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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

JURENNY FLORES CERON, JESSICA E.
HUERTA, and MARTHA GEORGINA
ARREDONDO individually, and on behalf of
all others similarly situated,

Plaintiffs,

vs.

ASSA ABLOY RESIDENTIAL GROUP,
INC., a California corporation; EMTEK
PRODUCTS, INC., a California corporation;
and DOES 1 through 10, inclusive,

Defendants.

Case No.: 20STCV34359

[consolidated with 20STCV43224]

CLASS ACTION

[Assigned to Hon. Yvette M. Palazuelos]

**JOINT STIPULATION OF CLASS ACTION
SETTLEMENT**

Complaint filed: September 4, 2020
Trial date: Not set

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12 and ASSA ABLOY Residential Group, Inc.

1 **JOINT STIPULATION OF CLASS ACTION SETTLEMENT**

2 This Joint Stipulation of Class Action Settlement (“Joint Stipulation of Settlement” or
3 “Settlement” or “Agreement”) is made and entered into by and between Plaintiffs Jurennny Flores Ceron,
4 Jessica E. Huerta, and Martha Georgina Arredondo individually, and on behalf of all others similarly
5 situated, (“Plaintiffs” or “Class Representatives”), and Defendant ASSA ABLOY Residential Group,
6 Inc. dba Emtek Products (“Defendant”). Plaintiffs and Defendant are sometimes referred to individually
7 as a “Party” or collectively referred to herein as “the Parties.” THE PARTIES STIPULATE AND
8 AGREE as follows:

9 **DEFINITIONS**

- 10 1. For purposes of this Settlement, “Complaint” refers to the consolidated complaint filed on
11 April 27, 2021.
- 12 2. For purposes of this Settlement, this matter, entitled *Ceron, et al. v. Assa Abloy Residential*
13 *Group, Inc., et al.*, Case No. 20STCV34359, is referred to herein as the “Action.”
- 14 3. For purposes of this Settlement, the “Class Period” is June 16, 2018 through the date the
15 Court grants preliminary approval or the date the number of workweeks worked by Settlement Class
16 Members reaches 85,569, as detailed in paragraph 29(d).
- 17 4. For purposes of this Settlement, the “Class” or “Class Members” consist of: All non-
18 exempt employees of Defendant who worked for Defendant in California during the Class Period.
19 “Settlement Class Members” are those Class Members who do not submit timely exclusion requests to the
20 Settlement Administrator.
- 21 5. For purposes of this Settlement, “Class Counsel” means MOON & YANG, APC and
22 BIBIYAN LAW GROUP, P.C.
- 23 6. For purposes of this Settlement, “Covered Workweeks” means, as applicable, the number
24 of weeks a Class Member worked at Defendant’s locations in California during the Class Period or the
25 number of weeks all Class Members worked at Defendant’s locations in California during the Class
26 Period.
- 27 7. For purposes of this Settlement, “Response Deadline” means the date forty-five(45) days
28 after the Settlement Administrator initially mails the Notice to Settlement Class Members (“Notice”) and

the last date on which Settlement Class Members may submit a request for exclusion or written objection to the Settlement. In the case of a re-mailed Notice, the Response Deadline will be the later of 45 calendar days after initial mailing or 14 calendar days from re-mailing. The Response Deadline may be extended only as expressly described herein.

8. For purposes of the Settlement, “Defendant’s Counsel” means EPSTEIN BECKER & GREEN, P.C.

9. For purposes of this Settlement, “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*).

10. For purposes of this Settlement, “FLSA”, means the Fair Labor Standards Act.

11. For purposes of this Settlement, “PAGA Allocation” means the portion of the Gross Settlement Amount that the Parties have agreed to allocate to resolution of the Released PAGA Claims. The Parties have agreed that the PAGA Allocation will be \$80,000 from the Gross Settlement Amount. Pursuant to PAGA, Seventy Five Percent (75%), or \$60,000, of the PAGA Allocation will be paid to the Labor and Workforce Development Agency (“LWDA”) (“PAGA Penalty Payment”), and Twenty Five Percent (25%), or \$20,000, of the PAGA Allocation will be included in the Net Settlement Amount for PAGA Employees (“PAGA Settlement Payment”).

12. For purposes of this Settlement, “PAGA Period” means the period between September 1, 2019 through the date preliminary approval is granted or the date the number of workweeks worked by Settlement Class Members reaches 85,569, as detailed in paragraph 29(d).

13. For purposes of this Settlement, “PAGA Employee” means all non-exempt employees of Defendant who worked for Defendant in California during the PAGA Period. It is stipulated by the Parties that, for purposes of this Settlement, all PAGA Employees are “aggrieved employees” as defined pursuant to PAGA.

14. For purposes of this Settlement, “PAGA Pay Periods” means, as applicable, the number of pay periods each PAGA Employee worked during the PAGA Period, or the total number of pay periods all PAGA Employees worked during the PAGA Period .

15. For purposes of this Settlement, “PAGA Representatives” means Plaintiffs.

16. For purposes of this Settlement, “Released PAGA Claims” means all claims for penalties

1 and any other available relief pursuant to PAGA, to the extent asserted in Plaintiffs' administrative
2 exhaustion letters submitted to the LWDA in this Action, arising during the PAGA Period.

3 17. For purposes of this Settlement, "Settlement Payments" means all of the payments to
4 Settlement Class Members (the "Settlement Class Payments") and all of the payments to PAGA
5 Employees (the "PAGA Settlement Payment").

6 **STIPULATED BACKGROUND**

7 18. On September 4, 2020, Plaintiff Ceron filed a putative Class Action alleging the following
8 labelled causes of action: (1) Failure to Pay Minimum Wage and Straight Time Wages [Cal. Lab. Code §§
9 204, 1194, 1194.2, and 1197]; (2) Failure to Pay Overtime Compensation [Cal. Lab. Code §§ 1194 and
10 1198]; (3) Failure to Provide Meal Periods [Cal. Lab. Code §§ 226.7, 512]; (4) Failure to Authorize and
11 Permit Rest Breaks [Cal. Lab. Code §§ 226.7]; (5) Failure to Timely Pay Final Wages at Termination [Cal.
12 Lab. Code §§ 201-203]; (6) Failure to Provide Accurate Itemized Wage Statements [Cal. Lab. Code §
13 226]; and (7) Unfair Business Practices [Cal. Bus. & Prof. Code §§ 17200, *et seq.*]. (The "Action.") In
14 the Complaint, Plaintiff sought to represent all persons that worked for Defendant in California as an
15 hourly-paid, non-exempt employee at any time during the period beginning four years before the filing of
16 the initial complaint and ending when Notice to the Class is sent.

17 19. Plaintiff Ceron satisfied the administrative exhaustion requirement that is a prerequisite to
18 filing a claim for Civil Penalties under the Labor Code Private Attorneys General Act of 2004 [Lab. Code
19 § 2699, *et seq.*] ("PAGA"). On January 13, 2021, Plaintiff Ceron filed a First Amended Complaint adding
20 a cause of action for Civil Penalties Under PAGA [Cal. Lab. Code § 2699, *et seq.*].

21 20. On November 12, 2020, Plaintiff Huerta filed a putative Class Action alleging the
22 following labelled causes of action: (1) Failure to Pay Overtime Wages; (2) Failure to Minimum Wages;
23 (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Waiting Time Penalties; (6)
24 Wage Statement Violations; and (7) Unfair Competition. In the Complaint, Plaintiff sought to represent all
25 persons that worked for Defendant in California as an hourly-paid, non-exempt employee at any time
26 during the period beginning four years before the filing of the initial complaint and ending when Notice to
27 the Class is sent. ("Huerta Matter").

28 21. On or about April 26, 2021, the Court entered an order on the Parties stipulation to

consolidate the Action with the Huerta Matter. Pursuant to the Parties stipulation, a consolidated complaint was filed on or about April 27, 2021, which also included Plaintiff Arredondo.

22. Solely for purposes of settling this case, the Parties and their respective counsel stipulate and agree that the requisites for establishing class certification with respect to the Class Members have been met and are met. More specifically for settlement purposes only, the Parties stipulate and agree that:

(a) The Class is ascertainable and so numerous as to make it impracticable to join all Class Members.

(b) There are common questions of law and fact including, but not limited to, the following:

- 1) Whether or not Defendant paid proper wages to the Class;
- 2) Whether or not Defendant provided meal periods to the Class;
- 3) Whether or not Defendant provided rest periods to the Class;
- 4) Whether or not Defendant paid compensation timely upon separation of employment to former Class Members;
- 5) Whether or not Defendant paid compensation timely throughout Class Members' employment;
- 6) Whether or not Defendant provided accurate itemized statements to the Class;
- 7) Whether or not waiting-time penalties are available to the Class for violation of California Labor Code § 203;
- 8) Whether or not Defendant maintained requisite records;
- 9) Whether or not Defendant paid proper meal period pay or rest period pay to the Class; and,
- 10) Whether or not Defendant engaged in unlawful or unfair business practices affecting the Class in violation of California Business and Professions Code §§ 17200-17208.

(c) Plaintiffs' claims are typical of the claims of the Class Members.

(d) Plaintiffs and Class Counsel will fairly and adequately protect the interests of the

Class.

(e) The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct.

(f) With respect to the Class, questions of law and fact common to the members of the Class predominate over any questions affecting any individual member in such Class, and that a class action is superior to other available means for the fair and efficient adjudication of the controversy.

23. Should, for whatever reason, the Settlement not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether the Class Members and/or the Class Claims should be certified in a non-Settlement context in this Action or in any other lawsuit. Defendant expressly reserves its right to oppose class certification in this or any other action should this Settlement not become effective.

24. Defendant denies any liability or wrongdoing of any kind whatsoever associated with the claims alleged in the Complaint, and Defendant further denies that, for any purpose other than settling this lawsuit, the action is appropriate for class or representative treatment. With respect to Plaintiffs' claims, Defendant contends, among other things, that Plaintiffs and the Class Members have been paid proper wages, have been provided meal periods or they have been made available as required, have been provided rest periods or they have been authorized and permitted as required, have been paid timely wages upon separation of employment, and have been provided with accurate itemized wage statements. Defendant contends, among other things, that it has complied at all times with the California Labor Code and the applicable Wage Orders of the Industrial Welfare Commission. Furthermore, with respect to all claims, Defendant contends that it has complied at all times with the California Business and Professions Code, and the FLSA.

25. It is the desire of the Parties to fully, finally, and forever settle, compromise, and discharge all disputes and claims arising from or related to the Complaint.

26. Class Counsel has conducted a thorough investigation into the facts of this Action,

1 including an extensive review of relevant documents, and has diligently pursued an investigation of the
2 claims of the Class against Defendant. Based on its own independent investigation and evaluation, Class
3 Counsel is of the opinion that the Settlement with Defendant for the consideration and on the terms set
4 forth in this Joint Stipulation of Settlement is fair, reasonable, and adequate and is in the best interest of the
5 Class in light of all known facts and circumstances, including the risk of significant delay, the risk the
6 Class will not be certified by the Court, defenses asserted by Defendant, and numerous potential appellate
7 issues. Defendant and Defendant's Counsel also agree that the Settlement is fair and in the best interest of
8 the Class.

9 27. The Parties agree to cooperate and take all steps necessary and appropriate to obtain
10 preliminary and final approval of this Settlement. Plaintiffs will file a motion for preliminary approval by
11 April 7, 2022.

12 28. The Parties agree to stay all proceedings in the Action, except such proceedings necessary
13 to implement and complete the Settlement, pending the Final Approval hearing to be conducted by the
14 Court.

15 **PRIMARY TERMS OF SETTLEMENT**

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

- 18 (a) It is agreed by and among the Parties that this Action and any claims, damages, or
19 causes of action arising out of the disputes which are the subject of this Action, be
20 settled and compromised as between the Class and Defendant, subject to the terms
21 and conditions set forth in this Settlement and the approval of the Court.
- 22 (b) Effective Date: The terms of settlement embodied in this Settlement shall become
23 effective when all of the following events have occurred: (i) this Joint Stipulation
24 of Settlement has been executed by all Parties and their respective counsel; (ii) the
25 Court has given preliminary approval to the Settlement; (iii) the Notice has been
26 given to the Class, providing them with an opportunity to dispute information
27 contained in the Notice, to opt out of the Settlement, or to object to the Settlement;
28 (iv) the Court has held a final approval hearing and entered a final order and

1 judgment certifying the Class and approving this Settlement; and (v) the later of the
2 following events: (a) five (5) calendar days have passed since final approval is
3 granted if there are no objections to the settlement; (b) sixty-five (65) days
4 following notice of entry of the Court's final order approving the Settlement if
5 there are any objections by any Class Member; (c) or if any appeal, writ or other
6 appellate proceeding opposing this Settlement has been filed within sixty-five (65)
7 days following notice of entry of the Court's final order approving the Settlement,
8 then twenty (20) days after when any appeal, writ or other appellate proceeding
9 opposing the Settlement has been resolved finally and conclusively with no right to
10 pursue further remedies or relief.

- 11 (c) Gross Settlement Amount: Defendant's maximum total payment under the
12 Settlement, including all attorney's fees and costs, the Service Payments to the
13 named Plaintiffs, the costs of settlement administration, the PAGA Allocation,
14 employer-side payroll taxes, and any other payments provided by this Settlement,
15 is \$930,000.00 ("Gross Settlement Amount"), subject to the Escalator Clause.
- 16 (d) Escalator Clause: Defendant represents that as of March 1, 2022, the number of
17 workweeks worked by Settlement Class Members during the Class Period is
18 approximately 81,495. If it is determined that the workweeks during the Class
19 Period exceeds 85,569 (81,495 plus 5% of 81,495), Defendant will have the option
20 to (1) increase the Gross Settlement Amount by the same number of percentage
21 points above 5% by which the actual number of workweeks exceeds 85,569 (for
22 example, if the actual number of workweeks is determined to be 7% higher than
23 85,569, Defendant's share of the Maximum Settlement Amount will be increased
24 by 2% not 7% (the "Escalator Clause"), or (2) shorten the Class Period and PAGA
25 Period so they extend only to the date on which the number of workweeks worked
26 by Settlement Class Members reaches 85,569. The Gross Settlement Amount will
27 not be reduced for any reason.

- 28 (e) Non-reversionary Settlement: No portion of the Gross Settlement Amount will

revert to Defendant.

- (f) No Claims Required: Class Members will not be required to submit a claim to receive their Settlement payment.
- (g) Net Settlement Amount: The Net Settlement Amount shall be calculated by deducting from the Gross Settlement Amount (\$930,000.00) the following sums, subject to approval by the Court: (1) attorney's fees (not to exceed 33 1/3% of the Gross Settlement Amount, or \$310,000.00 unless the Gross Settlement Amount is increased pursuant to the Escalator Clause); (2) reasonable litigation costs (not to exceed \$25,000.00); (3) the Service Payments (not to exceed \$7,500.00 to each of the named Plaintiffs); (4) the PAGA Penalty Payment in the amount of \$60,000.00 (which is 75% of the PAGA Allocation); (5) costs of settlement administration (estimated not to exceed \$20,000); and (6) employer-side payroll taxes Settlement Payments to the Class Members will be calculated by the Settlement Administrator and paid out of the Net Settlement Amount as set forth below.
- (h) Payroll Taxes and Required Withholdings: To the extent that any portions of the Settlement Class Members' Settlement Payments constitute wages, any **employer** payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, will be paid from the Gross Settlement Amount. Except for any increase under the Escalator Clause, it is understood and agreed that Defendant's maximum total liability under this Settlement shall not exceed the Gross Settlement Amount. The Settlement Administrator will calculate and submit the Defendant's employer share of payroll taxes..
- (i) Settlement Class Payments (Excludes PAGA Payments): Settlement Class Payments will be paid out of the Net Settlement Amount. Each Settlement Class Member will be paid a pro-rata share of the Net Settlement Amount as calculated by the Settlement Administrator. The pro-rata share will be determined by comparing the individual Settlement Class Member's Covered Workweeks employed during the Class Period in California to the total Covered Workweeks of

all the Settlement Class Members during the Class Period as follows: $\frac{\text{[Workweeks worked by a Settlement Class Member]}}{\text{[Sum of all Covered Workweeks worked by all Settlement Class Members]}} \times \text{[Net Settlement Amount]} = \text{individual Settlement Payment for a Settlement Class Member}$. Settlement Class Payments in the appropriate amounts will be distributed by the Settlement Administrator by mail to the Settlement Class Members. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth below.

(j) PAGA Payments: PAGA Settlement Payments will be paid out of the Net Settlement Amount. Each PAGA Employee will be paid a pro-rata share of the PAGA Employees' PAGA Settlement Payment, as calculated by the Settlement Administrator. Class Members will not be permitted to exclude themselves from this portion of the Settlement. The pro-rata share will be determined by comparing the individual PAGA Employees' PAGA Pay Periods during the PAGA Period to the total PAGA Pay Periods of all the PAGA Employees during the PAGA Period as follows: $\frac{\text{[PAGA Pay Periods worked by a PAGA Employee]}}{\text{[Sum of all PAGA Pay Periods worked by all PAGA Employees]}} \times \text{[PAGA Settlement Payment]} = \text{individual PAGA Employee's portion of the PAGA Settlement Payment}$. PAGA Settlement Payments to PAGA Employees in the appropriate amounts will be distributed by the Settlement Administrator by mail to the PAGA Employees at the same time Settlement Class Payments issue to the Settlement Class. Un-cashed, unclaimed or abandoned checks, shall be transmitted to the California Controller's Office, as set forth below. The LWDA's PAGA Penalty Payment will issue to the LWDA at the same time Settlement Payments issue to the Settlement Class.

(k) Allocation of Settlement Payments: The Parties have agreed that Settlement Class Payments will be allocated as follows: 15% to wages and 50% to penalties, and 35% interest. The PAGA Settlement Payment shares to PAGA Employees will be

1 entirely allocated to penalties. Appropriate federal, state and local withholding
2 taxes will be taken out of the wage allocations, and each Class Member will
3 receive an IRS Form W-2 with respect to this portion of the Settlement Payment.
4 The employer's share of payroll taxes and other required withholdings will be paid
5 as set forth above, including but not limited to the Defendant's FICA and FUTA
6 contributions, based on the payment of claims to the Class Members. IRS Forms
7 1099 will be issued to each Class Member reflecting the payments for penalties and
8 interest. Class Members are responsible to pay appropriate taxes due on the
9 Settlement Payments they receive. To the extent required by law, IRS Forms 1099
10 and W-2 will be issued to each Class Member with respect to such payments.

11 (l) Settlement Payments Do Not Give Rise to Additional Benefits: All Settlement
12 Payments to individual Class Members shall be deemed to be paid to such Class
13 Member solely in the year in which such payments actually are received by the
14 Class Member. It is expressly understood and agreed that the receipt of such
15 Settlement Payments will not entitle any Class Member to additional compensation
16 or benefits under any company bonus, contest or other compensation or benefit
17 plan or agreement in place during the period covered by the Settlement up to and
18 including the date the Settlement becomes effective, nor will it entitle any Class
19 Member to any increased retirement, 401(k) benefits or matching benefits or
20 deferred compensation benefits. It is the intent that the Settlement Payments
21 provided for in this Settlement are the sole payments to be made by Defendant to
22 the Class Members, and that the Class Members are not entitled to any new or
23 additional compensation or benefits as a result of having received the Settlement
24 Payments (notwithstanding any contrary language or agreement in any benefit or
25 compensation plan document that might have been in effect during the period
26 covered by this Settlement).

27 (m) Attorney's Fees and Costs: Subject to approval by the Court, Defendant will not
28 object to Class Counsel's application for attorney's fees not to exceed 33 1/3% of

the Gross Settlement Amount (\$310,000.00) and reimbursement of litigation costs and expenses not to exceed \$25,000.00.

- (n) Service Payments: Subject to Court approval, and in exchange for a general release, Defendant will not object to Class Counsel's application for an additional payment of up to \$7,500.00 to each Plaintiff for service as Class Representatives ("Service Payments"). It is understood that the Service Payments are in addition to the individual Settlement Payment to which each Class Representative is entitled to along with the other Class Members. In exchange, Plaintiffs have agreed to release all claims, whether known or unknown, under federal law or state law against the Releasees, to the extent permitted by law, through the Class Period ("Plaintiffs' Released Claims"). Plaintiffs understand that this release includes unknown claims and that they are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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.

Specifically excluded from Plaintiffs' Released Claims are any claims for workers' compensation benefits. The Service Payment will issue at the same time all Settlement Payments are mailed to the Settlement Class.

- (o) The Settlement Administrator will issue an IRS Form 1099 for the Service Payment to the Plaintiffs. The Plaintiffs will be individually responsible for correctly characterizing this compensation on personal income tax returns for tax purposes and for paying any taxes on the amounts received. Should the Court approve a Service Payment in an amount less than that set forth above, the difference between the lesser amount(s) approved by the Court and the Service Payment amount(s) set forth above shall be added to the Net Settlement Amount. Plaintiffs agree not to opt out or object to the Service Payments as the Class Representatives.

- (p) Settlement Administrator: The Settlement Administrator will be ILYM Group, Inc., or such Settlement Administrator as may be mutually agreeable to the Parties and approved by the Court. Settlement Administration Costs are estimated not to exceed \$20,000. The costs of the Settlement Administrator for work done shall be paid regardless of the outcome of this Settlement.
- (q) Funding of Settlement Account: Defendant will fund the settlement account on or before the first business day following 30 calendar days after the Effective Date.
- (r) Mailing of Settlement Payments: The Settlement Administrator shall cause the Settlement Payments to be mailed to the Class Members within 14 calendar days of the receipt of funding.
- (s) Notice of Settlement: Each Class Member will be mailed a notice setting forth the material terms of the proposed Settlement, along with instructions about how to object or request exclusion from the proposed class action Settlement (“Notice”). For each Class Member, there will be pre-printed information on the mailed Notice, based on Defendant’s records, stating the Class Member’s Covered Workweeks during the Class Period and the estimated total Settlement Payment under the Settlement, including the Settlement Class Payment and the PAGA Settlement Payment that will be distributed irrespective of any exclusion request. The pre-printed information based on Defendant’s records shall be presumed to be correct. A Class Member may dispute the pre-printed information on the Notice as to his or her Covered Workweeks during the Class Period. Class Members must submit any dispute regarding the information on the Notice as to his or her Covered Workweeks within the Response Deadline. Unless a disputing Class Member submits documentary evidence in support of his or her dispute, the records of the Defendant will be determinative.
- (t) Settlement Notice Language: The Notice will issue in English and Spanish.
- (u) Class Members Cannot Exclude Themselves from the Released PAGA Claims: Class Members submitting a Request for Exclusion will nevertheless receive their

1 pro-rata share of the PAGA Settlement Payment. If the Court approves the
2 compromise of the PAGA Claim, all Class Members are bound by the Court's
3 resolution of that Claim. Plaintiffs shall serve a notice of settlement on the
4 California Labor and Workforce Development Agency at or before the time
5 Plaintiffs file the motion for preliminary approval.

6 (v) Resolution of Workweek Disputes: If a Class Member disputes the accuracy of
7 Defendant's records used to calculate Covered Workweeks, and the Parties'
8 counsel cannot resolve the dispute informally, the matter will be referred to the
9 Settlement Administrator. The Settlement Administrator will review Defendant's
10 records and any information or documents submitted by the Class Member and
11 issue a non-appealable decision regarding the dispute. Defendant's records will be
12 presumed correct unless the Class Member proves otherwise by credible evidence
13 The Class Member must submit information or documents supporting his or her
14 position to the Settlement Administrator prior to the expiration of the Response
15 Deadline. Information or documents submitted after the expiration of the
16 Response Deadline will not be considered by the Settlement Administrator, unless
17 otherwise agreed to by the Parties.

18 (w) Right of Class Member to Request Exclusion from the Settlement: Any Class
19 Member may request to be excluded from the Class by mailing a "Request for
20 Exclusion" from the Settlement within the Response Deadline. Any Request for
21 Exclusion must include the name, address, telephone number, last four digits of the
22 Class Member's Social Security Number, and the signature of the Class Member
23 requesting exclusion. Any such request must be made in accordance with the
24 terms of the Notice, and the Notice will advise Class Members of these
25 requirements. Any Class Member who timely requests exclusion in compliance
26 with these requirements (i) shall not have any rights under this Settlement other
27 than a right to receive a pro-rata share of the portion of the PAGA payment
28 allocated to the Class Members if the Class Member is also PAGA Employee; (ii)

1 shall not be entitled to receive any Settlement Payments under this Settlement other
2 than as stated in Paragraph 29(j); and (iii) shall not be bound by this Settlement or
3 the Court's Order and Final Judgment other than as it applies to the PAGA Claim.

4 (x) Right of Settlement Class Member to Object to The Settlement: Any Class
5 Member may object to the Settlement. To object, the Class Member may (1)
6 appear at the Final Approval Hearing, remotely or in person, to explain any
7 objection, (2) have an attorney object for the Class Member, or (3) submit a simple
8 written brief or statement of objection to the Settlement Administrator. If any
9 Class Member chooses to submit a written objection, the written objection should
10 reference this case by its case number (20STCV34359), and contain sufficient
11 information to confirm the identity of the objector and the basis of the objection,
12 including (1) the full name of the Settlement Class Member; (2) the signature of the
13 Settlement Class Member; (3) the grounds for the objection; and (4) be postmarked
14 within the Response Deadline to permit adequate time for processing and review
15 by the Parties of the written statement or objection. Class Counsel shall ensure that
16 any written objections are transmitted to the Court for the Court's review (either by
17 Class Counsel or as an attachment to declaration from the Settlement
18 Administrator). Regardless of the form, an objection alone will not satisfy the
19 requirement that a Settlement Class Member must either make a timely complaint
20 in intervention before final judgment or by file a motion to set aside and vacate the
21 class judgment under Code of Civil Procedure § 663 to have standing to appeal
22 entry of judgment approving this Settlement, as is required under the California
23 Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260
24 (2018). A Class Member who does not object prior to or at the Final Approval
25 Hearing, will be deemed to have waived any objections and will be foreclosed
26 from making any objections to the Settlement. If the objecting Class Member
27 does not formally intervene in the action or move to set aside any judgment and/or
28 the Court rejects the Class Member's objection, the Class Member will still be

bound by the terms of this Agreement. Class Counsel and Defendant's Counsel may, at least five (5) calendar days (or some other number of days as the Court shall specify) before the final approval hearing, file responses to any written objections submitted to the Court.

THE SETTLEMENT ADMINISTRATOR'S PRIMARY DUTIES

30. Subject to the Court's approval, and subject to reconsideration by the Parties after a competitive bidding process, the Parties have agreed to the appointment of ILYM Group, Inc. to perform the customary duties of Settlement Administrator. The Settlement Administrator will mail the Notice, both in English and Spanish, to the Class Members.

31. The Settlement Administrator will independently review the Covered Workweeks attributed to each Class Member and will calculate the estimated amounts due to each Class Member and the actual amounts due to each Settlement Class Member in accordance with this Settlement. The Settlement Administrator shall report, in summary or narrative form, the substance of its findings. The Settlement Administrator shall be granted reasonable access to Defendant's records in order to perform its duties.

32. In accordance with the terms of this Settlement, and upon receipt of Gross Settlement Amount from Defendant, the Settlement Administrator will issue and send out the Settlement Payment checks to the Settlement Class Members. Tax treatment of the Settlement Payments will be as set forth herein, and in accordance with state and federal tax laws. All disputes relating to the Settlement Administrator's performance of its duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of this Settlement until all payments and obligations contemplated by this Settlement have been fully carried out.

33. The Settlement Administrator will post the final judgment approving the Settlement on a website maintained by the Settlement Administrator for a period of not less than 90 calendar days after the final judgment is entered. The address of that website will be included in the Notice.

ATTORNEY'S FEES AND COSTS

34. In consideration for resolving this matter and in exchange for the release of all claims by the Class Members, including Plaintiffs, and subject to approval by the Court, Defendant will not object to

1 Class Counsel's application for attorney's fees not to exceed 33 1/3% of the Gross Settlement Amount
2 (\$310,000 of \$930,000.00) and litigation costs not to exceed \$25,000.00. The amounts set forth above will
3 cover all work performed and all fees and costs incurred to date, and all work to be performed and all fees
4 and costs to be incurred in connection with the approval by the Court of this Settlement and administration
5 of the Settlement. Should Class Counsel request a lesser amount and/or the Court approve a lesser
6 amount(s) of attorney's fees and/or attorneys' costs, the difference between the lesser amount(s) and the
7 maximum amount set forth above shall be added to the Net Settlement Amount. The Parties agree that
8 there is no prevailing party, and the Class and Class Counsel shall not be entitled to any fees or costs
9 other than those awarded out of and deducted from the Gross Settlement Amount. As with the Settlement
10 Payments to the Settlement Class, the attorney's fees and costs approved by the Court shall be distributed
11 by the Settlement Administrator to Class Counsel, within 14 calendar days of the receipt of settlement
12 funds by the Settlement Administrator. In the event that the Court awards less than 25% of the Gross
13 Settlement Amount for attorney's fees, Class Counsel shall retain the right to appeal that portion of any
14 Final Approval Order and Judgment.

15 **THE NOTICE PROCESS**

16 35. A Notice in approximately the form attached hereto as Exhibit "A," and as approved by the
17 Court, shall be sent by the Settlement Administrator to the Class Members by first class mail. The Notice
18 shall be translated into Spanish so that Spanish and English language versions of the Notice are included in
19 the mailing. Any returned envelopes from this mailing with forwarding addresses will be utilized by the
20 Settlement Administrator to forward the Notices to the Class.

- 21 (a) Within 14 calendar days from the date of preliminary approval of this Settlement
22 by the Court, Defendant shall provide to the Settlement Administrator a class
23 database containing the following information for each Class Member: (1) name;
24 (2) last known address; (3) social security number; and (5) dates of employment at
25 Defendant's locations in California. This database shall be based on Defendant's
26 payroll and other business records and shall be provided in a reasonable format to
27 the Settlement Administrator. Defendant agrees to consult with the Settlement
28 Administrator prior to the production date to ensure that the format will be

1 acceptable to the Settlement Administrator. The Settlement Administrator will run
2 a check of the Class Members' addresses against those on file with the U.S. Postal
3 Service's National Change of Address List; this check will be performed only once
4 per Class Member by the Settlement Administrator. Absent mutual written
5 agreement of counsel for the Parties or Court order, the Settlement Administrator
6 will keep this database confidential and secure and use it only for the purposes
7 described herein, and will return this database to Defendant upon final approval of
8 the settlement or destroy electronic records containing the database after the
9 Settlement is final and all payments are distributed as required under this
10 Agreement.

11 (b) Within 14 calendar days after the Class database is provided to the Settlement
12 Administrator, the Settlement Administrator will mail the Notices to the Class
13 Members by First Class United States mail.

14 (c) Notices returned to the Settlement Administrator as non-deliverable on or before
15 the initial Response Deadline shall be resent to the forwarding address, if any, on
16 the returned envelope. A returned Notice will be forwarded by the Settlement
17 Administrator any time that a forwarding address is provided with the returned
18 mail. If there is no forwarding address, the Settlement Administrator will do a
19 computer search for a new address using the Class Member's social security
20 number or other information. In any instance where a Notice is re-mailed, that
21 Class Member will have until the extended Response Deadline as described above.
22 A letter prepared by the Settlement Administrator will be included in the re-mailed
23 Notice in that instance, stating the extended Response Deadline. Upon completion
24 of these steps by the Settlement Administrator, Defendant and the Settlement
25 Administrator shall be deemed to have satisfied their obligations to provide the
26 Notice to the affected Class Member. The affected Class Member shall remain a
27 member of the Settlement Class and shall be bound by all the terms of the
28 Settlement and the Court's Order and Final Judgment.

(d) Class Counsel shall provide to the Court, at least five calendar days prior to the final approval hearing, or such other date as set by the Court, a declaration by the Settlement Administrator of due diligence and confirming mailing of the Notices.

DISPOSITION OF SETTLEMENT PAYMENTS AND UNCASHED CHECKS

36. As set forth above, each Class Member will have until the expiration of the applicable Response Deadline to submit to the Settlement Administrator any challenge or dispute to the Class Member's Covered Workweek information on the Notice. No disputes will be honored if they are postmarked after the Response Deadline, unless the Parties mutually agree to accept the untimely dispute. Each Class Member is responsible to maintain a copy of any documents sent to the Settlement Administrator and a record of proof of mailing.

37. The Settlement Administrator shall cause the Settlement Payments to be mailed to the Settlement Class Members and PAGA Employees as provided herein. Settlement Class Payments and PAGA Payments may be combined into one check. Settlement Payment checks shall remain valid and negotiable for 180 calendar days from the date of their issuance. Settlement Payment checks will automatically be cancelled by the Settlement Administrator if they are not cashed by the Class Member within that time, and the Class Member's relevant claims will remain released by the Settlement. Settlement Payment checks which have expired will not be reissued.

38. Funds from un-cashed or abandoned Settlement Payment checks, based on a 180-day void date, shall be transmitted to the California State Controller's Office for Unclaimed Property in the name of each Class Member who failed to cash their Settlement Payment check prior to the void date.

39. Upon completion of its calculation of Settlement Payments, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with a report listing the amounts of all payments to be made to Class Members (to be identified anonymously by employee number or other identifier). A Declaration attesting to completion of all payment obligations will be provided to Class Counsel and Defendant's Counsel and filed with the Court by Class Counsel.

RELEASE BY THE CLASS AND PAGA EMPLOYEES

40. Upon the final approval by the Court of this Settlement and Defendant's payment of all sums due pursuant to this Settlement, and except as to such rights or claims as may be created by this

Settlement, the Class Representatives, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, and each PAGA Employee, regardless of whether they have requested exclusion from the Settlement of Class claims, will release claims as follows:

- (a) **Identity of Released Parties.** The released parties are Defendant, and each of its/their former and present direct and/or indirect owners, dba's, affiliates, parents, subsidiaries, brother and sister corporations, divisions, related companies, successors and predecessors, and current and former employees, attorneys, officers, directors, shareholders, owners, trustees, fiduciaries, beneficiaries, subrogees, executors, partners, privies, agents, servants, insurers, representatives, administrators, employee benefit plans, and assigns of said entities (collectively "Releasees").
- (b) **Date Release Becomes Active.** The Released Claims and Released PAGA Claims will be released upon the later of (1) the Settlement's Effective Date, or (2) the satisfaction of Defendant's obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Order and Judgment of final approval. Class Members will not release the Released Claims or Released PAGA Claims until both the Effective Date of the Settlement has occurred, **and** Defendant has paid all amounts owing under the Settlement.
- (c) **Claims Released by Settlement Class Members.** Each and every Class Member, on behalf of himself or herself and his or her heirs and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases Releasees from the following claims for the entire Class Period:
 - 1) any and all claims stated in the Action, or that could have been stated based on the facts alleged in the Action, including but not limited to all state wage and hour claims (including all claims under the California Labor Code) for

1 unpaid wages, minimum wage, overtime, off-the-clock work, meal periods,
2 rest periods, wage statement violations, interest, penalties, and attorneys'
3 fees, waiting time penalties, withholding from wages and the related
4 provisions of the Labor Code including but limited to Labor Code §§ 201-
5 204, 210, 216, 218.6, 226, 226.3 , 226.7, 510, 512, 512.5, 558, 1194,
6 1194.2, 1198, derivative claims under California Business & Professions
7 Code §§ 17200 et seq., and all claims under the governing Wage Order,
8 and FLSA ("Released Claims");

9 2) as to any Class Member who cashes their Settlement Payment, the
10 Settlement Administrator shall include language on the Settlement
11 Payments that informs the Class Members that the signing and negotiation
12 of that check shall serve as the Class Member's consent to join the Action
13 for purposes of releasing all claims arising under the Fair Labor Standards
14 Act that are alleged in the Action or related to the claims stated or that
15 could have been stated in the Action, implicitly or explicitly;

16 (d) **Claims Released by the Class, Including PAGA Employees.** All Class
17 Members, including all PAGA Employees, release the Released PAGA Claims,
18 regardless of whether they have requested exclusion from the Settlement as to
19 Class claims.

20 **EMPLOYMENT BY DEFENDANT**

21 41. Employment of Plaintiffs by Defendant is not consideration for, or a condition of, this
22 Settlement.

23 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

24 42. The Parties shall submit this Joint Stipulation of Class Action Settlement to the Court in
25 support of Plaintiffs' unopposed motion for preliminary approval for determination by the Court as to its
26 fairness, adequacy, and reasonableness. Upon execution of this Joint Stipulation of Class Action
27 Settlement, the Parties shall apply to the Court for the entry of an order:

28 (a) Scheduling a final approval and fairness hearing on the question of whether the

proposed Settlement, including payment of attorney's fees and costs, and the Class Representatives' service payment, should be finally approved as fair, reasonable, and adequate as to the members of the Class;

- (b) Certifying a Class;
- (c) Approving as to form and content the proposed Notice;
- (d) Directing the mailing of the Notice;
- (e) Preliminarily approving the Settlement subject only to the objections of Class Members and final review by the Court;
- (f) Conditionally appointing Plaintiffs and Class Counsel as representatives of the proposed Class Members; and,
- (g) Appointing ILYM Group, Inc. as the Settlement Administrator, and ordering the Settlement Administrator to issue Notices as outlined above.

DUTIES OF THE PARTIES FOLLOWING FINAL COURT APPROVAL

43. In conjunction with the hearing of a motion for final approval by the Court of the Settlement provided for in this Joint Stipulation of Settlement, Class Counsel will provide to Defendant's Counsel for review and approval and then submit to the Court a proposed final order and judgment containing provisions sufficient to accomplish the following:

- (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing consummation of its terms and provisions;
- (b) Approving Class Counsel's application for an award of attorney's fees and costs;
- (c) Approving the Service Payments to the Class Representatives;
- (d) Adjudging the Settlement Administrator has fulfilled its initial notice and reporting duties under the Settlement;
- (e) Adjudging Plaintiffs and Class Counsel may adequately represent the Final Settlement Class for the purpose of entering into and implementing the Agreement;
- (f) Entering a final judgment in the action;
- (g) Adjudging that notwithstanding the submission of a timely request for exclusion, Class Members are still bound by the settlement and release of the Released PAGA

1 Claims or remedies under the Judgment pursuant to *Arias v. Superior Court*, 46
2 Cal. 4th 969 (2009), as requests to be excluded from the Settlement do not apply to
3 the Released PAGA Claims, and further affirms that the State's claims for civil
4 penalties pursuant to PAGA are also extinguished; and

- 5 (h) Directing the posting of the final judgment on a website maintained by the
6 Settlement Administrator for a period of not less than 90 calendar days after entry
7 of final judgment.

8 Any revised final judgments will also be provided to Defendant's Counsel for review and approval before
9 they are submitted to the Court.

10 **NULLIFICATION AND TERMINATION**

11 44. This Settlement will be null and void if any of the following occur: (a) the Court should for
12 any reason fail to certify a class for settlement purposes; (b) the Court should for any reason fail to
13 preliminarily or finally approve of this Settlement in the form agreed to by the Parties, other than
14 adjustments made to the attorney's fees and costs or granting of Service Payments; (c) the Court should for
15 any reason fail to enter the final judgment; (d) the final judgment is reversed, modified, or declared or
16 rendered void; or (e) the Settlement does not become final for any other reason.

17 45. If 5% or more of the Class Members opt out of this Settlement, then Defendant in its sole
18 discretion may terminate, nullify and void this Settlement. The Settlement Administrator shall provide
19 Defendant's Counsel with the information necessary to effectuate this provision on a weekly basis. To
20 terminate this Settlement under this paragraph, Defendant's Counsel must give Plaintiffs' Counsel written
21 notice, by facsimile, e-mail, or mail, no later than 30 calendar days after the Response Deadline. If this
22 option is exercised by Defendant, Defendant shall be solely responsible for the costs incurred by the
23 Settlement Administrator for the settlement administration.

24 46. In the event this Settlement is nullified or terminated as provided above: (i) this Settlement
25 shall be considered null and void, (ii) neither this Settlement nor any of the related negotiations or
26 proceedings shall have any force or effect and no Party shall be bound by any of its terms, and (iii) all
27 Parties to this Settlement shall stand in the same position, without prejudice, as if the Settlement had been
28 neither entered into nor filed with the Court.

1 **PARTIES' AUTHORITY**

2 47. The signatories hereto hereby represent that they are fully authorized to enter into this
3 Settlement and bind the Parties hereto to the terms and conditions thereof.

4 **MUTUAL FULL COOPERATION**

5 48. The Parties agree to fully cooperate with each other to accomplish the terms of this
6 Settlement including, but not limited to, execution of such documents and taking such other action as
7 reasonably may be necessary to implement the terms of this Settlement. The Parties to this Settlement
8 shall use their best efforts, including all efforts contemplated by this Settlement and any other efforts that
9 may become necessary by order of the Court, or otherwise, to effectuate this Settlement and the terms set
10 forth herein. As soon as practicable after execution of this Settlement, Class Counsel shall, with the
11 assistance and cooperation of Defendant and Defendant's Counsel, take all necessary steps to secure the
12 Court's preliminary and final approval of this Settlement.

13 **NO PRIOR ASSIGNMENTS**

14 49. The Parties and their respective counsel represent, covenant, and warrant that they have not
15 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to
16 any person or entity any portion of any liability, claim, demand, action, cause of action or rights herein
17 released and discharged except as set forth herein, and that they are not on notice of any liens as to the
18 Gross Settlement Amount or any right to attorneys' fees or costs.

19 **NO ADMISSION OF LIABILITY**

20 50. Nothing contained herein, nor the consummation of this Settlement, is to be construed or
21 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendant.
22 Defendant denies all the claims and contentions alleged by the Plaintiffs in this case. The Defendant has
23 entered into this Settlement solely with the intention to avoid further disputes and litigation with the
24 attendant inconvenience and expenses.

25 **ENFORCEMENT ACTIONS**

26 51. In the event that one or more of the Parties to this Settlement institutes any legal action or
27 other proceeding against any other party or parties to enforce the provisions of this Settlement or to declare
28 rights and/or obligations under this Settlement, the successful party or parties shall be entitled to recover

1 from the unsuccessful party or parties reasonable attorney's fees and costs, including expert witness fees
2 incurred in connection with any enforcement actions.

3 NOTICES

4 52. Unless otherwise specifically provided herein, all notices, demands or other
5 communications given hereunder shall be in writing and shall be deemed to have been duly given as of the
6 third business day after mailing by United States registered or certified mail, return receipt requested,
7 addressed as follows:

8 Class Counsel:

9 Kane Moon
10 Allen Feghali
Edwin Kamarzarian
11 **MOON & YANG, APC**
1055 W. Seventh St., Suite 1880
12 Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
13 kane.moon@moonyanglaw.com
allen.feghali@moonyanglaw.com
14 edwin.kamarzarian@moonyanglaw.com

15 **BIBIYAN LAW GROUP, P.C.**
David D. Bibiyan (Cal. Bar No. 287811)
16 david@tomorrowlaw.com
Diego Aviles (Cal. Bar No. 315533)
17 diego@tomorrowlaw.com
Sara Ehsani-Nia (Cal. Bar No. 326501)
18 sara@tomorrowlaw.com
8484 Wilshire Boulevard, Suite 500
Beverly Hills, California 90211
19 Telephone: (310) 438-5555
Facsimile: (310) 300-1705

Counsel for Defendant:

Amy S. Ramsey (SBN 315981)
EPSTEIN BECKER & GREEN, P.C.
1925 Century Park East, Suite 500
Los Angeles, CA 90067
Telephone: 310-556-8861
Facsimile: 310-553-2165
aramsey@ebglaw.com

20 CONSTRUCTION

21 53. The Parties hereto agree that the terms and conditions of this Settlement are the result of
22 lengthy, intensive arms-length negotiations between the Parties, including but not limited to an all-day
23 mediation with Michael Dickstein, Esq., and this Settlement shall not be construed in favor of or against
24 any Party by reason of the extent to which any Party or his, her or its counsel participated in the drafting of
25 this Settlement.

26 CAPTIONS AND INTERPRETATIONS

27 54. Paragraph titles or captions contained herein are inserted as a matter of convenience and
28

1 for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any provision
2 hereof. Each term of this Settlement is contractual and not merely a recital.

3 **MODIFICATION**

4 55. This Settlement may not be changed, altered, or modified, except in writing and signed by
5 the Parties hereto, and approved by the Court. This Settlement may not be discharged except by
6 performance in accordance with its terms or by a writing signed by the Parties hereto.

7 **INTEGRATION CLAUSE**

8 56. This Settlement contains the entire agreement between the Parties relating to the
9 Settlement and transaction contemplated hereby, and all prior or contemporaneous agreements,
10 understandings, representations, and statements, whether oral or written and whether by a Party or such
11 Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

12 **WAIVER OF APPEALS**

13 57. The Parties agree to waive appeals and to stipulate to class certification for purposes of
14 implementing this Settlement only, with the exception that Class Counsel retains the right to appeal the
15 amount awarded as attorney's fees in the event that the Court awards less than twenty-five percent of the
16 Gross Settlement Amount as attorney's fees.

17 **BINDING ON ASSIGNS**

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

20 **CLASS COUNSEL SIGNATORIES**

21 59. It is agreed that because the members of the Class are so numerous, it is impossible or
22 impractical to have each member of the Class execute this Settlement. The Notice will advise all Class
23 Members of the binding nature of the Released Claims and Released PAGA Claims, and the release shall
24 have the same force and effect as if this Settlement were executed by each member of the Class.

25 **COUNTERPARTS**

26 60. This Settlement may be executed in counterparts and when each Party has signed and
27 delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken
28 together with other signed counterparts, shall constitute one Settlement, which shall be binding upon and

effective as to all Parties.

FINAL JUDGMENT

61. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

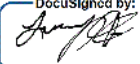
IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiffs and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiffs & Class Representatives:

Dated: 4/1/2022

By: _____

DocuSigned by:

CF7BD7F8C7AC401

Jurennny Flores Ceron

Dated: _____

By: _____

Martha Georgina Arredondo

Dated: _____

By: _____

Jessica E. Huerta

Plaintiffs' Counsel:

Dated: 04/6/2022

MOON & YANG, APC

By: _____



Kane Moon
Allen Feghali

Dated: _____

BIBIYAN LAW GROUP, P.C.

By: _____

David Bibiyan
Jeffrey D. Klein
Vedang J. Patel

[signatures continue on following page]

effective as to all Parties.

FINAL JUDGMENT

61. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiffs and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiffs & Class Representatives:

Dated: By: _____
Jurennny Flores Ceron

Dated: **Apr 6, 2022** By: Martha Arredondo
Martha Arredondo (Apr 6, 2022 09:50 PDT)
Martha Georgina Arredondo

Dated: By: _____
Jessica E. Huerta

Plaintiffs' Counsel:

Dated: MOON & YANG, APC
By: _____
Kane Moon
Allen Feghali

Dated: **April 1, 2022** BIBIYAN LAW GROUP, P.C.
By: Vedang J. Patel
David Bibiyan
Jeffrey D. Klein
Vedang J. Patel

[signatures continue on following page]

effective as to all Parties.

FINAL JUDGMENT

61. The Parties agree that, upon final approval of the Settlement, final judgment of this Action will be made and entered in its entirety. The final judgment may be included in the Order granting Final Approval of the Settlement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action Settlement between Plaintiffs and Defendant as set forth below:

IT IS SO STIPULATED.

Plaintiffs & Class Representatives:

Dated: By: _____
Jurennny Flores Ceron

Dated: By: _____
Martha Georgina Arredondo

Dated: Apr 6, 2022 By:  _____
Jessica Eve Huerta (Apr 6, 2022 10:03 PDT)
Jessica E. Huerta

Plaintiffs' Counsel:

Dated: MOON & YANG, APC
By: _____
Kane Moon
Allen Feghali

Dated: April 1, 2022 BIBIYAN LAW GROUP, P.C.
By:  _____
David Bibiyan
Jeffrey D. Klein
Vedang J. Patel

[signatures continue on following page]

1 **Defendant:**

2 Dated: April 1, 2022

ASSA ABLOY RESIDENTIAL GROUP, INC.

3 By: L. PAGE HESLIN
4 Print Name

5 [Signature]
6 Signature

7 GENERAL COUNSEL ~ SECRETARY
8 Title

9
10 **Defendant's Counsel:**

11 Dated: April 1, 2022

EPSTEIN, BECKER & GREEN, P.C.

12 By: Amy S. Ramsey
13 Amy Ramsey

14 Attorneys for Defendant ASSA ABLOY
15 RESIDENTIAL GROUP, INC.

EXHIBIT A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Flores Ceron, et al. v. ASSA ABLOY Residential Group, Inc., et al.
Los Angeles Superior Court Case No. 20STCV34359

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU ARE OR WERE EMPLOYED BY ASSA ABLOY RESIDENTIAL GROUP, INC. DBA EMTEK PRODUCTS (“DEFENDANT”) IN CALIFORNIA AS AN HOURLY-PAID EMPLOYEE AT ANY TIME BETWEEN JUNE 16, 2018 THROUGH << the date the Court grants preliminary approval or the date the number of Covered Workweeks worked by Settlement Class Members reaches 85,569, as detailed in paragraph 29(d) of the settlement>>, THIS PROPOSED CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Flores Ceron, et al. v. ASSA ABLOY Residential Group, Inc., et al.*, Los Angeles Superior Court Case No. 20STCV34359 (the “Action”). The purpose of this Notice of Proposed Class Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

A hearing concerning final approval of the proposed Settlement will be held before the Hon. Yvette M. Palazuelos on <<FA Date and Time>> in Department 9 of the Los Angeles Superior Court, Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012, to determine whether the Settlement is fair, adequate and reasonable. As a Class Member, you are eligible to receive an individual Settlement Payment under the Settlement and will be bound by the release of claims described in this Notice and the Settlement Agreement filed with the Court, unless you timely request to be excluded from the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING – GET MONEY	If you do nothing, you will be considered part of the Class and will receive settlement benefits as explained more fully below. You will also give up rights to pursue a separate legal action against Defendant for the Released Claims asserted in the Action as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS DEADLINE TO EXCLUDE YOURSELF: << RESPONSE DATE>>	You have the option to pursue separate legal action against Defendant about the claims in the Action. If you choose to do so, you must exclude yourself, in writing, from the Settlement by submitting a written Request to be Excluded. As a result, you will not receive any benefits under the Settlement. Request for Exclusion must be submitted by <<RESPONSE DATE>>.
OBJECT TO THE SETTLEMENT DEADLINE TO SUBMIT WRITTEN OBJECTIONS: << RESPONSE DATE>>	To object to the Settlement, you may mail a written explanation of why you do not like the Settlement to the Settlement Administrator, appear at the final approval hearing, or hire an attorney at your expense to object for you. This option is available only if you do <u>not</u> exclude yourself from the Settlement. Do <u>not</u> submit a Request to be Excluded if you wish to object. <i>Written</i> objections must be submitted by <<RESPONSE DATE>>.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Class”):

All non-exempt employees of Defendant who worked for Defendant in California during the Class Period (the “Class Period” is June 16, 2018 through << the date the Court grants preliminary approval or the date the number

of Covered Workweeks worked by Settlement Class Members reaches 85,569, as detailed in paragraph 29(d) of the settlement>>.

According to Defendant's records, you are a member of the Class ("Class Member").

What is this case about?

In the Action, Plaintiffs Jurennny Flores Ceron, Jessica E. Huerta, and Martha Georgina Arredondo ("Plaintiffs") allege on behalf of themselves and the Class that Defendant: (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay all wages to terminated employees; (6) failed to furnish accurate itemized wage statements; (7) violated California's Unfair Competition Law, California Business and Professions Code section 17200 et seq.; and (8) violated provisions of the Labor Code giving rise to civil penalty liability under the Labor Code Private Attorneys General Act of 2004 [Lab. Code § 2699, et seq.]. Plaintiffs seek unpaid wages, actual damages, declaratory relief, statutory penalties, civil penalties under PAGA, restitution, interest, attorneys' fees, and costs.

Defendant denies all liability and is confident that it has strong legal and factual defenses to these claims, but it recognizes the risks, distractions, and costs associated with litigation. Defendant contends that its conduct is and has been lawful at all times relevant and that Plaintiffs' claims do not have merit and do not meet the requirements for class certification.

This Settlement is a compromise reached after good faith, arm's length negotiations between Plaintiffs and Defendant (the "Parties"), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that this Settlement is fair, adequate and reasonable. Plaintiffs also believe this Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiffs' claims or Defendant's defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Kane Moon
Allen Feghali
Edwin Kamarzarian
MOON & YANG, APC
1055 W. Seventh St., Suite 1880
Los Angeles, California 90017
Telephone: (213) 232-3128
Facsimile: (213) 232-3125
kane.moon@moonyanglaw.com
allen.feghali@moonyanglaw.com
edwin.kamarzarian@moonyanglaw.com

Defendant's Counsel

Amy S. Ramsey
EPSTEIN BECKER & GREEN, P.C.
1925 Century Park East, Suite 500
Los Angeles, CA 90067
Telephone: 310-556-8861
Facsimile: 310-553-2165
aramsey@ebglaw.com

BIBIYAN LAW GROUP, P.C.
David D. Bibiyan
david@tomorrowlaw.com
Diego Aviles
diego@tomorrowlaw.com
8484 Wilshire Boulevard, Suite 500
Beverly Hills, California 90211
Telephone: (310) 438-5555
Facsimile: (310) 300-1705

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$930,000 (the "Gross Settlement Amount") for: (a) individual Settlement Payments to Settlement Class Members; (b) the Court-approved Class Representative Service Payments to Plaintiffs (\$7,500 to be requested for each Plaintiff for a total of \$22,500); (c) the Court-approved attorneys' fees and costs to Class Counsel (up to \$310,000 in fees, unless escalated pursuant to the Settlement

Agreement, and up to \$25,000 in costs to be requested); (d) payment to the Labor and Workforce Development Agency ("LWDA") for alleged PAGA penalties (\$60,000 of a total of \$80,000 allocated to PAGA penalties); (e) proposed payment to the Settlement Administrator for settlement administration services (up to an estimated maximum of \$20,000); and (f) employer-side payroll taxes on the portion of the Individual Settlement Payments that are for wages.

Individual Settlement Payments. After deduction from the Gross Settlement Amount for attorneys' fees and costs, the Class Representative Service Payment to Plaintiffs, the payment to the LWDA, settlement administration costs, and employer-side payroll taxes, there will be a Net Settlement Amount. From this Net Settlement Amount, Defendant will make an individual Settlement Payment to each Class Member who does not request to be excluded from the Settlement ("Settlement Class Members").

The Net Settlement Amount shall be divided among all Settlement Class Members on a pro rata basis based upon the total number of Covered Workweeks worked by each respective Settlement Class Member as a non-exempt hourly employee in the State of California during the Class Period. Your estimated individual Settlement Payment is listed below.

Your estimated minimum settlement payment is <<Estimated Payment>> and your Covered Workweeks worked during the relevant period between June 16, 2018 through <<the date the Court grants preliminary approval or the date the number of Covered Workweeks worked by Settlement Class Members reaches 85,569, as detailed in paragraph 29(d) of the settlement>> are <<Workweeks>>. To the extent you dispute the number of Covered Workweeks, you must make your dispute ("Work Week Dispute") in writing and send it to the Settlement Administrator via fax or mail. Your Work Week Dispute must be postmarked or faxed no later than <<+45 days from date of mailing>> (the "Response Deadline") to:

ILYM Group, Inc., <<mailing address>>

Your Work Week Dispute must be in writing and contain: (a) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (b) the number of Covered Workweeks you contend is correct; and (c) any evidence supporting your contention. Defendant's records will be presumed correct unless you prove otherwise by credible evidence. The Settlement Administrator will resolve and decide all Work Week Disputes, and its decisions will be final and non-appealable. **REMINDER:** If you believe your estimated individual Settlement Amount is incorrect because your Covered Workweeks (the number of total weeks you worked within the Class Period only) are wrong, the deadline to dispute the Covered Workweeks reported for you is <<RESPONSE DATE>>.

For tax reporting purposes, the payments to Settlement Class Members will be allocated 15% as wages, 50% as penalties, and 35% as interest, excluding the \$20,000 in PAGA Settlement Payments, which will be allocated as 100% penalties. The wage portion of the individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable employee-side payroll taxes from the wage portion of the individual Settlement Payments. The portion of the Settlement Payments allocated to penalties and interest shall be classified as other miscellaneous income and reported on IRS Form 1099-MISC. Any taxes owed on that other miscellaneous income will be the responsibility of Settlement Class Members receiving those payments.

All checks for individual Settlement Payments paid to Settlement Class Members shall advise that the checks will remain valid and negotiable for one hundred eighty (180) days from the date of the checks' issuance and shall thereafter automatically be void if not cashed by a participating Class Member within that time. Any individual Settlement Payment that is not cashed by a Settlement Class Member within one hundred eighty (180) days of issuance shall be transmitted to the California State Controller's Office for Unclaimed Property in the name of each check recipient who failed to cash their check prior to the void date. The Settlement Administrator shall void any tax documents issued to Settlement Class Members who did not cash their checks within 180 days of issuance. In such event, the Settlement Class Member shall nevertheless remain bound by the Settlement.

None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Settlement Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member.

Calculation of Individual PAGA Settlement Payments. The PAGA Allocation (a total of \$80,000) will be distributed to the California Labor and Workforce Development Agency (“LWDA”) and to the PAGA Employees. In accordance with California law, 75 percent of the PAGA Allocation (or \$60,000) will be paid to the LWDA and the remaining 25 percent of the PAGA Allocation (or \$20,000) will be paid to the PAGA Employees on a pro-rata basis (the “Individual PAGA Settlement Payments”) based on the number of pay periods each PAGA Employee worked for Defendant in California during the PAGA Period. Your estimated individual pay periods during the PAGA Period and estimated PAGA Settlement Payment are listed below:

You worked a total of <<PAGA Pay Periods>> PAGA Pay Periods in California during the PAGA Period. Based on your pay periods during the PAGA Period, your estimated PAGA Settlement Payment is approximately \$<<Est PAGA Settlement Payment>>.

Each PAGA Settlement Payment will be allocated as 100 percent miscellaneous income and reported to state and federal taxing authorities by the Settlement Administrator using Form 1099-MISC. Any taxes owed on the PAGA Settlement Payment will be the responsibility of the PAGA Employee receiving this payment.

Class Counsel Attorneys’ Fees and Costs, Class Representative Service Award, Settlement Administration Costs and Payment to the LWDA. Class Counsel will ask the Court to award attorneys’ fees up to \$310,000 (33 1/3% of the Gross Settlement Amount), unless escalated pursuant to the Settlement Agreement, and reimbursement of reasonable costs incurred in the Action not to exceed \$25,000. In addition, Class Counsel will ask the Court to authorize a Class Representative Service Payment of \$7,500 for each Plaintiff for their efforts in bringing the case on behalf of the Class. The Parties estimate the cost of administering the Settlement will not exceed \$20,000.00. A proposed payment in the amount of \$60,000.00 will also be made to the LWDA for PAGA penalties, which represents 75% of the \$80,000 set aside for payment under PAGA.

What claims are being released by the proposed Settlement?

Upon the final approval by the Court of this Settlement, and except as to such rights or claims as may be created by this Settlement, the Class Representatives, the Class and each Class Member who has not submitted a valid and timely request for exclusion as to claims other than the PAGA claim, will release claims as follows:

(a) **Identity of Released Parties.** The released parties are Defendant, and each of its/their former and present direct and/or indirect owners, dba’s, affiliates, parents, subsidiaries, brother and sister corporations, divisions, related companies, successors and predecessors, and current and former employees, attorneys, officers, directors, shareholders, owners, trustees, fiduciaries, beneficiaries, subrogees, executors, partners, privies, agents, servants, insurers, representatives, administrators, employee benefit plans, and assigns of said entities (collectively “Releasees”).

(b) **Date Release Becomes Active.** The Released Claims and Released PAGA Claims will be released upon the later of (1) the Settlement’s Effective Date, or (2) the satisfaction of Defendant’s obligation to provide to the Settlement Administrator a sum in the amount required to satisfy all required payments and distributions pursuant to this Settlement and the Order and Judgment of final approval. Class Members will not release the Released Claims or Released PAGA Claims until both the Effective Date of the Settlement has occurred, **and** Defendant has paid all amounts owing under the Settlement.

(c) **Claims Released by Settlement Class Members.** Each and every Class Member, on behalf of himself or herself and his or her heirs and assigns, unless he or she has submitted a timely and valid Request for Exclusion (which will not effectuate an opt-out from the release of Released PAGA Claims), hereby releases Releasees from the following claims for the entire Class Period:

1) any and all claims stated in the Action, or that could have been stated based on the facts alleged in the Action, including but not limited to all state wage and hour claims (including all claims under the California Labor Code) for unpaid wages, minimum wage, overtime, off-the-clock work, meal periods, rest periods, wage statement violations, interest, penalties, and attorneys’ fees, waiting time penalties, withholding from wages and the related provisions of the Labor Code including but limited to Labor Code §§ 201-204, 210, 216, 218.6, 226, 226.3, 226.7, 510, 512, 512.5, 558, 1194, 1194.2, 1198, derivative claims under California Business & Professions Code §§ 17200 et seq., and all claims under the governing Wage Order, and the Fair Labor Standards Act (“FLSA”) (“Released Claims”);

2) as to any Class Member who cashes their Settlement Payment, the Settlement Administrator shall include language on the Settlement Payments that informs the Class Members that the signing and negotiation of that

check shall serve as the Class Member's consent to join the Action for purposes of releasing all claims arising under the FLSA that are alleged in the Action or related to the claims stated or that could have been stated in the Action, implicitly or explicitly;

d) **Claims Released by the Class, Including PAGA Employees.** All Class Members, including all PAGA Employees, release the Released PAGA Claims, regardless of whether they have requested exclusion from the Settlement as to Class claims.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

If you remain in the Class, you will be represented at no cost by Class Counsel. Class Counsel, however, will not represent you for purposes of making objections to the Settlement. If you do not exclude yourself from the Settlement, you will be subject to any Judgment that will be entered in the Action, including the release of the Released Claims as described above.

OPTION A. Remain in the Class. If you wish to remain in the Class and be eligible to receive an individual Settlement Payment under the Settlement, **you do not need to take any action.** By remaining in the Class and receiving settlement monies, you consent to the release of the Released Claims as described above.

Any amount paid to Settlement Class Members will not count or be counted for determination of eligibility for, or calculation of, any employee benefits (for example, vacations, holiday pay, retirement plans, non-qualified deferred compensation plans, etc.), or otherwise modify any eligibility criteria under any employee pension benefit plan or employee welfare plan sponsored by Defendant, unless otherwise required by law.

Objecting to the Settlement: If you believe the proposed Settlement is not fair, reasonable, or adequate in any way, you have several options that you may pursue to object to it or express any concerns. To object, you may appear in person at the Final Approval Hearing, have an attorney object for you, or submit a written brief or statement of objection ("written objection") to the Settlement Administrator at ILYM Group, Inc. <<address>>. If you submit a written objection, it should reference this case by its case number (20STCV34359), and contain sufficient information to confirm the your identity and the basis of the objection, including: (1) your full name; (2) the grounds for the objection; (3) your signature; and (4) be postmarked on or before <<Response Deadline>> and returned to the Settlement Administrator at the address listed above to ensure that it is received in time to be transmitted to and considered by the Court. You may also hire an attorney at your own expense to represent you in your objection. The Parties may file responses to any written objections before the final approval hearing. Regardless of whether you object in writing, the Court may, in its sole discretion, permit you to state any objections you may have at the Settlement Hearing. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Released Claims as set forth above, unless the Settlement is not finally approved by the Court.**

Regardless of the form, an objection alone will not satisfy the requirement that a Settlement Class Member must formally intervene and become a party of record in the action to appeal a Judgment entered following an Order finally approving this Settlement, as is required under the California Supreme Court decision of *Hernandez v. Restoration Hardware*, 4 Cal. 5th 260 (2018).

OPTION B. Request to Be Excluded from the Settlement and Receive No Money from the Settlement. If you do not want to be part of the Settlement, you must submit a written request to be excluded from the Settlement to the Settlement Administrator at ILYM Group, Inc. <<address>>. In order to be valid, your written request to be excluded from the Settlement must be signed and include your name, address, and telephone number (to confirm your identity and make certain that only persons requesting exclusion are removed from the settlement).

Your written request to be excluded from the Settlement must then be signed and postmarked on or before <<Response Deadline>>. If you do not submit a written request to be excluded from the Settlement on time (as evidenced by the postmark), your written request to be excluded from the Settlement will be rejected, you will be deemed a participating Class Member, and you will be bound by the release of Released Claims as described above and all other terms of the Settlement. If you submit a written request to be excluded from the Settlement by the deadline to request exclusion, you will have no further role in the Action. **You will not be entitled to any benefit, including money,** as a result of the Action and Settlement, except to the extent that you recovered to

receive a portion of the penalties provided for under PAGA. You will not be able to complain to the Court about any aspect of the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the Class Representative Service Payment to Plaintiffs, the settlement administration costs, and the payment to the LWDA for PAGA penalties on <<**FA Date and Time**>> in Department SSC-9 of the Los Angeles Superior Court, Spring Street Courthouse, 312 North Spring Street, Los Angeles, CA 90012. Because of healthcare guidance and Orders of the Los Angeles Superior Court related to COVID-19, the hearing may be a telephonic hearing only. If you wish to attend the Final Approval Hearing telephonically, visit <https://www.lacourt.org/lacc/> for instructions on how to do so. The Final Approval Hearing may be continued without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive an individual Settlement Payment.

**IF YOUR ADDRESS CHANGES AT ANY TIME FOLLOWING YOUR RECEIPT OF THIS NOTICE,
IT IS IMPORTANT THAT YOU ADVISE THE ADMINISTRATOR SO THAT YOU TIMELY
RECEIVE YOUR SETTLEMENT PAYMENT. YOU CAN CONTACT THE ADMINISTRATOR AT:
ILYM Group, Inc., <<mailing address>>**

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are in the Joint Stipulation of Class Action Settlement. The Joint Stipulation of Class Action Settlement and all other records relating to the lawsuit are available for inspection and/or copying at the Civil Records Office of the Los Angeles Superior Court. Because of the Los Angeles Superior Court's COVID-19 pandemic procedures, in order to view documents filed in the lawsuit, Class Members may be required to make an appointment with the Court to view documents. Please visit <https://www.lacourt.org/> for the most up to date information regarding rules and restrictions about visiting the courthouse. You may also request a copy of the Settlement Agreement from Class Counsel and/or Defendant's Counsel referenced above.

**PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS
SETTLEMENT.**