are not ultimately awarded to Class Counsel shall be treated as part of the Net Settlement Amount distributed in Settlement Class Member Awards, as set forth in Section B.18.b, below. Class Counsel assumes full responsibility for paying all taxes, federal, and state, if any, due as a result of any awarded Attorneys' Fees and Costs. Class Counsel agrees that they are responsible for allocating the Attorneys' Fees and Costs approved by the Court among themselves and any other counsel with whom they may have an agreement with respect to this Litigation. Class Counsel further agrees to defend, indemnify, and hold harmless Defendant from any liability resulting from a breach of such an agreement. Defendant shall not be required to contribute any additional funds beyond the Class Settlement Amount as a result of a potential decision by any taxing authority with respect to the Court awarded Class Counsel Fees and/or Costs.

6. **Administrator's Costs.** All of the Settlement Administrator's costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement including, but not limited to (i) fees and costs associated with preparing, issuing and/or monitoring reports, filings, and notices (including the cost of printing and mailing all notices and other documents to the Settlement Class) required to be prepared in the course of administering the Settlement Amount; (ii) computing, processing and distributing the Awards, Taxes, and any other payments to be made out of the Settlement Amount under this Settlement Agreement; and (iii) preparing and filing all tax returns and information returns and any other filings required by any governmental taxing authority or agency arising out of this Settlement, shall be paid from the Escrow Account. All of the Settlement Administrator's costs shall also be paid out of the Class Settlement Amount.

7. **Escrow Account/Qualified Settlement Fund.** Subject to Court approval, the Escrow Account shall be an account at a bank or banks chosen by the Settlement Administrator in consultation with Class Counsel and Defense Counsel. The Settlement Administrator shall report to Class Counsel and Defense Counsel on at least a monthly basis to inform them of the activity in the Escrow Account.

8. **Administration by Trustee.** The Settlement Administrator shall serve as Trustee of the Escrow Account and shall act as a fiduciary with respect to the handling, management, and distribution of the Escrow Account. The Settlement Administrator shall act in a manner necessary to qualify the Escrow Account as a "qualified settlement fund" under Section 4688 of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-I, *et seq.*, and to maintain that qualification. Plaintiff and Defendant shall have no liability whatsoever for the Settlement Administrator's actions with regard to the Escrow Account.

9. **Preliminary Approval.** Upon execution of this Agreement by all Parties, Class Counsel shall promptly move the Court for a Preliminary Approval Order. Plaintiff will submit a proposed Preliminary Approval Order, which shall specifically include provisions that: (1) preliminarily approve the Settlement reflected herein as fair, adequate, and reasonable; (2) provisionally certify the Settlement Class for settlement purposes only; (3) approve the form and content of Settlement Class Notice and find that the Notice Program set forth herein constitutes the best notice practicable under the circumstances, is due and sufficient notice to the Class and fully satisfies the requirements of due process and California Rules of Court, Rule 3.766; (4) confirm that it is appropriate for Defendant to provide to the Settlement

Administrator the information necessary to provide notice to the Class and to handle the distribution of the Awards to Settlement Class Members; (5) direct that notice be provided to the Class, in accordance with the Settlement, within fourteen (14) calendar days following receipt of the Class List; (6) establish a procedure for Class Members to object to the Settlement or exclude themselves from the Class and set a date following entry of the Preliminary Approval Order after which no one shall be allowed to object to the Settlement or exclude himself or herself from the Class or seek to intervene in the Litigation; (7) pending final determination of whether the Settlement should be approved, stay all proceedings in the Litigation except those related to the effectuation of the Settlement; (8) schedule a Final Approval Hearing; and (9) appoint Class Counsel as counsel for the Class.

10. **Amendment of Complaint.** Prior to, or concurrent with, the filing of the Motion for Preliminary Approval, Class Counsel will file an Amended Complaint in the Action that includes all claims encompassed by the Releases described in Sections B.20 and B.21, below. Class Counsel shall further amend the Complaint as necessary to effectuate the terms of this Agreement, and as the Court may require to effectuate this Agreement.

11. **Funding Dates.** Within fifteen (15) calendar days after the Court has entered the Preliminary Approval Order, Defendant shall pay by wire transfer to the Escrow Account an amount reflecting the Administrator's best estimate of the amount to cover the costs of notice and claims administration pending Final Approval. Within fourteen (14) calendar days after the Effective Date, Defendant shall pay four hundred fifty thousand dollars and zero cents (\$450,000.00), less the amounts already paid to cover the Administrator's costs, for the Class Settlement Amount by wire transfer into the Escrow Account.

12. **Settlement Class Notice.**

a. **Information for Class Notice.** Within fourteen (14) calendar days after entry of the Preliminary Approval Order, Defendant shall provide to the Settlement Administrator, in a single Excel file, the name, social security number, last known mailing address, and telephone number(s) of each Class Member, as well as the number of pay periods each such Class Member received shift differential or additive pay during the Settlement Class Period (as used herein, the "Class List"). Upon request from the Claims Administrator, Defendant will verify any Class Member's last known contact information as reflected in Defendant's personnel records. This information shall be treated as confidential.

b. **Timing of Settlement Class Notice.** Within fourteen (14) calendar days following receipt of the Class List, or such other deadline as set by the Court, the Settlement Administrator shall send the Settlement Class Notice to Class Members. The Settlement Class Notice shall describe the claims process, each Class Member's estimated respective Award, the opt out process, the objection process, and the process by which the Class Members can dispute the information listed for them on the Settlement Class Notice, and the date set by the Court for a hearing on Final Approval of the Settlement.

c. **Mail Notice.** Unless otherwise ordered by the Court, Settlement Class Notice will be sent by US Mail to the most recent mailing addresses of the Class Member as reflected in Defendant's records. The Settlement Administrator will conduct a National Change of Address search to confirm the most recent address for the Class Members and will mail the notice to the most recent address

available for each Class Member by first class mail, in the event the current address differs from Defendant's records.

13. **Opt-Out Right.**

a. **Opt-Out Deadline.** Class Members shall have the right to exclude themselves from the Settlement Class by sending a written request to exclude themselves to the Settlement Administrator within forty-five (45) calendar days after the original date of the Settlement Administrator's mailing of the Settlement Class Notice, or such other deadline as the Court may set. All Class Members who do not opt out in accordance with the terms set forth herein will be bound by all determinations and judgments in the Litigation.

b. **Exclusions.** Exclusion requests must: (a) be signed; (b) include the full name and address of the person requesting exclusion; and (c) include, in sum or substance, the following statement: "I request to be excluded from this class action settlement. I have received notice of the settlement and understand that if I am excluded from the class action settlement, I will not receive any money as a result of the settlement." No request for exclusion will be valid unless all of the information described above or something substantially similar is included. Exclusion requests must be submitted by mail to the Settlement Administrator. Copies of any exclusion requests received shall be forwarded to Class Counsel and counsel for Defendant within five (5) calendar days of their receipt. All Class Members who submit a valid and timely request to exclude themselves shall not be a Settlement Class Member, shall be barred from receiving any settlement proceeds, and shall receive no benefit from this Settlement. All Class Members who do not timely request exclusion ("Opt-Out") of the proposed Settlement shall be bound by the resolution of any and all issues arising in connection with Settlement Class Members' claims for relief, including Attorneys' Fees and Costs. The Parties, Class Counsel and Defense Counsel shall not seek to solicit or otherwise encourage Class Members to request exclusions.

c. **Delivery to Court.** The Settlement Administrator will retain a copy of all requests for exclusion. At or before the Final Approval Hearing, the Settlement Administrator shall file with the Court a declaration that lists all of the Opt-Outs received.

14. **Objections to the Settlement.**

a. **Right to Object.** Any Settlement Class Member may file with the Court a written objection to the proposed Settlement, and may appear at the Final Approval Hearing. In addition to filing written objections, objections shall be served on Class Counsel and Defense Counsel and must be signed by the Class Member and state: (1) the Class Member's full legal name, home address, telephone number, last four digits of their social security number, (2) the legal and factual arguments supporting the objection, (3) the list identifying the witness(es) the objector may call to testify at the Final Approval Hearing and true and correct copies of any exhibit(s) the objector intends to offer. The Settlement Class Notice will provide instructions regarding how to object. Any Class Member who opts-out of the Settlement shall not have standing to object to the Settlement or appear at the Final Approval Hearing.

b. **Objection Deadline.** The deadline for filing an objection with the Court shall be forty-five (45) calendar days after the Settlement Administrator's mailing of Settlement Class Notice, or such other deadline as the Court shall set. The Settlement Class Notice will advise Settlement Class Members of this objection deadline. Any Settlement Class Member who fails to file a timely written

objection shall be foreclosed from objecting to this Settlement, and shall be bound by the terms of this Agreement, unless otherwise permitted by the Court. Class Counsel and Defense Counsel will file responses to any written objections submitted to the Court in accordance with this Settlement Agreement at least seven (7) calendar days before the Final Fairness and Approval Hearing, or according to such other schedule as the Court may set. Plaintiffs and Class Counsel shall not seek to solicit or otherwise encourage Class Members to file or serve written objections or appeal the Final Approval Order.

c. **Failure to Object.** Any Class Member who fails to timely file and serve such a written statement of his/her intent to object shall be foreclosed from making any objection to this Settlement, unless otherwise order by the Court.

d. **Limited Payments Until Effective Date.** No payments shall be made from the Escrow Account, except for payments to the Settlement Administrator for notice-related costs, until after the Effective Date.

15. **Record Keeping and Reporting Obligations Prior To Final Approval.**

a. As soon as practicable following the Opt-Out Deadline, and in all events no later than seven (7) calendar days after the Opt-Out Deadline, the Settlement Administrator will provide Class Counsel and Defense Counsel with a declaration attesting to completion of the Notice Program set forth in Section B.12, above, including an explanation of efforts to re-send undeliverable notices returned with forwarding addresses. This declaration will be filed with the Court by Class Counsel with all moving papers for Final Approval.

b. As soon as practicable following the Opt-Out Deadline and the Objection Deadline, and in all events no later than seven (7) calendar days after the Opt-Out Deadline and the Objection Deadline, the Settlement Administrator will provide Class Counsel and Defense Counsel with a report attesting to the total number of Settlement Class Members, the total number of Class Members who opted-out of the settlement, and the total amount of settlement payments to be issued.

c. The Settlement Administrator will stamp the date received (and the post mark date if received by United States First Class Mail) on the original of any Request for Exclusion Form it receives. On the Monday of each week from the time notice is mailed until the Claim Submission Deadline, the Claims Administrator will provide a report to Class Counsel and Defense Counsel concerning receipt of Class Members' Opt-Out Forms, objections, and returned mail. The Settlement Administrator shall make any of these original forms available for inspection by Class Counsel and Defense Counsel.

d. Within a reasonable period, not to exceed seven (7) days after the Opt-Out Deadline and the Objection Deadline, the Settlement Administrator shall send a final list of all Class Members who have Opted-Out of the Settlement to Class Counsel and Defense Counsel by email.

16. **Final Approval.** Following the provision of Settlement Class Notice, and on the date set forth in the Settlement Class Notice as set by the Court, a Final Fairness and Approval Hearing will be held before the Court. Plaintiff shall promptly request that the Court enter a Final Approval Order, which shall specifically include provisions that:

a. Finally approve the Settlement as fair, reasonable, and adequate and in the best interests of the Settlement Class;

b. Find that the Settlement Class Notice as given was the best notice practicable under the circumstances, was due and sufficient notice to the Class, and fully satisfied the requirements of due process and California Rules of Court, Rule 3.766;

c. Approve the plan of distribution of the Class Settlement Amount;

d. Confirm that Plaintiff and the Settlement Class Members have released all Released Claims and are permanently barred and enjoined from asserting, commencing, prosecuting, or continuing any of the Released Claims against Released Parties; and

e. Render final approval and judgment on the Complaint, subject to the Court retaining jurisdiction over the enforcement of the terms of this Agreement and dismissal as appropriate in the Action

17. **Final Judgment.** Upon the Effective Date, the Court shall render final judgment in the Action.

18. **Settlement Distribution Procedures.**

a. **Timing of Distribution.** Within fourteen (14) calendar days of receipt of the balance of the Class Settlement Amount from Defendant, the Settlement Administrator shall distribute the funds from the Escrow Account as provided in this Agreement.

b. **Settlement Class Member Awards.** The amount of the Award for each Settlement Class Member shall be determined according to the following formula: a *pro rata* share of the Net Settlement based on the pay periods each Settlement Class Member received shift differential or additive pay during the Settlement Class Period. Such Awards shall be subject to any applicable withholding.

c. **Determination of Pay Periods.** The pay periods each Settlement Class Member received shift differential or additive pay during the Settlement Class Period will be determined by reference to Defendant's records, which will be presumed to be correct unless evidence to the contrary is submitted to the Settlement Administrator.

d. **PAGA Allocation.** The Parties agree to allocate forty thousand dollars and zero cents (\$40,000.00) to PAGA penalties, with seventy five percent (75%) being paid to the LWDA (the "LWDA PAGA Allocation") and twenty five percent (25%) paid to Class Members as part of the Net Settlement Amount being distributed evenly to all Settlement Class Members. The Settlement Administrator shall issue and mail a check to the State of California for the LWDA PAGA Allocation payment from the Class Settlement Amount. Should the Court deem that additional PAGA penalties need to be allocated, or should the LWDA challenge the amount, the Parties agree to revise the allocated PAGA penalties amount as necessary, with any additional funds paid from the Class Settlement Amount.

e. **Settlement Claims Process.** The Settlement Administrator shall provide Class Counsel and Defense Counsel a report listing the amount of all payments to be made to each Settlement Class Member. Checks shall be valid for one hundred eighty (180) calendar days from the date on the check. Fourteen (14) calendar days before the expiration of the 180-day period, the Settlement Administrator will send a notice to Settlement Class Members who have been sent settlement award checks but who have not cashed them, reminding them of the expiration of the 180-day period. The Settlement

Administrator will also perform other tasks to which the Parties mutually agree or the Court orders. Proof of payment will be provided to Class Counsel and Defendant's Counsel, and to the Court if required.

f. **Unclaimed Amounts.** The Parties agree that there will be no residual funds under California Code of Civil Procedure section 384 because all Unclaimed Amounts shall be paid to cy pres recipient Legal Aid At Work.

g. **No Effect on Benefit Plans.** The payments made to Settlement Class Members pursuant to this agreement are not being made for any other purpose and shall not be construed as compensation for purposes of determining eligibility for any health and welfare benefits or unemployment compensation, and no benefits, including but not limited to pension and/or 401(k), shall increase or accrue as a result of any payment made as a result of this Settlement, unless required by the plan documents or otherwise required by law.

19. **Tax Treatment.**

a. The Parties agree that none of them have made any representations as to the taxability of any portion of the payments made under this Agreement and that this Settlement Agreement provides all Parties with a reasonable and adequate opportunity to seek tax advice prior to responding to the Notice Program. In the event of an audit of any Party or the Settlement Administrator with respect to this Settlement by any state or federal government agency, or if any tax authority should dispute the characterization of any of the payments made under this Agreement, each Party reserves all rights to indemnification permitted by law. Notwithstanding the above, Class Counsel assumes full responsibility for paying all taxes, federal and state, if any, due as a result of any awarded attorneys' fees and costs and agrees to indemnify Defendant for any such taxes owed by them.

b. **Allocation.** The Parties intend the payments made to Settlement Class Members to be allocated as follows: on hundred percent (100%) for non-wage penalties which will be reported as such on IRS Form 1099s. The Parties recognize that the Awards to be paid to Settlement Class Members reflect the settlement of a dispute over claimed penalties and other alleged damages.

c. **Reporting and Remitting.** The Settlement Administrator shall be responsible for the timely reporting and remitting of all withholding taxes to the appropriate taxing authorities. Subject to the Settlement Administrator's obligation to comply with applicable laws (including obtaining duly completed IRS Form W-8 or W-9 from payees, if necessary), the Parties anticipate that any amounts designated as non-wage penalties or premiums shall not be subject to withholding and shall be reported, if required, to the IRS on Form 1099-MISC. The Settlement Administrator shall satisfy all federal, state, local, and other tax reporting requirements (including any applicable reporting with respect to attorneys' fees and other costs subject to reporting), and any and all taxes, penalties and other obligations with respect to payments or distributions from the Escrow Account not otherwise addressed herein. The Escrow Account shall not be responsible for any taxes, penalties and other obligations that may be levied on Defendant except as set forth herein.

20. **Class Released Claims.**

a. Subject to final approval by the Court of the Settlement and upon the Effective Date, Plaintiff and Settlement Class Members, will be deemed to have, and by operation of the Order Granting Final Approval of the Settlement will have, expressly and irrevocably released, acquitted, and forever discharged the Released Parties, from any claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law or equity arising from the Action and any claims asserted or that could have been asserted based on the factual allegations contained in the Complaint, during the Released Claims Period as described in Sections B.20 and B.21, including claims for (1) failure to furnish accurate itemized wage statements or provide fully and accurately itemized wage statements pursuant to Labor Code § 226; and (2) civil penalties premised on a violation of Labor Code § 226 pursuant to the California Private Attorney Generals Act, California Labor Code § 2698, *et seq.* ("PAGA"). This includes, but is not limited to, claims for payroll stub, wage statement, or record keeping violations and all other associated penalties, including but not limited to claims for civil penalties under Labor Code section 2698 *et seq.*, Labor Code sections 226, 226.3, IWC Wage Order 4-2001 and any other applicable wage orders, and claims or potential claims for attorneys' fees and costs and interest related to the Litigation premised on a violation of Labor Code § 226 (collectively, the "Released Claims").

b. The Settlement Class Members will be deemed to have specifically acknowledged that this Release reflects a compromise of disputed claims. Settlement Class Members shall be deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable to the Parties hereto. That section provides in pertinent part:

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

The Released Claims do not include claims for workers' compensation benefits or any of the claims that may not be released by law.

21. **Plaintiff's General Release.**

a. As a material term of this Agreement, Plaintiff agrees that as of the Effective Date of this Agreement, Plaintiff hereby fully and finally releases the Released Parties from any and all claims, known and unknown, including but not limited to claims asserted in the Action and otherwise arising from or related to his work relationship with Defendant or compensation for his work for Defendant, under federal, state or local law, statute, ordinance, regulation, common law, or other source of law ("Plaintiff's Released Claims"). Plaintiff's Released Claims include, but are not limited to, any and all claims, including claims for (1) failure to furnish accurate itemized wage statements or provide fully and accurately itemized wage statements pursuant to Labor Code § 226; and (2) civil penalties premised on a violation of Labor Code § 226 pursuant to the California Attorney Generals Act, California Labor Code § 2698, *et seq.* ("PAGA"). Plaintiff's Released Claims further includes, but is not limited to, claims for unpaid wages, waiting time penalties, payroll stub violations and all other associated penalties, including but not limited to claims for civil penalties under Labor Code section 2698 *et seq.*, Labor Code sections 201-204, 210, 216, 221-223, 226, 226.3, 226.7, 245-248.5, 256, 266.8, 510, 511, 512, 515, 558, 558.1, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 1199, 2802, IWC Wage Order 4-2001 and any other applicable

wage orders, Business and Professions Code section 17200 *et seq.*, and claims or potential claims for attorneys' fees and costs and interest related to the Litigation.

b. **Plaintiff's Waiver of Rights under California Civil Code Section 1542.**

Plaintiff's Released Claims include all claims, whether known or unknown, that Plaintiff may have. Thus, even if Plaintiff discovers facts in addition to or different from those that they now know or believe to be true with respect to the claims that are the subject of Plaintiff's General Release above, those claims will remain released and forever barred. Therefore, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of section 1542 of the California Civil Code, which reads.

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

c. Plaintiff represents and warrants that he is the sole and exclusive owners of all claims that they personally are releasing under this Agreement. Plaintiff further acknowledges that he has not assigned, pledged, or in any manner whatsoever, sold, transferred, assigned or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to this Litigation, including without limitation, any claim for benefits, proceeds or value under the Litigation, and that Plaintiff is not aware of anyone other than himself claiming any interest, in whole or in part, in the Litigation or in any benefits, proceeds or value under the Litigation.

22. **Judgment.** Plaintiff shall take all steps necessary to to fully and finally resolve the individual and class claims in the Action in their entirety as contemplated by this Agreement. Plaintiff will also dismiss any and all charges, or other matters against Defendant, within five (5) court days of the Effective Date.

23. **Notice to Counsel.** All notices, requests, demands, or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered personally or mailed, postage prepaid, by first-class United States mail, to the undersigned persons at their respective addresses as set forth below:

• **TO PLAINTIFFS:**

DIVERSITY LAW GROUP, P.C.

Larry W. Lee
Max W. Gavron
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071
Telephone: (213) 488-6555
Facsimile: (213) 488-6554

POLARIS LAW GROUP LLP

William L. Marder

501 San Benito Street, Suite 200
Hollister, CA 95023
Telephone: (831) 531-4214
Facsimile: (831) 634-0333

- **TO DEFENDANT:**

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

Barbara I. Antonucci
Sarah K. Hamilton
601 Montgomery Street, Suite 350
San Francisco, CA 94111
Telephone: (415) 918-3000
Facsimile: (415) 918-3021

24. **Election to Vacate the Settlement.**

a. If more than ten percent (10%) of all Class Members timely request exclusion, Defendant shall have the option, in its sole discretion, and notwithstanding any other provisions of this Agreement, to withdraw from the Agreement in its entirety, whereupon the Agreement shall be null and void for any and all purposes. If Defendant elects to exercise its rights under this provision, Defendant will so notify Class Counsel and the Court in writing no later than ten (10) business days after receiving written notice of the number of opt-outs via overnight delivery from the Settlement Administrator pursuant to Section B.15.d, above. If Defendant exercises its option to withdraw from the Agreement under this Paragraph, it shall be responsible for all Settlement Administration fees incurred.

b. If the Court disapproves of or refuses to enforce any material portion of this Agreement or the Court refuses to confirm any material portion of this Agreement, or if the Settlement is reversed or modified on appellate review, Defendant or Plaintiff shall also have the option, in their sole discretion, and notwithstanding any other provisions of this Agreement, to withdraw from the Agreement as it pertains to the Settlement in its entirety, whereupon it shall be null and void for any and all purposes. Defendant or Plaintiff may exercise his option to void this Agreement as provided in this paragraph by giving notice, in writing, to opposing counsel and to the Court no later than ten (10) business days of the entry of the Court's order disapproving or refusing to enforce any material portion of this Agreement or the Court's order refusing to confirm any material portion of this Agreement. In the event that the Court does not approve the Attorneys' Fees and Costs in the amount requested by Class Counsel, or in the event that the Attorneys' Fees and Costs requests by Class Counsel are reduced, that finding shall not be a basis for rendering the entire Agreement null, void, or unenforceable.

c. The Parties and their counsel agree not to encourage any Class Members to opt out of the Settlement. Further, Class Counsel represents that they have not encouraged other employees to opt out or pursue individual claims against Defendant.

25. **Publicity.** Plaintiff and Class Counsel agree not to issue a press release or otherwise communicate with the media about the terms of the settlement at any time. Plaintiff and Class Counsel further agree that if contacted regarding this case prior to Preliminary Approval or by the media at any time, they will state only that the Lawsuit exists and has been resolved. Plaintiff and Class Counsel may not advertise any of the terms of the settlement prior to Preliminary Approval; after Preliminary

Approval, Class Counsel may reference the Litigation on Class Counsel's website. This provision shall not prohibit Class Counsel from communicating with Class Members after Preliminary Approval is granted.

26. **Confidentiality Prior to Preliminary Approval.** Plaintiff warrants that prior to Preliminary Approval he will not disclose, disseminate and/or publicize, cause or permit to be disclosed, disseminated or publicized, any of the terms of the Memorandum of Understanding or this Agreement directly or indirectly, specifically or generally, to any person, corporation, association, governmental agency, or other entity except: (1) to his attorney, accountant, or spouse, all of whom will also be instructed to keep this agreement confidential; (2) to the extent necessary to report income to appropriate taxing authorities; (3) in response to an order of a court of competent jurisdiction or a subpoena issued under the authority thereof; or (4) in response to an inquiry or subpoena issued by a state or federal governmental agency. It is understood and agreed that notice of receipt by Plaintiff of any such judicial or agency order, inquiry or subpoena shall immediately be communicated by the recipient to counsel for Defendant telephonically, and then confirmed immediately thereafter in writing, so that Defendant will have an opportunity to intervene to assert what rights it may have to non-disclosure prior to responses to said order, inquiry or subpoena. Plaintiff specifically warrants that he will not directly or indirectly initiate any conversation or other communication with any person regarding this Agreement, or the matters giving rise to this Agreement. If asked about this Agreement or the matters giving rise to this Agreement, Plaintiff shall respond by stating only that "the matter was resolved," or words to that effect.

27. **Class Certification.** For the purposes of this Settlement only, the Parties agree to the certification of the Class as defined in Section A.7, above. Plaintiff shall bring a motion before the Court for an order conditionally certifying the Class based on the preliminary approval of this Agreement, including the Settlement Class Notice.

28. **Condition Precedent to the Settlement Taking Effect.** This Settlement is contingent upon the Court granting Preliminary and Final Approval to the Settlement.

29. **Accelerator Clause.** Defendant has represented in connection with mediation that there are 382 employees in the Class who received allegedly deficient wage statements for 8,932 pay periods during the time period from April 6, 2019 to September 10, 2020 ("Accelerator Class Period"). Should the margin of error for calculating these pay periods during the Accelerator Class Period exceed 10% of this estimate, Defendant agrees to a pro rata increase to the Class Settlement Amount by the same number of percentage points as the pay periods exceed 10% up to a maximum of \$25,000, after which the Parties will meet and confer.

30. **Consequences of Settlement Not Becoming Effective.** If the Condition Precedent set forth above in Section B.28 does not occur, nothing in this Agreement or any draft thereof, shall have any effect, nor shall any such matter be admissible in evidence for any purpose in the Litigation or in any other proceeding or forum. Should the Court deny preliminary or final approval of the Settlement, the Settlement Administrator shall return to Defendant, within ten (10) business days of receipt of a written demand, all funds they previously deposited in the Escrow Account excluding the costs the Claims Administrator incurred in providing notice of the Settlement and performing Claims Administration.

31. **General Matters.**

a. **Cooperation.** The Parties agree that they will cooperate to effectuate and implement all terms and conditions of this Agreement, and exercise good faith efforts to accomplish the terms and conditions of this Agreement. Class Counsel shall take all necessary steps to secure the Court's preliminary and final approval of this Settlement Agreement and Final Judgment. Class Counsel shall be responsible for drafting and filing the Motions for Preliminary and Final Approval, but shall allow an opportunity for Defense Counsel to review and comment before filing and shall provide Defense Counsel with draft motion(s) at least five (5) business days before filing the motion(s).

b. **No Admission.** By agreeing to this Settlement, Defendant denies that it has engaged in any unlawful activity, that it has failed to comply with the law in any respect, and that it has any liability to anyone based on the claims asserted in the Action. Defendant asserts that but for this Settlement, a class should not be certified in this Litigation. This Agreement is entered into solely for the purposes of compromising highly-disputed claims. Nothing in this Agreement is intended to be, nor shall be construed as, an admission of liability or wrongdoing by Defendant. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, be inadmissible in evidence against the Released Parties in any proceeding except an action to approve the Settlement and/or interpret or enforce the Settlement Agreement.

c. **Parties Authorized To Enter Into Settlement Agreement.** The individual(s) executing this Agreement on behalf of a Party covenant, warrant, and represent that they are fully authorized to execute this Agreement on such Party's behalf and to carry out the obligations provided for therein. Each Party covenants, warrants, and represents that he, she or it intends to be bound fully by the terms of this Agreement.

d. **Time Periods.** The time periods and dates described in this Agreement with respect to the giving of Settlement Class Notice and hearings will be subject to Court approval and modification by the Court or by stipulation of counsel.

e. **No Construction against Drafter.** This Agreement is deemed to have been drafted by all Parties, and any rule that a document shall be interpreted against the drafter will not apply to this Agreement.

f. **Agreement Binding on Successors in Interest.** This Agreement is binding on and shall inure to the benefit of the respective heirs, successors, and assigns of the Parties.

g. **Signatures.** The Parties and their counsel may sign separate copies of this Agreement, which together will constitute one agreement. In addition, signatures sent in pdf format by e-mail or by facsimile constitute sufficient execution of this Agreement.

h. **Execution in Counterparts.** This Agreement is effective upon its execution by all Parties. The Parties may execute this Agreement in counterparts. Each counterpart shall be deemed to be an original, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

i. **Entire Agreement.** This Agreement contains the entire agreement between the Parties and supersedes all prior understandings, agreements, or writings regarding the subject matter of this Agreement. This Agreement may be modified only by a written instrument signed by all Parties or their successors in interest or their duly authorized representatives.

j. **Headings.** The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

k. **Waiver.** The waiver by one Party of any breach of this Agreement by any other Party shall not be deemed a waiver, by that Party or by any other Party, of any other prior or subsequent breach of this Agreement.

l. **Governing Law.** This Agreement shall be subject to, governed by, construed, enforced and administered in accordance with the laws of the State of California.

m. **Stay Pending Final Approval.** All discovery, motions, and other proceedings, other than those necessary to obtain the Court's preliminary and final approval of the Settlement, shall be stayed pending final approval.

n. **Dispute Resolution.** The Parties agree to submit any disputes concerning the implementation, enforcement or interpretation of this Agreement to Mediator Steven Serratore for informal resolution. In accordance with California Rule of Court 3.769(h), the Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the Settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

o. **No Additional Attorney Fees or Costs.** Except for the attorney fees and costs set forth in this Agreement, the Parties are to bear their own attorney fees and costs related to the Litigation.

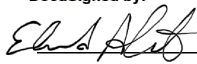
p. **No Reliance on Representations.** The Parties have made such investigation of the facts and law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely on any statement, promise, or representation of fact or law, made by any of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

q. **Class Counsel and Plaintiff Signatories.** Class Counsel warrants and represents that they are authorized by the Plaintiff to take all appropriate action required to effectuate the terms of this Agreement.

r. Neither Class Counsel nor any attorneys acting for, or purporting to act for, the Class, Settlement Class Members or Plaintiff, may recover or seek to recover amounts for fees, costs, or disbursements from the Releasees or from the Class Settlement Amount as related to the Released Claims except as expressly provided herein.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed.

PLAINTIFF

DocuSigned by:

ED4E6C3334B4E1
Edward Alcantar

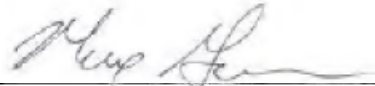
Dated: 6/3/2021

DEFENDANT

Aerojet Rocketdyne, Inc.

By:  Digitally signed by Mike Bunter
Dated: _____
Mike Bunter
Date: 2021.06.23 14:17:57
Title: _____ -07'00'

Approved as to Form and Content:


Larry Lee
Max Gavron
Diversity Law Group
Attorneys for Plaintiff
Edward Alcantar

Dated: 6/4/2021


Barbara I. Antonucci
Sarah K. Hamilton
Constangy, Brooks, Smith & Prophete LLP
Attorneys for Defendant
Aerojet Rocketdyne, Inc.

Dated: 6/29/2021

EXHIBIT A

Edward Alcantar v. Aerojet Rocketdyne, Inc.
Superior Court of California, County of Sacramento
(Case No. 34-2020-00281224-CU-OE-GDS)

NOTICE OF CLASS ACTION SETTLEMENT (“NOTICE”)

IF YOU ARE A CURRENT OR FORMER NON-EXEMPT EMPLOYEE OF AEROJET ROCKETDYNE, INC. IN THE STATE OF CALIFORNIA AND WERE PAID SHIFT DIFFERENTIAL WAGES AND/OR ANY FORM OF ADDITIVE PAY FROM APRIL 6, 2019 THROUGH SEPTEMBER 10, 2020, YOU MAY BE ABLE TO COLLECT MONEY FROM A CLASS ACTION SETTLEMENT.

The Sacramento County Superior Court (“Court”) authorized this Notice to be sent by _____ (“Settlement Administrator”). This is not an advertisement. This is not a solicitation from a lawyer.

DEFENDANT CANNOT AND WILL NOT RETALIATE AGAINST YOU IN ANY WAY FOR PARTICIPATING IN THIS SETTLEMENT.

«BarcodeString»
SIMID «SIMID»

ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

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

- Edward Alcantar (“Named Plaintiff”) has sued Aerojet Rocketdyne, Inc. (“Defendant”) on behalf of himself and all other similarly situated employees.
- The parties to the lawsuit have reached a tentative settlement, and the Court has preliminarily approved it.
- The settlement resolves the lawsuit.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

You Can DO NOTHING	You will receive a payment from the settlement. If you do nothing, you continue your participation in this lawsuit, and you will be impacted by the outcome of this case. You will receive a settlement payment; however, you will lose any rights to sue Defendant separately for the same legal claims made in the lawsuit. The estimated amount of your settlement payment is shown above. To receive your settlement payment, all you need to do is keep the Settlement Administrator informed of your current mailing address. Once the Court grants final approval of the settlement, the Settlement Administrator will mail your check to the address on file for you.
You Can ASK TO BE EXCLUDED FROM THE SETTLEMENT (Deadline: _____, 2021)	If you ask to be excluded from the settlement, you will get no payment from the class settlement, but you will keep any rights to sue Defendant separately for the same legal claims made in this lawsuit. Important: You cannot ask to be excluded <u>and</u> still get a class settlement payment.

You Can OBJECT TO THE SETTLEMENT

(Deadline: _____, 2021)

If you do not like the settlement, you can send a written objection to the Settlement Administrator by the deadline. If your objection is overruled, you will still be bound by the terms of the settlement and will receive a settlement payment. **Important: If you object to the settlement, you cannot also ask to be excluded.**

THESE RIGHTS AND OPTIONS—AND THE DEADLINES TO EXERCISE THEM—ARE EXPLAINED IN THIS NOTICE.

The Court is in charge of this lawsuit and still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after appeals, if any, are resolved. **Please be patient.**

1. Why Should You Read This Notice?

You should read this Notice because you may be entitled to money from a class action settlement.

2. What is This Lawsuit About?

In the lawsuit, the Named Plaintiff claimed that Defendant failed to provide accurate itemized wage statements to Class Members, in violation of California Labor Code section 226(a). Specifically, Plaintiff alleges that the wage statements did not identify the hourly rate of pay or number of hours worked when shift differential wages were paid or any other form of additive pay was paid. Defendant denies the allegations in the lawsuit and denies it has engaged in any wrongdoing. Defendant asserts that it complied with all legal requirements, but is resolving this action in order to avoid the costs of further legal proceedings.

3. Why is This a Class Action?

This lawsuit is a class action. In a class action, one or more persons, called a class representative (in this case, Edward Alcantar), sue on behalf of people who allegedly have similar claims. All these people are a class or class members. One case resolves the issues for all class members, except for those who exclude themselves from the class. The Sacramento County Superior Court is in charge of the case. The lawsuit is known as *Edward Alcantar v. Aerojet Rocketdyne, Inc.*, Case No. 34-2020-00281224-CU-OE-GDS.

4. Why is There a Settlement?

The Court did not decide in favor of Named Plaintiff or Defendant. Named Plaintiff thinks he could have won at trial. Defendant thinks that it would have won at trial. But there was no trial. Instead, both parties agreed to a settlement. That way, they avoid the cost of litigation, and the individuals potentially affected will get compensation. The class representative and the attorneys think the settlement is best for class members.

5. How Do I Know If I Am Part of the Settlement?

The Court has decided that all current and former non-exempt employees of Aerojet Rocketdyne, Inc. in the State of California who received the payment of shift differential wages and/or any form of additive pay from April 6, 2019 through September 10, 2020 (the “Class Period”) is a class member.

6. What Does the Settlement Provide?

The proposed settlement provides for a payment by Defendant of \$450,000.00 to fully and finally resolve all claims in the lawsuit (referred to as the “Class Settlement Amount”). The total amount to be distributed to class members who can be located, and who do not exclude themselves from the settlement, will be the value of the Class Settlement Amount after deducting the following (the “Net Settlement Amount”): (a) settlement administration costs estimated to be \$7,950.00; (b) class representative incentive award to Named Plaintiff not to exceed \$10,000.00 for his work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable); (c) Class Counsel’s attorneys’ fees not to exceed \$157,500.00; (d) Class Counsel’s actual litigation costs and expenses as supported by declaration not to exceed \$20,000.00; and (f) payment of \$30,000.00 to the Labor and Workforce Development Agency. **Class Counsel’s attorneys’ fees and costs, and Named Plaintiff’s class representative incentive award, remain subject to Court approval.**

No portion of the Net Settlement Amount will be returned to Defendant under any circumstances.

7. How Much Will My Payment Be?

Your estimated share of the settlement is shown above and is based on the number of pay periods you received shift differential or additive pay from Defendant during the period of April 6, 2019 through [the date of preliminary approval], as compared to the total number of pay periods all class members received shift differential or additive pay during that same period. Based upon Defendant’s records, the number of applicable pay periods you received shift differential or additive pay is determined to be **. If this information appears correct, you do not need to do anything further to receive your settlement payment. If you disagree with the number of weeks with payment of shift differential wages and/or additive pay, see below (Question 9).

8. How Do I Receive a Payment?

To qualify for payment, you need not do anything. The Settlement Administrator will mail you a check within approximately forty-five days after the Court enters a judgment based on this settlement, but possibly later depending on whether there is any appeal of the judgment entered by the Court.

9. What If I Believe the Information is Inaccurate?

If you believe the number of pay periods that you received shift differential wages and/or additive pay from April 6, 2019 through [the date of preliminary approval] is inaccurate, you may dispute it by sending a letter to [ADMINISTRATOR’S ADDRESS] no later than [redacted], 2021. Be sure to include your name, home address, telephone number, last four digits of your Social Security Number, and a statement as to what and why you are disputing. Also attach a copy of any documentation you want to include to support your dispute.

10. What Am I Giving Up to Receive a Settlement Payment?

Unless you request to be excluded from the settlement, you remain a part of the settlement class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendant for any legal claims that are based on the facts alleged by Named Plaintiff in the lawsuit, or any claims that could have been brought under the facts and allegations made in the lawsuit. Specifically, you will be giving up or “releasing” the claims described below:

Any claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorney's fees, costs, and any other form of relief or remedy in law or equity arising from the Action and any claims asserted or that could have been asserted based on the factual allegations contained in the Complaint, during the Released Claims Period (April 6, 2019 through [DATE OF PRELIMINARY APPROVAL]) including claims for (1) failure to furnish accurate itemized wage statements or provide fully and accurately itemized wage statements pursuant to Labor Code § 226; and (2) civil penalties premised on a violation of Labor Code § 226 pursuant to the California Private Attorney Generals Act, California Labor Code § 2698, *et seq.* ("PAGA"). This includes, but is not limited to, claims for payroll stub, wage statement, or record keeping violations and all other associated penalties, including but not limited to claims for civil penalties under Labor Code section 2698 *et seq.*, Labor Code sections 226, 226.3, IWC Wage Order 4-2001 and any other applicable wage orders, and claims or potential claims for attorneys' fees and costs and interest related to the Litigation premised on a violation of Labor Code § 226 (collectively, the "Released Claims").

The Released Claims do not include claims for workers' compensation benefits or any other claims that may not be released by law.

11. How Do I Exclude Myself from the Settlement?

To exclude yourself from the settlement (also referred to as "opt-out"), you must mail a letter to the Settlement Administrator saying that you want to be excluded from the *Edward Alcantar v. Aerojet Rocketdyne, Inc.* settlement.

Be sure to include your full name, address, signature, and a statement in the following or similar language: "I request to be excluded from this class action settlement. I have received notice of the settlement and understand that if I am excluded from the class action settlement, I will not receive any money as a result of the settlement." You must mail your exclusion letter postmarked no later than _____, 2021, to the Settlement Administrator at *****.

If you submit a timely and valid "opt-out" request, you will no longer be a member of the class and you will not receive any money from the class portion of the settlement, or be able to object to the settlement, but you will not be legally bound by anything that happens regarding the class action portion of this lawsuit. You will keep any rights to sue (or continue to sue) Defendant in the future for the same legal claims made in this lawsuit, at your own expense.

12. If I Don't Exclude Myself, Can I Sue Defendant or Receive Money from the Settlement?

If you do not exclude yourself from the settlement, you cannot sue Defendant for any of the claims that this settlement resolves. If you have a pending lawsuit against Defendant, speak to your lawyer in that case immediately. You may have to exclude yourself from this case in order to continue on with your own lawsuit. Remember, the exclusion deadline is _____, 2021.

If you exclude yourself from the Settlement, you will not receive any money from the settlement of the class action claims in this matter.

13. How Do I Tell the Court that I Don't Believe that the Settlement is Fair?

If you are a class member and you do not exclude yourself from the settlement, you can object to the settlement if you believe that the settlement is unfair or inadequate. You can give reasons why you think the Court should not approve the settlement. If you object and follow the procedures set out in this section, your objection will be considered.

If you decide to object to the proposed settlement, you must do so in writing. All objections must be signed by you and must include: (1) your full legal name, home address, telephone number, and last four digits of your Social Security Number; (2) a written statement of the basis for your objection; (3) any copies of papers, briefs, or documents upon which the objection is based; and (4) a list identifying any witnesses you may call to testify at the final approval hearing. You must file your objection with the Court no later than _____, 2021, at the following address: Clerk of the Court, Superior Court of California, County of Sacramento, 720 9th Street, Sacramento, CA 95814. You must also serve a copy of the objection on Class Counsel and Defense Counsel at the addresses listed below.

Class Counsel

DIVERSITY LAW GROUP, P.C.

Larry W. Lee
Max W. Gavron
515 S. Figueroa Street, Suite 1250
Los Angeles, CA 90071

POLARIS LAW GROUP

William L. Marder
501 San Benito Street, Suite 200
Hollister, CA 95023

Defense Counsel

CONSTANGY, BROOKS, SMITH & PROPHETE, LLP

Barbara I. Antonucci
Sarah K. Hamilton
601 Montgomery Street, Suite 350
San Francisco, CA 94111

You may then also appear at the final approval hearing for the settlement (see section 17 below for details as to when this hearing will take place), either in person or through an attorney at your own expense.

14. What Is the Difference Between Objecting and Excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the class. Excluding yourself, on the other hand, is telling the Court that you don't want to be part of the class. If you exclude yourself, you have no basis to object because the case no longer affects you. However, if you file an objection, you will still receive settlement benefits under the settlement if it is approved by the Court.

15. Do I Have a Lawyer in this Case?

The Court decided that the law firms of Diversity Law Group and Polaris Law Group, both of which represent the Named Plaintiff, are also qualified to represent you and all class members. You will not be charged for these lawyers. These law firms are referred to as "Class Counsel." If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How Will the Attorneys for the Class and the Class Representative be Paid?

The attorneys for the Named Plaintiff and the class will be paid from the Class Settlement Amount. Class Counsel will ask for up to \$157,500.00 in attorneys' fees and for actual litigation costs incurred up to a maximum of \$20,000.00, the actual amount of which will be determined by the Court at the final approval hearing (see section 17 below for details as to when this hearing will take place). Class members (like you) do not have to pay the fees and costs of Class Counsel. **If you elect to hire your own lawyer, however, you must make your own arrangements to compensate your lawyer.**

If approved by the Court, an incentive payment for the Named Plaintiff of an amount up to \$10,000.00 will be paid from the Class Settlement Amount for his work and efforts in prosecuting this case, and for undertaking the risks of costs (in the event the outcome of this lawsuit was not favorable).

17. Notice of Hearing on Final Approval and Objections to Class Action Settlement.

The Court has preliminarily approved the settlement and will hold a final approval hearing to decide whether to give final approval to the settlement. This hearing will be held before the Honorable _____ on _____, 2021, at _____ a.m., in Department ____ of the Superior Court of California for the County of Sacramento, 720 9th Street, Sacramento, California 95814, to determine whether the proposed settlement is fair, reasonable, and adequate, and whether it should be finally approved by the Court. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The final approval hearing may be continued without further notice. The Court may adjourn or continue the hearing from time to time, without further notification, as the Court may direct.

Once final approval is granted by the Court, the Court will enter judgment against Defendant, and all class members who have not requested exclusion will be deemed to have waived the Released Claims set forth above.

18. How Do I Get More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by contacting Class Counsel or the Settlement Administrator: _____, [Address], Toll-Free Phone Number: [insert].

19. What is the Contact Information for the Court, Class Counsel, and Defense Counsel?

The address for the Court and Class Counsel are as follows:

COURT	CLASS COUNSEL
Clerk of Court Superior Court of California, County of Sacramento 720 9th Street Sacramento, CA 95814	DIVERSITY LAW GROUP, P.C. Larry W. Lee Max W. Gavron 515 S. Figueroa Street, Suite 1250 Los Angeles, CA 90071 Telephone: (213) 488-6555 Facsimile: (213) 488-6554

	POLARIS LAW GROUP William L. Marder 501 San Benito Street, Suite 200 Hollister, CA 95023 Telephone: (831) 531-4214 Facsimile: (831) 634-0333
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WHAT IF I HAVE QUESTIONS?

If you have any questions about the settlement, you may contact the Settlement Administrator:

Edward Alcantar v. Aerojet Rocketdyne, Inc.

c/o _____

Address

City, CA, Zip

Toll-Free Phone Number: [insert]

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