

LOYR, APC

YOUNG W. RYU, ESQ. (SBN 266372)
young.ryu@loywr.com

ALEXANDER D. WALLIN, ESQ. (SBN 320420)
alexander.wallin@loywr.com

SARAH H. COHEN, ESQ. (SBN 330700)
sarah.cohen@loywr.com

3130 Wilshire Boulevard, Suite 209

Los Angeles, California 90010

Telephone: (888) 365 – 8686

Facsimile: (800) 576 – 1170

Attorneys for Plaintiff, JESUS ROSAS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

SAN BERNARDINO

JESUS ROSAS, individually and on behalf of
other individuals similarly situated,

Plaintiff,

vs.

OPTEC DISPLAYS, INC., a California
corporation; SHU-HWA WU, an individual;
and DOES 1 through 25, inclusive,

Defendants.

CASE NO. CIVSB2024991

*[Assigned for all purposes to the Hon.
David Cohn Dep S-26]*

**JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE**

Action Filed: October 27, 2020

IT IS HEREBY STIPULATED AND AGREED by and between Plaintiff JESUS ROSAS (“Class Representative”), on behalf of himself and all others similarly situated to him and as defined below, on the one hand, and OPTEC DISPLAYS, INC., a California corporation; SHU-HWA WU, an individual (“Defendants”), on the other hand, as set forth below:

I. The Conditional Nature of This Stipulation.

This Joint Stipulation of Class Action Settlement and Release, including all associated exhibits or attachments (herein “Stipulation”), is made for the sole purpose of resolving all causes

1 of action alleged in the Complaint in the case *Jesus Rosas v. Optec Displays, Inc., et al*, Case No.
2 CIVSB2024991(the “Litigation”) on a classwide basis. This Stipulation and the settlement it
3 evidences is made in compromise of disputed claims. Because the Litigation was styled as a class
4 action, this settlement must receive preliminary and final approval from the Court. Accordingly,
5 Defendants and the Class Representative enter into this Stipulation and associated settlement on a
6 conditional basis. In the event that the Court does not execute and file the Order Granting Final
7 Approval of Settlement, or in the event that the Court does not enter the Judgment (as defined
8 below), or in the event that the associated Judgment does not become a Final Judgment (as defined
9 below) for any reason, this Stipulation shall be deemed null and void, it shall be of no force or
10 effect whatsoever, it shall not be referred to or used for any purpose whatsoever, and the
11 negotiation, terms, and entry of it shall remain subject to the provisions of California *Evidence*
12 *Code* sections 1119 and 1152.

13 Defendants adamantly deny all of the claims as to liability, damages, and restitution as
14 well as the class allegations asserted in the Litigation. Defendants have agreed to resolve this
15 Litigation via this Stipulation, but to the extent this Stipulation is deemed void or does not take
16 effect, Defendants do not waive, but rather expressly reserves, all rights to challenge all such
17 claims and allegations in the Litigation upon all procedural and factual grounds, including without
18 limitation the ability to challenge class treatment on any grounds or to assert any and all defenses
19 or privileges. The Class Representative and his counsel agree that Defendants retain and reserve
20 these rights. In particular, the Class Representative and his counsel waive and agree not to argue
21 or to present any argument that Defendants would be estopped from contesting class certification
22 because it has entered into this Stipulation. In addition, the settling parties recognize and agree
23 that under California law, which is applicable here, courts impose a lesser burden for certification
24 for settlement classes than they do for contested classes.

25 **II. The Parties to this Stipulation.**

26 This Stipulation (with the associated exhibits) is made and entered into by and among the
27 following parties (collectively, the “Parties” or “Settling Parties”): (i) the Class Representative
28 Jesus Rosas (on behalf of himself and each of the members the Class), with the assistance and

1 approval of his counsel (the “Class Counsel”); and (ii) Defendants Optec Displays, Inc. and Shu-
2 Hwa Wu (hereinafter “Defendants”), with the assistance of its counsel of record in the Litigation.
3 The Stipulation is intended by the Settling Parties to result in a Judgment and to fully, finally, and
4 forever resolve, discharge, and settle the Released Claims (as defined below) upon and subject to
5 the terms and conditions hereof.

6 **III. Procedural Posture.**

7 On October 27, 2020, Plaintiff Jesus Rosas, a former employee of Defendants, filed a class
8 action Complaint against Defendants in San Bernardino County Superior Court. In the Complaint,
9 Plaintiff alleged causes of action for: (1) Failure to Compensate All Hours Worked in Violation of
10 Industrial Welfare Commission Order no 4 and Cal. Lab. Code §§ 200, 226, 500, 510, 1194, 1197,
11 and 119; (2) Missed Meal and Rest Breaks in Violation of Cal. Labor Code §§ 200, 226.7, 512
12 and 12 CCR § 11040; (3) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code §
13 1182.12; (4) Failure to Pay Overtime Compensation in violation of Cal. Lab. Code § 1198.4, *et*
14 *seq.*; (5) Failure to Reimburse Business Expenses in Violation of Cal. Lab. Code § 2802; (6)
15 Failure to Furnish an Accurate, Itemized Wage Statements in Violation of Labor Code § 226; (7)
16 Failure to Pay Compensation Upon Termination of Employment in Violation of Cal. Lab. Code §
17 201-203; (8) Violation of Cal. Labor Code §§ 2698, *et seq.* (Private Attorneys General Act
18 (“PAGA”)); and (9) Violation of California Business & Professions Code Section § 17200 *et seq.*

19 As defined by the operative Complaint and based on Plaintiff’s claims, the class consists
20 of:

21 All individuals who have been, or currently are, employed by Defendants in California
22 as “non-exempt employees” during the Class Period. Excluded from the Class are
23 employees who work only administrative and managerial functions as exempt
employees.

24 In accordance with the complex civil division procedure, the Court imposed a stay on all
25 discovery and motion practice prior to the initial Case Management Conference. Meanwhile, the
26 Parties agreed to attempt a resolution of this matter through private mediation. In preparation
27 thereof, Defendants provided information/data concerning alleged putative class members to allow
28 Plaintiff to perform an analysis.

1 On September 22, 2021, the parties participated in a full-day mediation before experienced
2 employment mediator Jeffrey Krivis. At mediation, the parties engaged in an intensive discussion
3 regarding their evaluations of the Litigation, the risks and delays of further litigation and the
4 relevant wage statement analysis models to further assist in negotiations. With the aid of the
5 mediator, the parties reached a settlement of the case. The parties were able to resolve the matter
6 and agreed to enter into this Joint Stipulation of Class Action Settlement and Release.

7 This Stipulation pertains to the Plaintiff's Complaint in the Litigation.

8 **IV. No Admissions or Concessions Regarding Fault or Liability.**

9 Whether or not the settlement is finally approved, this Stipulation and compliance with this
10 Stipulation shall not be construed as an admission, concession, or indication by either party with
11 respect to fault or liability whatsoever for the claims asserted in the Litigation, or as an admission
12 by either party that the Litigation is either appropriate or inappropriate for class certification.
13 Parties are agreeing that the Litigation is appropriate for class certification only for the purposes of
14 class settlement as described within this Stipulation.

15 **V. Defendants' Denial of Wrongdoing or Liability.**

16 Whether or not the settlement is finally approved, this Stipulation and compliance with this
17 Stipulation shall not be construed as an admission, concession, or indication by Defendants of any
18 fault or liability whatsoever for the claims asserted in the Litigation, or as an admission by
19 Defendants that the Litigation is appropriate for class certification other than for purposes of class
20 settlement as described within this Stipulation. Defendants adamantly deny all of the claims and
21 contentions alleged by the Class Representative in the Litigation, and do not waive and reserve all
22 defenses disputing liability, class certification, and damages. Defendants contend it appropriately
23 paid its employees and that, if this matter were to be further litigated, it would have strong
24 defenses on the merits and as to class certification. Nonetheless, Defendants have concluded that
25 to continue the Litigation would be protracted and expensive and that it is desirable that the
26 Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in
27 this Stipulation.

28 The Stipulation will not be disclosed, referred to or offered or received in evidence against

1 the Defendants, in any further proceeding in the Litigation, or any other civil, criminal or
2 administrative action or proceeding except for the purposes of settling this Litigation or enforcing
3 the terms contained herein.

4 Defendants do not waive, but rather expressly reserve, all rights to challenge all such
5 claims and allegations in the Litigation upon all procedural and factual grounds, including without
6 limitation the ability to challenge class treatment on any grounds or to assert any and all defenses
7 or privileges if this Stipulation is deemed void or does not take effect.

8 **VI. Claims of the Class Representative and Benefits of Settlement.**

9 The Class Representative believes that the claims asserted in the Litigation have merit.
10 The Class Representative and Class Counsel recognize and acknowledge, however, the expense
11 and length of the type of continued proceedings necessary to prosecute the Litigation against
12 Defendants through trial and through appeals. The Class Representative and Class Counsel have
13 also taken into account the uncertain outcome and the risk of any litigation, especially in putative
14 class actions such as this Litigation, as well as the difficulties and delays inherent in such
15 litigation. The Class Representative and Class Counsel are also mindful of the unsettled and
16 evolving nature of the law that supports the defenses to the claims asserted in the Litigation. In
17 light of these considerations, Class Counsel is of the opinion that the consideration and terms of
18 the Settlement as set forth below are fair, reasonable, and adequate in light of all known facts and
19 circumstances, and are in the best interests of the Class as a whole. Class Counsel is also of the
20 opinion that the total consideration and payment set forth in this Stipulation of Settlement is
21 adequate in light of the uncertainties surrounding the risk of further litigation, and the possible
22 defenses and offset claims that Defendants have asserted and could assert.

23 **VII. Terms of Stipulation and Agreement of Settlement.**

24 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and between the
25 Class Representative, for himself and on behalf of all others allegedly similarly situated to him
26 and as defined below, on the one hand, and Defendants on the other hand, with the assistance of
27 their respective counsel of record, that, as among the Settling Parties, including all members of the
28 Settlement Class, the Litigation and the Released Claims shall be finally and fully compromised,

settled, and released, subject to the terms and conditions of the Stipulation and the Judgment.

A. Definitions

As used in all parts of this Stipulation (including the exhibits which are incorporated as part of the Stipulation), the following terms have the meanings specified below (other definitions are included within the Stipulation and are identified by parentheticals with quotes (“__”)):

1.1 “NCOA Check” means within fourteen (14) calendar days from the date the Court preliminarily approves this Agreement, the Settlement Administrator will perform an National Change of Address (“NCOA”) check for Class Members’ most current address based on the information provided by Defendants and/or Plaintiff and will mail the Court approved notices to the Class Members.

1.2 “Settlement Administrator” means the third-party claims administration firm mutually selected by the parties, Simpluris, Inc.

1.3 “Class” or “Class Members” means all individuals who have been, or currently are, employed by Defendants in California as “non-exempt employees” during the Class Period. Excluded from the Class are employees who work only administrative and managerial functions as exempt employees.

1.4 “Class Counsel” and “Plaintiff’s Counsel” means:

LOYR, APC

YOUNG W. RYU, ESQ. (SBN 266372)

young.ryu@loywr.com

ALEXANDER D. WALLIN, ESQ. (SBN 320420)

alexander.wallin@loywr.com

SARAH H. COHEN, ESQ. (SBN 330700)

sarah.cohen@loywr.com

3130 Wilshire Boulevard, Suite 209

Los Angeles, California 90010

Telephone: (888) 365 – 8686

Facsimile: (800) 576 – 1170

1.5 “Net Settlement Sum” means the net amount that Defendants will pay (subject to the occurrence of the Effective Date) to all Settlement Class Members, and is calculated by subtracting all of the following from the Settlement Sum: (1) the

1 maximum total gross amount Defendants will pay (subject to the occurrence of the
2 Effective Date) to Class Counsel for attorney fees, which is \$83,333.25 (subject to
3 court approval); (2) the maximum total gross amount Defendants will pay (subject
4 to the occurrence of the Effective Date) to Class Counsel for costs and Litigation
5 expenses, which is to be no more than \$15,000 (subject to court approval); (3) the
6 maximum total gross amount Defendant will pay (subject to the occurrence of the
7 Effective Date) to the Class Representative as a service award which is \$5,000
8 (subject to court approval); (4) the maximum total gross amount Defendant will
9 pay (subject to the occurrence of the Effective Date) to the Settlement
10 Administrator, which shall be no more than \$10,000 (subject to court approval); (5)
11 the maximum total gross amount Defendant will pay (subject to the occurrence of
12 the Effective Date) to the California Labor and Workforce Development Agency
13 for settlement of claims under California *Labor Code* section 2698 et seq. which
14 shall be \$18,000, representing seventy-five percent of the \$24,000 total settlement
15 amount for Private Attorneys General Act civil penalties (subject to court
16 approval); and (6) the maximum total gross amount Defendant will pay (subject to
17 the occurrence of the Effective Date) to the PAGA Settlement Employees for
18 settlement of claims under California *Labor Code* section 2698 et seq. which shall
19 be \$6,000, representing twenty-five percent of the \$24,000 total settlement amount
20 for Private Attorneys General Act civil penalties (subject to court approval). The
21 Net Settlement Sum is currently estimated to be approximately \$112,666.75, which
22 will be subject to employee and employer's share of state and federal employment
23 and payroll taxes and withholdings prior to distribution to Settlement Class
24 Members ("Employment and Payroll Taxes") but the Settling Parties acknowledge
25 that this figure may change depending on the extent which the Court approves the
26 allocations stated in this paragraph.

27 1.6 "Class Period" means the following: October 27, 2016 up to and including October
28 31, 2021.

- 1.7 “Class Representative” means Plaintiff Jesus Rosas, the individual designated in the Complaint to serve as the official representative of the Class.
- 1.8 “Court” means the Superior Court of the State of California, for the County of San Bernardino.
- 1.9 “Effective Date” means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval of the Settlement; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed; (c) if any timely appeals are filed or other judicial review is taken, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement.
- 1.10 “Settlement Sum” shall mean the total settlement amount to be paid by Defendants pursuant to the settlement (including attorneys’ fees and costs to Class Counsel, PAGA Penalties (as defined below), settlement administration costs, the Class Representative service award, distributions to Settlement Class Members, employee’s share of taxes, contributions and withholdings with respect to the wage-portion of the settlement payments (Employment and Payroll Taxes), which amount is \$250,000. The entire settlement is non-reversionary.
- 1.11 “Individual Settlement Amount” shall mean the total gross amount due from the Net Settlement Sum to an individual Settlement Class Member, inclusive of pre- and post-judgment interest and penalties, and subject to Employment and Payroll Taxes, which shall be allocated and distributed to Class Members based on the number of weeks a Class Member worked during the Class Period (“workweek.”). Class Members will not have to submit a claim form in order to be issued payment pursuant this Settlement. Based on information obtained and discovered through the course of informal discovery, the values of the Individual Settlement Amount assigned to Class Members will be determined as follows: 1) a Total Value per workweek will be derived by dividing the Net Settlement Sum allocated by the total number of weeks that all Class Members worked (i.e. any week in which a

1 Class Member worked at least one (1) day during the Class Period); and 2) each
2 eligible Class Member will have their respective number of workweeks multiplied
3 by the Total Value per workweek number to derive their respective Individual
4 Settlement Amount. With respect to PAGA Settlement Employees, their Individual
5 Settlement Amount shall include their *pro rata* share of the \$6,000 allocated from
6 the PAGA Penalties to PAGA Settlement Employees, calculated as follows: 1) a
7 PAGA Total Value per workweek will be derived by dividing the \$6,000 allocated
8 as PAGA Penalties to all PAGA Settlement Employees by the total number of
9 weeks that all PAGA Settlement Employees worked during the PAGA Period and
10 2) each PAGA Settlement Employee will have their respective number of
11 workweeks multiplied by the PAGA Total Value per workweek number to derive
12 their respective share of the PAGA Penalties to be included in their respective
13 Individual Settlement Amount. Class Members who are also PAGA Settlement
14 Employees who properly and timely elect to Opt Out will nevertheless receive their
15 *pro rata* share of the 25% of the PAGA Penalties allocated to PAGA Settlement
16 Employees. If the Court approves of the compromise of the PAGA claim, all
17 PAGA Settlement Employees are bound by the Court's resolution of that claim.

18 1.12 "Jesus Rosas" means Jesus Rosas, the named plaintiff in the Litigation and Class
19 Representative.

20 1.13 "Judgment" or "Final Judgment" means the judgment to be rendered by the Court
21 pursuant to this Stipulation, substantially in the form attached hereto as **Exhibit 3**,
22 titled "[Proposed] Order Granting Final Approval of Settlement and Entry of
23 Judgment." This Judgment shall be a judgment for purposes of California Rule of
24 Court 3.771(a).

25 1.14 "Labor and Workforce Development Agency" or "LWDA" means the California
26 agency that pursuant to California *Labor Code* section 2698, *et seq.* shall receive an
27 amount equal to seventy-five percent (75%) of the amount allocated for PAGA
28 Penalties in settlement of the Litigation.

- 1.15 “Last Known Address” means the most recently recorded mailing address for a Class Member, such information is contained in employment, payroll, or personnel records maintained by Defendant.
- 1.16 The “Litigation” shall mean all the causes of action alleged in the Complaint and the First Amended Complaint, in the lawsuit pending in the Court presently styled, *Jesus Rosas v. Optec Displays, Inc., et al.*, San Bernardino County Superior Court, Case No. CIVSB2024991.
- 1.17 The “Non-Settlement Class” or “Non-Settlement Class Member(s)” or “Member of the Non-Settlement Class” consists of or means the group of all Class Members who properly and timely elect to Opt Out (as defined below) of the settlement by requesting exclusion from the class action settlement pursuant to Paragraph 3.3.3 of the Stipulation. Class Members who are PAGA Settlement Employees will not be permitted to Opt Out from the release of the PAGA claim portion of the Settlement. PAGA penalty settlement payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Settlement Employees including to those Non-Settlement Class Members.
- 1.18 “Notice of Proposed Class Action Settlement” or “Class Notice(s)” means a notice titled “Notice of Proposed Class Action Settlement” to be approved by the Court, substantially in the form attached hereto as **Exhibit 2**. The “Notice of Proposed Class Action Settlement” shall constitute the class notice pursuant to California Rule of Court 3.769(f) and, once approved by the Court, shall be deemed compliant with California Rule of Court 3.766(d).
- 1.19 “Notice Mailing Deadline” means the deadline for the Settlement Administrator to mail the Class Notices to Class Members, which shall be no later than twenty one (21) calendar days after the Preliminary Approval Date.
- 1.20 “Objection Deadline” means the deadline for a Class Member to object to the settlement, which date shall be indicated on the Class Notices mailed by the Settlement Administrator and which shall be postmarked no later than forty five

(45) calendar days after the Notice Mailing Deadline.

1.21 “Opt Out” or “Opt Outs” means a completed request in writing to be excluded or opt-out signed by a Class Member indicating he or she wishes to be excluded from the Settlement Class and in the manner specified in the Class Notice, no later than the Opt Out Deadline (or fifteen (15) days after the Settlement Administrator re-mails the Class Notice to the Class Member, whichever is later).

1.22 “Opt Out Deadline” means the deadline for a Class Member to Opt Out of the settlement, which date shall be indicated on the Class Notices mailed by the Settlement Administrator and which shall be postmarked no later than forty five (45) calendar days after the Notice Mailing Deadline (or fifteen (15) days after the Settlement Administrator re-mails the Class Notice to the Class Member, whichever is later).

1.23 “Order of Final Approval and Entry of Judgment”, “Final Approval” or “Order Granting Final Approval of Settlement and Entry of Judgment” shall mean the Final Approval Order and Judgment substantially in the form attached hereto as **Exhibit 3**. The “Judgment,” shall constitute approval pursuant to California Rule of Court 3.769(a).

1.24 “PAGA Penalties” means the penalties pursuant to California *Labor Code* section 2698, *et seq.*, the *Labor Code* Private Attorneys General Act of 2004 (“PAGA”), that Settling Parties have agreed is a reasonable sum to be allocated in settlement of the PAGA claims included in the Litigation, which is \$24,000. The PAGA Penalties allocation is to be approved by the Court pursuant to *Labor Code* section 2699 *et seq.* and are to be distributed as follows: seventy-five percent (75%) to the LWDA and twenty-five percent (25%) to the PAGA Settlement Employees on a *pro rata* basis based on the PAGA Settlement Employees’ workweeks during the PAGA Period.

1.25 “Person” means a natural person.

1.26 “Plaintiff” shall mean Jesus Rosas, the named plaintiff in this Litigation.

- 1.27 “Preliminary Approval Date” shall mean the date on which the Court grants preliminary approval of the settlement.
- 1.28 “Preliminary Approval Order” or “Order Granting Preliminary Approval of the Settlement and Setting a Settlement Fairness Hearing” shall mean an order to be executed and filed by the Court titled “Order Granting Preliminary Approval of the Settlement and Setting a Settlement Fairness Hearing,” substantially in the form attached hereto as **Exhibit 1**. This Preliminary Approval Order shall constitute an order certifying a provisional class for settlement purposes only pursuant to California Rule of Court 3.769(d) and an order setting a final approval/fairness hearing pursuant to California Rule of Court 3.769(e).
- 1.29 “Reasonable Address Verification” shall mean the utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a Last Known Address Provided by Defendant to the Settlement Administrator.
- 1.30 “Released Claims” shall mean any and all claims, rights, demands, liabilities and causes of action of every nature and description alleged in the Complaint or which could have been alleged in the Complaint based on the factual allegations alleged therein, including, but not limited to causes of action for (1) Failure to Compensate All Hours Worked in Violation of Industrial Welfare Commission Order no 4 and Cal. Lab. Code §§ 200, 226, 500, 510, 1194, 1197, and 119; (2) Missed Meal and Rest Breaks in Violation of Cal. Labor Code §§ 200, 226.7, 512 and 12 CCR § 11040; (3) Failure to Pay Minimum Wages in Violation of Cal. Lab. Code § 1182.12; (4) Failure to Pay Overtime Compensation in violation of Cal. Lab. Code § 1198.4, *et seq.*; (5) Failure to Reimburse Business Expenses in Violation of Cal. Lab. Code § 2802; (6) Failure to Furnish an Accurate, Itemized Wage Statements in Violation of Labor Code § 226; (7) Failure to Pay Compensation Upon Termination of Employment in Violation of Cal. Lab. Code § 201-203; and (8) Violation of California Business & Professions Code Section § 17200 *et seq.*

seeking, *inter alia*, damages, penalties, attorneys' fees, interest, for alleged wage and hour violations including, but not limited to, wage and hour violations, failure to provide meal and rest breaks, and failure to pay premium pay, failure to furnish accurate, itemized wage statements, failure to timely pay wages upon discharge or quit, and violation of the following California Labor Code Labor Code sections 200, 201, 202, 203, 204, 210, 218.5, 225.5, 223, 226, 226.3, 226.7, 227.3, 226.8, 432, 500, 510, 512, 558, 558.1, 1171, 1173, 1174, 1182.12, 1194, 1194.2, 1198, 1198.5, 1197, 1197.1, 1198.5, 2699, 2802, California Business & Professions Code § 17200, violation of California Code of Regulations, Title 8, section 11040, violation of the California Industrial Wage Orders. As to any Settlement Class Member who cashes and/or negotiates the check representing their Individual Settlement Amount, the signing and negotiation of that check shall serve as the Settlement Class Member's consent to join the action for purposes of releasing the Released Claims arising under the Fair Labor Standards Act ("FLSA"). With respect to the PAGA Settlement Employees, the "Release Claims" also includes any and all claims, causes of action, damages, expenses, benefits, interest, penalties, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or nature that were asserted or could have been asserted with respect to the Private Attorneys General Act ("PAGA") claims asserted in the Complaint and in Plaintiffs' LWDA Notices for the PAGA Period.

1.31 "PAGA Period" means the following: August 19, 2019 up to and including October 31, 2021.

1.32 "PAGA Settlement Employees" shall mean any and all non-exempt employees who worked for Defendant Optec Displays, Inc. in California during the PAGA Period from August 19, 2019 to October 31, 2021.

1.33 "Settlement Class" or "Settlement Class Members" or "Members of the Settlement Class" means any, or collectively all Class Members who do not Opt Out of the settlement by submitting Opt Outs pursuant to Paragraph 3.3.3 and, thus, become

bound by the Judgment.

- 1.34 “Settlement Hearing” or “Final Approval Hearing” or “Settlement Fairness Hearing” means a hearing set by the Court to take place for the purpose of: (i) determining the fairness, adequacy, and reasonableness of the Stipulation and associated settlement pursuant to class action procedures and requirements; (ii) determining the good faith of the Stipulation and associated settlement; and (iii) entering Judgment. This Settlement Hearing is intended to be the settlement hearing or final approval hearing required under California Rule of Court 3.769(a).
- 1.35 “Parties” or “Settling Parties” means Defendants Optec Displays, Inc., Shu-Hwa Wu, and the Class Representative on behalf of himself and all Settlement Class Members.
- 1.36 “Optec Displays, Inc.” means the Defendant Optec Displays, Inc. in the Litigation and employer of the present and former employees who comprise the alleged Class.
- 1.37 “Released Parties” means Defendants, each of its respective past, present and future parent companies, subsidiaries, affiliates, current and former management companies, shareholders, members, partners, agents accountants, insurers, reinsurers, claims administrators, attorneys and any past, present or future officers, directors and employees, predecessors, successors, or assigns thereof.
- 1.38 “Stipulation” means this Joint Stipulation of Class Action Settlement and Release and all of its attachments and exhibits, which the Settling Parties understand and agree sets forth all material terms and conditions of the settlement between them, and which is subject to Court approval.
- 1.39 “Updated Address” means a mailing address that was updated by way of Reasonable Address Verification, by way of an updated mailing address provided by the United States Postal Service, a Class Member, Experian Skip Tracing, or a Locator Service.
- 1.40 “Complaint” is the operative pleading filed on or about October 27, 2020.
- 1.41 “LWDA Notices” are the letters to the LWDA and Defendants dated August 19,

2020 and August 20, 2020, giving notice of his intent to pursue a representative action pursuant to the PAGA, on behalf of himself and the state of California, as well as on behalf of a proposed group of aggrieved employees.

B. The Settlement

2.1 *Settlement Amount, Timing of Payments, Tax Reporting Obligations, and Other Obligations of Defendant and the Settlement Administrator.*

2.1.1. The Settlement Sum shall be Two Hundred Fifty Thousand dollars. (\$250,000.00). Defendants' monetary obligation under this Stipulation is limited to the amount defined as the Settlement Sum (\$250,000.00). Defendants shall pay the total Settlement Sum to the Settlement Administrator for disbursement consistent with this Stipulation within thirty (30) calendar days of the Effective Date. Defendants will not be called upon or required to contribute additional monies above the Settlement Sum under any circumstances whatsoever. In the event that this Stipulation is canceled, rescinded, terminated voided, or nullified, however that may occur, or the settlement of the Litigation by operation of law, or invalidated, or ordered not to be carried out by a Court of competent jurisdiction, Defendants will cease to have any obligation to pay any portion of the Settlement Sum under the terms of this Stipulation, and all previous disbursements made by Defendants will immediately revert back to Defendants.

The Settlement Administrator will administer the settlement by distributing the Class Notice, performing an NCOA check, receiving Opt Out requests, adjudicating Class Members' disputes over the total number of workweeks worked by Class Members during the Class Period, providing Class Counsel and counsel for Defendant with updates on the status (including Class Member names and percentages) of Opt Outs, handling inquiries about the calculation of the Individual Settlement Amounts, and providing Defendants with the appropriate tax reporting documentation. The actions of the Settlement Administrator shall be governed by the terms of this Stipulation. The Settling Parties, through their counsel, may provide written information needed by the Settlement Administrator pursuant to the Stipulation.

2.1.2. Defendants, through the Settlement Administrator, shall pay no later than fifteen (15) calendar days after the receipt of the funds by the Settlement Administrator from

1 Defendants: (1) the amount of attorneys' fees and litigation costs and expenses approved by the
2 Court as set forth in subsection (b) below; (2) the Class Representative service awards approved
3 by the Court as set forth in subsection (b) below; (3) the PAGA Penalties to the LWDA approved
4 by the Court as set forth in subsection (d) below; (4) the fees and costs to the Settlement
5 Administrator approved by the Court as set forth in subsection (c) below; (5) Payments to
6 Settlement Class Members of their Individual Settlement Amounts, according to the terms,
7 conditions and procedures set forth in Paragraph 2.1.3 and as set forth in subsection (e) below; and
8 (6) Payments to PAGA Settlement Employees to be included in their Individual Settlement
9 Amounts, according to the terms, conditions and procedures set forth in Paragraph 2.1.3 and as set
10 forth in subsection (e) below.

11 (a) Attorneys' Fees and Litigation Costs: Class Counsel shall submit their
12 Application for Award of Attorneys' Fees and Costs to the Court before the
13 Settlement Hearing. Class Counsel will seek attorneys' fees not to exceed
14 \$83,333.25 (1/3 of the Settlement Sum) and litigation costs and expenses not to
15 exceed \$15,000 from the Settlement Sum, subject to court approval. Class
16 Counsel shall serve Defendants with copies of all documents in support of their
17 Application for Award of Attorneys' Fees and Costs. Defendants agree not to
18 oppose the Application for Award of Attorneys' Fees and Costs. Class Counsel
19 and the Class Representative agree to provide original signed W9 forms to
20 defense counsel. The Settlement Administrator will report the attorneys' fees
21 on a Form 1099, which it will provide to Class Counsel and to the pertinent
22 taxing authorities.

23 (b) Class Representative Service Award: Subject to Court approval, the Class
24 Representative shall receive a service payment of \$5,000 in addition to his
25 Individual Settlement Amount. Defendants agree not to oppose the request for,
26 or the amount of, the Class Representative's service award. Since it is the
27 intent of the Settling Parties that the service award to the Class Representative
28 is for his services on behalf of the Class, and in exchange for the general release

1 set forth in Paragraphs 3.5.2 through 3.5.4, and not wages, the Settlement
2 Administrator will not withhold any taxes from the service awards. The
3 Settlement Administrator will report the service award on a Form 1099, which
4 it will provide to the Class Representative and to the pertinent taxing
5 authorities. The Class Representative agrees to provide an original signed W9
6 form to defense counsel prior to issuance of the Class Representative Service
7 Award.

8 (c) Settlement Administration Costs: Subject to Court approval, the Settlement
9 Administrator shall be paid an amount which is expected to not exceed \$10,000
10 for all fees and costs relating to the administration of this settlement, including
11 but not limited to all the duties set forth in Paragraph 2.1.2, all tax document
12 preparation, custodial fees and accounting fees, all costs and fees associated
13 with preparing, issuing, and mailing any and all Class Notices, all costs and
14 fees associated with computing, reviewing, and paying distributions from the
15 Settlement Sum, all costs and fees associated with preparing any tax returns and
16 any other filings required by any governmental taxing authority or agency, all
17 costs and fees associated with preparing any other notices, reports, or filings to
18 be prepared in the course of administering disbursements from the Settlement
19 Sum, and any other costs and fees incurred and/or charged by the Settlement
20 Administrator in connection with the execution of its duties under this
21 Stipulation.

22 (d) PAGA Penalties: Subject to Court approval, \$18,000 shall be paid to the
23 LWDA for PAGA Penalties, which represents the seventy-five percent (75%)
24 share of the \$24,000 portion of the Settlement Sum allocated to PAGA and
25 payable to the LWDA pursuant to *Labor Code* section 2698, *et seq.*

26 (e) Payments to Settlement Class Members and PAGA Settlement Employees:
27 Payment to Settlement Class Members and PAGA Settlement Employees will
28 be made in conformity with Paragraphs 1.11 and 2.1.3, and each of the

1 payments to Settlement Class Members will be inclusive of interest and
2 penalties, including PAGA and wage statement penalties, and will be allocated
3 as follows: 100% of each PAGA Settlement Employee's share of the PAGA
4 Penalties will be allocated as penalties; the payments to Settlement Class
5 Members for the class claims will be allocated 20% to wages and 80% to
6 interest and penalties. The wage portion of all settlement payments shall be
7 subject to Employment and Payroll Taxes and shall be reported on IRS Form
8 W-4. The non-wage portion will not be subject to any Employment and Payroll
9 Taxes and shall be reported on IRS Form 1099. Settlement Class Members will
10 have one hundred and eighty (180) calendar days to negotiate their respective
11 settlement payments under this Agreement. Any checks not negotiated within
12 the one hundred and eighty (180) calendar days shall go to the Controller of the
13 State of California to be held pursuant to the Unclaimed Property Law,
14 California Civil Code § 1500 et. seq. as set forth in Paragraph 2.1.5.

15 2.1.3. The Settlement Administrator shall compute the Individual Settlement
16 Amount for the Settlement Class Members and PAGA Settlement Employee as follows:

- 17 (a) The payment of the Individual Settlement Amounts will be calculated by using
18 the formulas set forth in Paragraphs 1.11 and 2.1.2(e).
- 19 (b) The Settling Parties agree that the above-described formula and distribution
20 methods are reasonable and fair in light of the Settling Parties' investigation of
21 the claims of the Class, and the relative degree of uncertainty, risk of outcome
22 of further litigation, and difficulties and delays inherent in such litigation of
23 these claims.

24 2.1.4. Defendants, through the Settlement Administrator, will report each payment
25 made on the Settlement Sum to government authorities including the Internal Revenue Service as
26 required by law.

27 2.1.5. Within sixty (60) calendar days after the last day for Settlement Class
28 Members to negotiate their respective settlement payments, any amounts allocated to Settlement

1 Class Members and PAGA Settlement Employees that were not negotiated shall go to the
2 Controller of the State of California to be held pursuant to the Unclaimed Property Law,
3 California Civil Code § 1500 et seq., for the benefit of those Settlement Class Members and
4 PAGA Settlement Employees who did not cash their checks until such time that they claim their
5 property. The Parties agree that this disposition results in no “unpaid residue” within the meaning
6 of California Code of Civil Procedure Section 384, as the entire Net Settlement Amount and the
7 PAGA Penalties amount allocated to employees will be paid out to the Settlement Class Members
8 and PAGA Settlement Employees, whether or not they all cash their Individual Settlement
9 Amount checks.

10 2.1.6 Other than the withholding of employee’s and employer’s share of taxes
11 with respect to the wage portion of settlement payments, the Class Representative and the Class
12 are solely responsible for the reporting and payment of the employee’s share of any federal, state,
13 and/or local income or other tax or any other withholdings due with respect to any other funds
14 received as a part of this settlement, if any. The Class Representative agrees to defend, indemnify
15 and hold Defendants harmless for and against any damage or tax penalty Defendants incur as a
16 result of the failure by the Class Representative to pay all taxes due by his receipt of payments
17 pursuant to this Stipulation. Class Counsel agrees to defend, indemnify and hold Defendants
18 harmless for and against any damage or tax penalty Defendants incur as a result of the failure by
19 Class Counsel to pay all taxes due as a result of Class Counsel’s receipt of payments pursuant to
20 this Stipulation.

21 2.1.7 The Settlement amounts paid to the Class Representative and the Settlement
22 Class shall be deemed not to have any effect on the eligibility for, or calculation of, any employee
23 benefits (e.g., bonus, vacations, holiday pay, 401(k) or matching benefits, retirement plans, etc.), if
24 any.

25 **C. Procedure for Approval and Implementation of Settlement.**

26 3.1 *Preliminary Approval.*

27 3.1.1. The Class Representative, through his counsel of record, shall file this
28 Stipulation with the Court and will apply for an unopposed Preliminary Approval Order approving

1 of this Stipulation pursuant to California Rule of Court 3.769(c). By this Stipulation, the Class
2 Representative requests that the Court enter the Order Granting Preliminary Approval of
3 Settlement and Setting a Fairness Hearing (**Exhibit 1**), thereby approving the distribution of the
4 Class Notice and scheduling the Settlement Fairness Hearing (pursuant to California Rule of Court
5 3.769(e)) for purposes of determining the good faith of the settlement, granting final approval of
6 the settlement, granting final approval of this Stipulation, and obtaining entry of Judgment. By
7 this same application, the Class Representative, through Class Counsel, shall, pursuant to
8 California Rule of Court 3.769(b), advise the Court of the agreements set forth in this Stipulation
9 regarding the amount of Class Counsel's attorneys' fees and costs and the Class Representative's
10 service award sought.

11 3.1.2. Prior to the Court granting preliminary approval, Plaintiff Jesus Rosas
12 agrees to not discuss or mention the terms of this Stipulation other than with accountants or
13 lawyers as necessary for tax purposes in connection with payments provided for by the
14 Stipulation.

15 3.1.3. Failure of the Court to enter the Preliminary Approval Order in its entirety
16 will be grounds for Defendants to terminate the settlement and the terms of this Stipulation
17 pursuant to Paragraph 3.6; however, pursuant to Paragraph 3.6, the Settling Parties are to take all
18 reasonable steps to cure any deficiencies so as to avoid any termination of the settlement.

19 3.2 *Notice to Class Members.*

20 3.2.1. If, by entering the Preliminary Approval Order, the Court provides
21 authorization to send the Class Notices, the Settlement Administrator will undertake the mailing of
22 the Class Notice to all Class Members, no later than Twenty One (21) calendar days after the
23 Preliminary Approval Date. The Class Notices shall be mailed via first class mail through the
24 United States Postal Service, postage pre-paid. The envelope containing the Class Notice shall
25 bear the following phrase in bold type, ¼ inch below the return address or ¼ inch above the
26 addressee's address: **RETURN SERVICE REQUESTED**. The envelope shall also bear the
27 following phrase in the bottom left hand corner: **IMPORTANT – OPTEC DISPLAYS, INC.**
28 **CLASS ACTION SETTLEMENT INFORMATION. PLEASE OPEN IMMEDIATELY.** The

1 mailing enclosing the Class Notice will not contain any other materials. The Class Notice and its
2 envelope or covering shall be marked to denote the return address of the Settlement Administrator.

3 3.2.2. Defendants shall prepare a list, in an electronically usable format, for the
4 Settlement Administrator containing for each Class Member, to the extent Defendants have such
5 information, the following: the first, last, and middle name; Last Known Address; last known
6 phone numbers; social security numbers; class member workweeks during the Class Period and
7 PAGA Period; and any other information required to effectuate the Settlement. By approving this
8 settlement, the Court will be deemed to have authorized Defendants to provide the Settlement
9 Administrator with this information, including the social security numbers of the Class Members.
10 Defendants shall provide this list to the Settlement Administrator within seven (7) calendar days
11 of the Preliminary Approval Date. The list, and any other data provided by Defendants to the
12 Settlement Administrator shall be treated as confidential and not subject to disclosure by the
13 Settlement Administrator, except as necessary to address disputed workweeks, to respond to a
14 specific inquiry from a Class Member, to any third party as required by the Court, and/or as
15 otherwise necessary for the Settlement Administrator to perform their obligations described in this
16 Stipulation. Further, the Settlement Administrator shall use commercially reasonable efforts to
17 secure the data provided by Defendants at all times so as to avoid inadvertent or unauthorized
18 disclosure or use of such data other than as permitted by this Stipulation, and shall destroy the data
19 (and all copies of it) in a complete and secure manner when such data is no longer required for
20 purposes of this Stipulation. At no time during the settlement process will any Class Member's
21 name, address, telephone number or social security number be filed with the Court, except to the
22 extent required in relation to any objection that are filed by Class Members or to inform the Court
23 of those individuals who are members of the Non Settlement Class and thus not bound by the
24 settlement. The Settlement Administrator shall ensure that the notices and any other
25 communications to Class Members shall not include the Class Members' social security number,
26 except for the last four digits.

27 3.2.3. For the Class Representative, the Settlement Administrator shall mail the
28 Class Notice to the Class Representative in care of Class Counsel at Class Counsel's address.

1 3.2.4. Prior to mailing the Class Notice, the Settlement Administrator shall
2 undertake a NCOA check to ascertain the accuracy of the Last Known Address of the Class
3 Member. To the extent this process yields an Updated Address, the Updated Address shall replace
4 the Last Known Address and be treated as the new Last Known Address for purposes of this
5 Stipulation, for Class Notice mailing and mailing of settlement checks.

6 3.2.5. If a Class Member is known to be deceased, the Class Notice for that
7 deceased Class Member shall be mailed to the Last Known Address (or Updated Address, if
8 applicable) of the legal representative of the deceased Class Member's estate, to the extent known.

9 3.2.6. Unless the Settlement Administrator receives a Class Notice returned from
10 the United States Postal Service for reasons discussed below in this paragraph, that Class Notice
11 shall be deemed mailed and received by the Class Member to whom it was sent five (5) calendar
12 days after mailing. In the event that subsequent to the first mailing of a Class Notice and prior to
13 the Opt Out Deadline, that Class Notice is returned to the Settlement Administrator by the United
14 States Postal Service as undeliverable, the Settlement Administrator shall undertake an Experian
15 Skip Tracing with respect to the Class Member to attempt to ascertain the current address of the
16 particular Class Member in question and, if such an address is ascertained, the Settlement
17 Administrator will re-send the Class Notice to the newly-found address within three (3) business
18 days of receipt of the returned Class Notice. In either event, the Class Notice shall be deemed
19 received once it is mailed for the second time. In the event that subsequent to the first mailing of a
20 Class Notice and on or after the Opt Out Deadline, a Class Notice is returned to the Settlement
21 Administrator by the United States Postal Service as undeliverable, the Settlement Administrator
22 shall be required to take no further action with that Class Notice and it shall be deemed to have
23 been delivered. In the event that subsequent to the first mailing of a Class Notice and prior to the
24 Opt Out Deadline that Notice is returned to the Settlement Administrator by the United States
25 Postal Service with a forwarding address for the recipient, the Settlement Administrator shall re-
26 mail the notice to that address within three (3) business days of receipt of the returned Class
27 Notice, the Class Notice will be deemed mailed and received at that point, and the forwarding
28 address shall be deemed the Updated Address for that Class Member. In any event, if the

1 Settlement Administrator does not receive notice from the United States Postal Service that a
2 particular Class Notice to a Class Member is undeliverable, or should be sent to a forwarding
3 address, at least ten (10) calendar days prior to the deadline for the Settlement Administrator to
4 provide the Declaration of Compliance pursuant to Paragraph 3.2.7 below, the notice procedures
5 in this paragraph will be deemed to have been complied with as to that Class Member and no
6 further action need be taken by the Settlement Administrator with regard to providing the Class
7 Notice to that Class Member. In the event the Settlement Administrator must re-mail any Class
8 Notice pursuant to the provisions of this Paragraph due to being returned, the Opt Out and
9 Objection Deadlines shall be the later of fifteen (15) calendar days from the date of the re-mailing
10 of the Class Notice, or forty-five (45) days from the date of the initial mailing. The Settlement
11 Administrator shall include a cover letter with any re-mailing informing the Class Member of the
12 re-mailing of the Class Notice and, in the event of an extended response deadline, that he or she
13 has fifteen (15) calendar days from the date of the re-mailing (which shall be the date the re-
14 mailing of the Class Notice is postmarked) to postmark any response allowed by the Stipulation
15 and Class Notice, even if postmarked after the original Opt Out and Objection Deadlines.
16 Compliance with the procedures described in this paragraph shall constitute due and sufficient
17 notice to Class Members of this proposed settlement and of the Settlement Hearing, and shall
18 satisfy the requirements of due process. Nothing else shall be required of or done by the Settling
19 Parties, Class Counsel, counsel for Defendant, or the Settlement Administrator to provide notice
20 of the proposed settlement and the Settlement Hearing.

21 3.2.7. No later than fourteen (14) calendar days after the Opt Out Deadline, the
22 Settlement Administrator shall provide Class Counsel and counsel for Defendants with a
23 declaration attesting to completion of the notice process, including any attempts to obtain Updated
24 Addresses for, and the re-sending of, any returned Class Notices, including the steps set forth in
25 Paragraphs 3.2.1 - 3.2.6 (“Declaration of Compliance”), which shall be filed with the Court by
26 Class Counsel.

27 3.3 *Responses to the Notice of Proposed Class Action Settlement.*

28 3.3.1. Participation at Class Members’ Own Expense: Pursuant to California Rule

1 of Court 3.766(d)(5), Class Members have the option to enter an appearance in the Litigation at
2 their own expense by obtaining their own attorney(s). Class Members who choose this option will
3 be responsible for any attorneys' fees or costs incurred as a result of this election. The Class
4 Notice will advise Class Members of this option.

5 3.3.2. Objections to Settlement: Class Members who do not opt-out may also
6 object to the settlement by filing written objections with the Court and serving a copy on the
7 Settling Parties by submitting the copy to the Settlement Administrator no later than the Objection
8 Deadline. The written objection must be signed and dated, and additionally state the Class
9 Member's name, dates of employment as an employee of Defendant, the case name and number
10 (*Jesus Rosas v. Optec Displays, Inc.*, San Bernardino County Superior Court, Case No.
11 CIVSB2024991), and the basis for the objection. A Class Member who objects to the settlement
12 will still be considered a Member of the Settlement Class. If any objecting Class Member wishes
13 to speak at the Settlement Hearing, that Class Member's written objection should include a request
14 to speak at the Settlement Hearing. The Settling Parties will request that the Court determine
15 whether Class Members who submit timely objections will be permitted to speak. The Class
16 Notice will advise Class Members of this option. The Settlement Administrator shall provide a
17 copy of any objections that it receives to Class Counsel and counsel for Defendant. Any Class
18 Member who fails to timely file and serve such a written statement of his or her intention to object
19 shall be precluded from making any objection to this settlement, unless otherwise ordered by the
20 Court.

21 3.3.3. Opting Out of Settlement: Class Members may elect to Opt Out of the
22 settlement and, thus, exclude themselves from the Settlement Class. Class Members who wish to
23 exercise this option must send to the Settlement Administrator a signed and completed Opt Out
24 request in writing, which clearly states that the Class Member wishes to be excluded from the
25 Settlement of *Jesus Rosas v. Optec Displays, Inc.*, San Bernardino County Superior Court, Case
26 No. CIVSB2024991, and which must be postmarked on or before the Opt Out Deadline. If a
27 proper Opt Out request is not received by the Settlement Administrator from a Class Member on
28 or before the Opt Out Deadline, then that Class Member will be deemed to have forever waived

his or her right to Opt Out of the Settlement Class. The Class Notice will advise Class Members of the option to Opt Out of the settlement and will contain instructions on how to do so. Class Members who do not properly request exclusion from the class action settlement by submitting valid and timely Opt Out requests shall be deemed Members of the Settlement Class. Class Members who do properly request exclusion from the class action settlement by submitting a valid and timely Opt Out request shall not be bound by the terms of the settlement (other than as it applies to the PAGA claim with respect to the PAGA Settlement Employees), shall not be allowed to object to this settlement, and shall not be entitled to any benefits as a result of this settlement (except for PAGA Settlement Employees who retain a right to receive a *pro rata* share of the portion of the PAGA Penalties allocated to the PAGA Settlement Employees). If the Court approves the compromise of the PAGA claim, all PAGA Settlement Employees are bound by the Court's resolution of that claim. Class Members who are also PAGA Settlement Employees submitting a valid and timely Opt Out request will nevertheless receive their *pro rata* share of the 25% of the PAGA Penalties allocated to the PAGA Settlement Employees.

3.3.4. Class Members who do not Opt Out of the Settlement Class pursuant to Paragraph 3.3.3 shall be deemed Members of the Settlement Class and shall be bound by the Judgment.

3.3.5. In the event that any Class Member timely submits an Opt Out request, but it is deficient, as soon as possible but not later than five (5) business days of the Settlement Administrator's receipt of such Opt Out request, the Settlement Administrator shall send by first class, postage pre-paid, via USPS mail a notice to such Class Member informing him or her of the deficiency and that he or she has ten (10) calendar days from the date of the notice (which shall be the date the notice is mailed) to cure the deficiency and postmark and mail the Opt Out request, even if postmarked after the Opt Out Deadline. The Settlement Administrator shall also copy counsel for Defendant with any such notices of deficiency.

3.3.6. The Settling Parties agree that the Opt Out and Objection Deadlines shall not be extended, and no untimely submissions will be honored, under any circumstances, unless mutually agreed to by the Settling Parties and/or except to the extent permitted under Paragraphs

1 3.3.5 and 3.2.6. Notwithstanding the forgoing, the Court may order that a Class Member will be
2 allowed to extend the Opt Out and Objection Deadlines for himself or herself upon a showing of
3 legal incapacity or incarceration during the notice period.

4 3.4 *Post Settlement Administration Period Events and Settlement Fairness Hearing.*

5 3.4.1. Within thirty (30) calendar days after the Opt Out Deadline, the Settlement
6 Administrator shall calculate the final Individual Settlement Amount to be paid to each Settlement
7 Class Member and prepare a final statement of settlement sum for each Settlement Class Member.

8 3.4.2. On the date set forth in the Preliminary Approval Order and Class Notice, a
9 Settlement Hearing shall be held before the Court in order to: (1) review this Stipulation and
10 whether the Court should give it final approval; (2) consider any objections made timely (i.e., by
11 the Objection Deadline); (3) consider Class Counsel's application for an award of attorneys' fees,
12 reimbursements for costs and expenses, and the Class Representative service award. At the
13 Settlement Hearing, the Class Representative shall request the Court to give final approval to this
14 Stipulation and shall submit to the Court a proposed Final Approval Order and Judgment in the
15 form attached hereto as **Exhibit 3** to be entered in the Litigation. The Settling Parties shall take all
16 reasonable efforts to secure entry of the Final Approval Order and Judgment. If the Court rejects
17 the Stipulation, fails to enter the Final Approval Order and Judgment, this Stipulation shall be
18 void, and Defendants shall have no obligation to make any payments under the Stipulation;
19 however, the Settling Parties and their counsel agree to take all reasonable efforts to fix any
20 deficiencies the Court cites for its non-approval as set forth in Paragraph 3.6.

21 3.5 *Releases.*

22 3.5.1. Upon the Effective Date and full funding of the gross Settlement Sum, the
23 Class Representative and each of the Settlement Class Members shall be deemed to have, and by
24 operation of the Judgment shall have, fully, finally, and forever released, relinquished, and
25 discharged the Released Parties of all Released Claims applicable to each of them. As to any
26 Settlement Class Member who cashes the check representing their Individual Settlement Amount,
27 the signing and negotiation of that check shall serve as the Settlement Class Member's consent to
28 join the action for purposes of releasing claims arising under the FLSA that are related to the

1 claims stated in the Action, implicitly or explicitly, and, for such persons, “Released Claims” shall
2 include all related claims arising under the FLSA. All PAGA Settlement Employees, whether
3 electing to Opt Out from the Settlement or not, fully release and discharge the Released Persons
4 from any and all claims, causes of action, damages, expenses, benefits, interest, penalties,
5 attorneys’ fees, costs, and any other form of relief or remedy in law, equity, or whatever kind or
6 nature that were asserted or could have been asserted with respect to the Private Attorneys General
7 Act (“PAGA”) claims asserted in the Complaint and in Plaintiffs’ LWDA Notices for the PAGA
8 Period (the “PAGA Claims”). In addition, the state of California shall fully release and forever
9 discharge the Released Parties from the PAGA Claims as they pertain to Plaintiff and PAGA
10 Settlement Employees during the PAGA Period. Plaintiff shall serve a notice of settlement on the
11 California Labor and Workforce Development Agency at the same time Plaintiff files the motion
12 for preliminary approval (Cal. Labor Code § 2699(l)(2)). Plaintiff shall serve any Judgment
13 within 10 days after entry of same on the California Labor and Workforce Development Agency
14 (Cal. Labor Code § 2699(l)(3)).

15 3.5.2. In addition, Plaintiff Jesus Rosas, on behalf of himself, and his heirs,
16 successors, assigns, attorneys and agents, hereby release and forever discharge the Released
17 Parties from any and all claims, demands, debts, duties, rights, obligations, agreements, promises,
18 liabilities, tort claims, statutory claims, contract claims, wage claims, damages, accounts,
19 payments, liens, acts, costs, expenses, sums of money, suits, dues, charges, grievances,
20 complaints, controversies, penalties, compensatory damages, liquidated damages, actions and/or
21 causes of action, both in law and in equity, of any kind or nature whatsoever, whether known or
22 unknown, matured or unmatured, suspected or unsuspected, which he ever had, now has, or may
23 have in the future with regard to the Litigation, Title VII of the Civil Rights Act of 1964, the Fair
24 Labor Standards Act, the Equal Pay Act of 1963, the Americans With Disabilities Act, the Civil
25 Rights Act of 1866, the Family and Medical Leave Act, the California Fair Employment and
26 Housing Act, and the California Family Rights Act, or any other federal, state or local law or
27 regulation that may be released by private agreement. This provision is intended by the Settling
28 Parties to be all encompassing and to act as a final, full and total release of any claim, whether

1 specifically enumerated herein or not, that exists or ever has existed on or before the Effective
2 Date with the sole exception of any claims that cannot be released pursuant to statute or law.

3 3.5.3. Jesus Rosas, individually, acknowledges that he is knowingly and
4 voluntarily waiving and releasing any rights he may have under the Age Discrimination in
5 Employment Act ("ADEA"). Jesus Rosas, individually, also acknowledges that the consideration
6 given for the waiver and release in this Stipulation is in addition to anything of value to which he
7 was already entitled. Jesus Rosas, individually, further acknowledges that he has been advised in
8 writing, as required by the Older Workers' Benefit Protection Act, that: (a) the waiver and release
9 do not apply to any rights or claims that may arise after the Effective Date; (b) he should consult
10 with an attorney prior to executing this Stipulation; (c) he has at least forty-five (45) calendar days
11 to consider this Stipulation (although they may execute this Stipulation earlier); (d) he has seven
12 (7) calendar days following the execution of this Stipulation to revoke the Stipulation; and (e) this
13 Stipulation shall not be effective until the date upon which the revocation period has expired.
14 Jesus Rosas, individually, may revoke the release, by way of this Stipulation, of any rights he may
15 have under ADEA by giving formal written notice of revocation to: Marie Davis and Evelyn
16 Zarraga at LANDEGGER VERANO & DAVIS, ALC, 1570 Ventura Blvd., Suite 1200, Encino,
17 California 91436 to be received by the close of business on the seventh day following Jesus
18 Rosas' individual execution of this Stipulation.

19 3.5.4. Further, Jesus Rosas, on behalf of himself individually, and each of them,
20 hereby agree that all rights under section 1542 of the California Civil Code are hereby waived.
21 Section 1542 has been explained to Jesus Rosas by his respective counsel and provides as follows:

22 **A general release does not extend to claims which the creditor**
23 **does not know or suspect to exist in his or her favor at the time**
24 **of executing the release, which if known by him or her must**
25 **have materially affected his or her settlement with the debtor.**

26 3.6 *Termination of Settlement; Reasonable Steps to Cure.*

27 In the event that the settlement set forth in this Stipulation is not be approved in its entirety
28 by the Court, or in the event that the Effective Date does not occur, Defendants shall have the
option to void the settlement, and in such case, no payments shall be made by Defendants to

1 anyone in accordance with the terms of this Stipulation, and this Stipulation shall be deemed null
2 and void with no effect on the Litigation whatsoever. Notwithstanding this provision, the Settling
3 Parties agree to take all reasonable steps to cure any deficiencies cited by the Court as reason for
4 non-approval of any matter(s) filed with the Court for approval. In the event that more than five
5 percent (5%) of the Class Members Opt Out of the settlement by submitting Opt Outs by the Opt
6 Out Deadline, Defendant shall have the right to terminate and void this settlement and Stipulation;
7 however, Defendant must notify Class Counsel of its intention to nullify the settlement and
8 Stipulation within thirty (30) calendar days after the expiration of the Opt Out Deadline. In the
9 event Defendant terminates this settlement and Stipulation, Defendant and Class Representative
10 shall bear the Settlement Administration costs incurred as of then.

11 3.7 *Miscellaneous Provisions.*

12 3.7.1. No Person shall have any claim against the Class Representative, Class
13 Counsel, the Settlement Administrator, or any of the Released Parties based on the payments made
14 or other actions taken substantially in accordance with this Stipulation and the settlement
15 contained herein or further orders of the Court.

16 3.7.2. This settlement shall result in the release by Settlement Class Members of
17 Released Claims, and with respect to the PAGA Settlement Employees, the Released Claims shall
18 include those claims arising under PAGA. The Settling Parties and their counsel agree that
19 Defendant's payment of \$18,000 to the LWDA for its share of the PAGA Penalties (75%)
20 pursuant to PAGA is appropriate and proper consideration in the overall context of this
21 Stipulation.

22 In the event that the Stipulation is not approved by the Court, after all reasonable steps to
23 cure have been exhausted, or the settlement set forth in the Stipulation is terminated, cancelled,
24 declared void, or fails to become effective in accordance with its terms, or if the Judgment does
25 not become a Final Judgment, or to the extent cancellation is otherwise provided for in this
26 Stipulation, the Settling Parties shall resume the Litigation at that time as if no Stipulation had
27 been entered. In such event, the terms and provisions of the Stipulation shall have no further force
28 and effect with respect to the Settling Parties and shall not be used in this Litigation or in any other

1 proceeding for any purpose, and any Judgment or order entered by the Court in accordance with
2 the terms of the Stipulation shall be treated as vacated. Notwithstanding any other provision of
3 this Stipulation, if the Court should fail to award attorneys' fees to Class Counsel in the full
4 amount provided for in this Stipulation, no order of the Court or modification of any order of the
5 Court concerning the amount of any attorneys' fees to be paid by Defendant to Class Counsel
6 pursuant to this settlement shall constitute grounds for cancellation or termination of the
7 Stipulation or grounds for limiting any other provision of the Judgment. It is agreed that no order
8 of the Court, including any order concerning attorneys' fees, may alter or otherwise increase the
9 Settlement Sum.

10 3.7.3. The Class Representative agrees to not seek employment with Defendants
11 and/or any of its related entities.

12 3.7.4. The Class Representative shall not cooperate with, help, bring, counsel, aid,
13 or in any manner assist any person or entity in filing or pursuing a claim, complaint, action, debt,
14 promise, demand, grievance, cause of action, obligation, damage, liability, or charge against
15 Defendant, except as required by law.

16 3.7.5. The Class Representative and Class Counsel acknowledge and agree that
17 (1) no provision of this Stipulation, and no written communication or disclosure between and
18 among the Settling Parties or their attorneys and other advisors, is or was intended to be, nor shall
19 any such communications or disclosure constitute or be construed as, or relied upon as, tax advice
20 within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as
21 amended); and (2) the Class Representative and Class Counsel have relied exclusively upon his,
22 its or their own independent legal and tax counsel for advise in connection with this Stipulation
23 and has not entered into this Stipulation based on the recommendation of any other party or any
24 attorney or advisor to another attorney and furthermore is not entitled to rely upon any
25 communication or disclosure from Defendants to avoid tax penalty that may be imposed.

26 3.7.6. The Settling Parties (a) acknowledge that it is their intent to consummate
27 this agreement; (b) agree to cooperate to effectuate and implement all terms and conditions of the
28 Stipulation and to exercise their best efforts to accomplish the foregoing terms and conditions of

1 the Stipulation; (c) agree to seek and to attempt to obtain Court approval for the Stipulation; and
2 (d) agree to reasonably work together to seek and attempt to obtain Court approval for the
3 Stipulation and final approval should the Court not grant approval upon the first presentation.

4 3.7.7. Unless otherwise ordered by the Court, in the event the Stipulation shall be
5 terminated, cancelled, declared void, or fails to become effective in accordance with its terms,
6 within ten (10) business days after written notification of such event, Defendants and Class
7 Counsel shall notify each other of this event in writing.

8 3.7.8. The Stipulation compromises claims which were contested and the subject
9 of a good faith dispute, and it shall not be deemed an admission by any of the Settling Parties as to
10 the merits of any claim or defense. The Settling Parties agree that the amounts paid in settlement
11 of the Litigation and the other terms of the settlement were negotiated at arms-length and in good
12 faith with sufficient information by the Settling Parties and reflect a settlement that was reached
13 voluntarily after consultation with competent legal counsel. This Stipulation and compliance with
14 this Stipulation shall not be construed as an admission, concession, or indication by Settling
15 Parties with respect to fault or liability whatsoever for the claims asserted in the Litigation, or as
16 an admission by Settling Parties that the Litigation is or is not appropriate for class certification
17 other than for purposes of class settlement as described within this Stipulation.

18 3.7.9. All of the exhibits to the Stipulation are material and integral parts hereof
19 and are fully incorporated herein by this reference.

20 3.7.10. The Stipulation may be amended or modified only by a written instrument
21 signed by or on behalf of all Settling Parties or their respective successors-in-interest.

22 3.7.11. The Stipulation constitutes the entire agreement among the Settling Parties
23 hereto and no representations, warranties, or inducements have been made to any party concerning
24 the Stipulation or its exhibits other than the representations, warranties, and covenants contained
25 and memorialized in such documents. Except as otherwise provided herein, each party shall bear
26 its own costs.

27 3.7.12. Class Counsel, on behalf of the Settlement Class, to the extent authorized
28 and ordered by the Court, shall take all appropriate action required or permitted to be taken by the

1 Settlement Class pursuant to the Stipulation to effect its terms and shall also enter into any
2 modifications or amendments to the Stipulation on behalf of the Settlement Class which they
3 deem appropriate.

4 3.7.13. Each counsel or other Person executing the Stipulation or any of its exhibits
5 on behalf of any Settling Parties hereby warrants that such Person has full and express authority to
6 do so.

7 3.7.14. The Stipulation may be executed in one or more counterparts. All executed
8 counterparts and each of them shall be deemed to be one and the same instrument. A complete set
9 of executed counterparts shall be filed with the Court. A facsimile signature, emailed signature or
10 electronic signature shall be treated as an original signature for all purposes.

11 3.7.15. The Stipulation shall be binding upon, and inure to the benefit of, the
12 successors and assigns of the parties hereto; however, this Stipulation is not designed to and does
13 not create any third party beneficiaries unless otherwise specifically provided herein.

14 3.7.16. The Court shall retain jurisdiction with respect to implementation and
15 enforcement of the terms of the Stipulation, and all parties hereto submit to the jurisdiction of the
16 Court for purposes of implementing and enforcing the settlement embodied in the Stipulation. The
17 parties further stipulate and agree that the Court will retain jurisdiction to enforce the terms of this
18 Agreement following the entry of the Judgment pursuant to California *Code of Civil Procedure*
19 section 664.6.

20 3.7.17. The Stipulation and the exhibits hereto shall be considered to have been
21 negotiated, executed, and delivered, and to have been wholly performed, in the State of California,
22 and the rights and obligations of the parties to the Stipulation shall be construed and enforced in
23 accordance with, and governed by, the internal, substantive laws of the State of California without
24 regard to principles of conflicts of law.

25 3.7.18. The language of all parts of this Stipulation shall in all cases be construed as
26 a whole, according to its fair meaning, and not strictly for or against either party. No party shall
27 be deemed the drafter of this Stipulation. The parties acknowledge that the terms of the Stipulation
28 are contractual and are the product of negotiations between the parties and their counsel. Each

1 party and his/its counsel cooperated in the drafting and preparation of the Stipulation. In any
2 construction to be made of the Stipulation, the Stipulation shall not be construed against any party
3 and the canon of contract interpretation set forth in California *Civil Code* section 1654 shall not be
4 applied.

5 3.7.19. Should any deadlines set forth in the Stipulation require any action to be
6 taken on a weekend or a Court holiday, then the action may be taken on the next business day,
7 unless otherwise specified by law or rule of Court, except that should the Opt Out Deadline or
8 Objection Deadline (or extension(s) thereof specified in the Stipulation relating to a deficiency
9 notice or a re-mailing) fall on a Saturday and regular U.S. Mail service is in operation that day,
10 then no further extension pursuant to this paragraph shall apply to these specific deadlines.

11 3.7.20. The Class Representative agrees not to disparage Defendants, their officers,
12 directors and/or any of their related and/or affiliated entities.

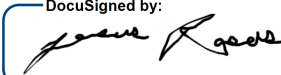
13 3.7.21. The Class Representative represents and acknowledges that he has not
14 assigned his right in this action to any other Person or entity.

15 3.7.22. The Class Representative represents that he has not filed or participated in
16 any other charge or complaint, except the Litigation.

17

18 THIS STIPULATION HAS BEEN READ AND AGREED TO INDIVIDUALLY AND
19 ON BEHALF OF THE PROPOSED CLASS:

20 DocuSigned by:

21 
22 5AAA4A46407F451...

23 Plaintiff Jesus Rosas

15
Dated: October __, 2021

24 THIS STIPULATION HAS BEEN READ AND AGREED TO ON BEHALF OF SHU-
25 HWA WU AND OPTEC DISPLAYS, INC.

26

27 

Dated: October 15, 2021

28 Shu-Hwa Wu

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28



Optec Displays, Inc.

Dated: October 15, 2021