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Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

JENNY GARRIDO, individually, and on behalf of other members of the general public similarly situated; JUAN RIVAS, FRANKIE BETANCOURT, JESSE ORTIZ, individually, and on behalf of other members of the general public similarly situated and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiffs,

vs.

ACORN ENGINEERING COMPANY, a California corporation; MORRIS GROUP INTERNATIONAL, an unknown business entity; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 19STCV36680

Honorable Carolyn B. Kuhl
Department SSC12

CLASS ACTION

DECLARATION OF ANNABEL BLANCHARD IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

[Plaintiffs' Motion for Preliminary Approval of Class Action Settlement; Declaration of Proposed Class Representatives (Jenny Garrido, Juan Rivas, Frankie Betancourt, and Jesse Ortiz); and [Proposed] Order filed concurrently herewith]

Date: January 31, 2023
Time: 10:30 a.m.
Department: SSC12

Complaint Filed: October 15, 2019
FAC Filed: February 11, 2021
Trial Date: None Set

DECLARATION OF ANNABEL BLANCHARD

I, Annabel Blanchard, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiffs Jenny Garrido, Juan Rivas, Frankie Betancourt, and Jesse Ortiz (“Plaintiffs”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

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

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior

1 Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA
2 Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University.
3 From approximately September 2002 to approximately December 2002, he served as a Judicial
4 Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the
5 Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a
6 Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second
7 Appellate District. In December of 2004, he obtained a license to practice law from the California
8 State Bar. From approximately December 2004 to approximately August 2008, he was employed
9 by Girardi & Keese. At Girardi & Keese, his practice focused on class actions and other complex
10 cases involving toxic torts and products liability. In addition, he gained substantial experience on
11 cases involving insurance bad faith, premises liability, and medical negligence. While employed
12 by Girardi & Keese, he argued approximately one hundred (100) motions, took or defended
13 approximately one hundred fifty (150) depositions, and prepared dozens of expert witnesses for
14 deposition or trial. Since in or around October of 2008, through his work at Lawyers *for* Justice,
15 PC, he has almost exclusively focused on the prosecution of consumer and employment class
16 actions, involving wage-and-hour claims, race discrimination, unfair business practices, or
17 consumer fraud. While employed by Lawyers *for* Justice PC, he has argued over one hundred
18 (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of
19 expert witnesses for deposition or trial, and attended over one hundred seventy-five (175)
20 mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-
21 counsel, he has successfully litigated cases involving the executive, administrative, and other
22 overtime exemptions to the State of California and federal overtime compensation requirements.
23 Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by
24 contested motion practice in approximately fifteen (15) cases in the last decade, and litigated over
25 1,000 class action or representative action cases.

26 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He
27 received his Bachelor of Arts degree from University of California, Los Angeles and graduated
28 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.

1 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the
2 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.
3 From approximately August 2008 to approximately December 2008 he served as a Judicial Extern
4 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.
5 He was admitted to practice law in California in 2010. He is admitted to practice before all courts
6 of the State of California and all United States District Courts in the State of California. He has
7 worked on many wage-and-hour class action and representative action cases, taking the lead in
8 taking and defending depositions, arguing motions, and attending mediations. He has played an
9 integral role in preparing matters for class certification, including and not limited to, successful
10 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
11 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.
12 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.
13 RG13680477). Under his and Edwin Aiwazian's supervision, dozens of class action or
14 representative cases have resulted in settlements that have been granted court approval, including
15 and not limited to, those listed in paragraph 7 herein. He has worked on over one hundred (100)
16 class action or representative action cases which have resulted in settlement.

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

1 Overall Supply, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017),
2 cert. denied (U.S., Dec. 11, 2017) and ZB, N.A. v. Superior Court, 8 Cal.5th175 (2019). She also
3 has extensive experience with class action and/or representative action settlements. Under her,
4 Edwin Aiwarzian, and Arby Aiwarzian’s supervision, the firm has handled the class certification
5 and court approval process for hundreds of class action and/or representative action matters that
6 have successfully resolved. She is a member of the California Employment Lawyers Association.

7 6. I am a Member of Lawyers for Justice, PC. I received my Bachelors of Arts degree
8 from University of California at Berkeley in 2001 and earned my Juris Doctor degree from
9 Southwestern University School of Law in 2008. I was admitted to practice law in California in
10 2008. I am admitted to practice before all courts of the State of California and the Northern and
11 Central federal district courts in the State of California. I have worked on many wage and hour
12 class action and PAGA representative matters, and my work has included, *inter alia*, researching
13 and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing
14 stipulations and settlement agreements, engaging in motion practice, claims evaluation and
15 analysis, and making court appearances. Prior to working at Lawyers for Justice, PC, I worked
16 for over a decade providing estate planning and other legal services to the special needs
17 community, including, *inter alia*, representing clients at mediations with school districts and
18 California Regional Centers.

19 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
20 **REPRESENTATIVE ACTION CASES**

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

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

1 b) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class action against a national retailer of household items involving allegations of
3 misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court
4 granted final approval of the class action settlement. The Los Angeles County Superior Court
5 Case Number is BC413498.

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

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

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

21 f) LFJ, in association with co-counsel therein, represented the plaintiff in a
22 wage-and-hour class and PAGA representative action against a national wholesale distributor of
23 plumbing and builder supplies, involving allegations of misclassification of multiple salaried
24 “manager” positions. On May 22, 2014, the court granted final approval of the class and PAGA
25 representative action settlement. The Sacramento County Superior Court Case Number is 34-
26 2012-00136285.

27 g) LFJ, in association with co-counsel therein, represented the plaintiff in a
28 wage-and-hour class action against a multinational corporation that provides global workplace

1 solutions, involving allegations of misclassification of the “Operations Manager” position. On
2 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles
3 County Superior Court Case Number is BC478769.

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

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

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

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

25 l) LFJ, in association with co-counsel therein, represented the plaintiffs in a
26 wage-and-hour class action against a national retailer of apparel, accessories, and home products,
27 involving allegations of misclassification of the “Department Manager” position. On August 12,
28 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On

1 August 6, 2019, the court granted final approval of the class action settlement. The Alameda
2 County Superior Court Case Number is RG13680477.

3 m) LFJ represented the plaintiff in a PAGA representative action against a real
4 estate and property management company, on behalf of non-exempt employees. On November 4,
5 2016, the court granted approval of the PAGA representative action settlement. The Orange
6 County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

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

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

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

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

1 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a
2 wage-and-hour class and PAGA representative action against a manufacturer of food service
3 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final
4 approval of the class and PAGA representative action settlement. The Orange County Superior
5 Court Case Number is 30-2015-00810013-CU-OE-CXC.

6 s) LFJ in association with co-counsel, represented the plaintiffs in a wage-and-
7 hour class and PAGA representative action against a lumber and hardware company on behalf of
8 non-exempt employees. On April 26, 2017, the court granted final approval of the class and PAGA
9 representative action settlement. The Orange County Superior Court Case Number is 30-2014-
10 00747750-CU-OE-CXC.

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

16 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
17 representative action against a food company on behalf of non-exempt employees. On June 30,
18 2017, the court granted final approval of the class and PAGA representative action settlement. The
19 Sacramento County Superior Court Case Number is 34-2015-00175871.

20 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
21 representative action against a chocolate company on behalf of non-exempt employees. On July
22 19, 2017, the court granted final approval of the class and PAGA representative action settlement.
23 The Alameda County Superior Court Case Number is RG15764300.

24 w) LFJ firm represented the plaintiff in a PAGA representative action, against
25 the parent company of several restaurants, on behalf of hourly-paid, non-exempt employees. On
26 October 18, 2017, the court granted approval of the PAGA representative action settlement. The
27 Los Angeles County Superior Court Case Number is BC569664.
28

1 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
2 representative action against a manufacturer of plastic containers on behalf of non-exempt
3 employees. On October 31, 2017, the court granted final approval of the class and PAGA
4 representative action settlement. The Los Angeles County Superior Court Case Number is
5 BC577233.

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

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

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

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

26 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
27 representative action against a behavioral health service provider on behalf of non-exempt
28 employees. On November 13, 2018, the court granted final approval of the class and PAGA

1 representative action settlement. The Alameda County Superior Court Case Number is
2 RG16811450.

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

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

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

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

24 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and
25 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
26 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
27 notable decision from the California Supreme Court clarifying the law and finding, in part, that
28 employer arbitration agreements are unenforceable where they block a PAGA claim from

1 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court
2 granted approval of the PAGA representative action settlement. The San Diego County Superior
3 Court Case Number is 34-2015-00175330.

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

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

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

20 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a
21 wage-and-hour class action against manufacturer and supplier of power products and services on
22 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion
23 for class certification and certified a class. The San Diego County Superior Court Case Number is
24 37-2015-00025968-CU-OE-CTL.

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

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

BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT

8. Marked and attached hereto as "**EXHIBIT A**" is the Class and Representative Action Settlement Agreement ("Settlement Agreement," "Agreement," or "Settlement") entered into by and between Plaintiffs, on the one hand, and Acorn Engineering Company ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their counsel have approved the proposed Notice of Class Action Settlement ("Class Notice"), which is attached to the Proposed Order as "Exhibit 1" and respectfully request that the Court approve it as well.

9. At the time of mediation, based on information provided by Defendant, the class was estimated to consist of approximately 569 individuals. As of the date of this Declaration, Defendant has predicted that the class will likely consist of over 600 individuals by the time of preliminary approval.

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

11. Class Counsel has litigated the case for over three years and was actively preparing the matter for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in a formal, full-day mediation conducted by the Steven Rottman Esq., a well-respected mediator experienced in mediating complex labor and employment matters. Prior to and during the mediation and settlement discussions, the Parties exchanged extensive

1 information and engaged in discussions regarding their evaluations of the case and various aspects
2 of the case, including but not limited to, the risks and delays of further litigation, the risks to the
3 Parties of proceeding with class certification and/or representative adjudication, the law relating
4 to off-the-clock theory, meal and rest periods, PAGA representative actions, and wage-and-hour
5 law and enforcement, as well as the evidence produced and analyzed, and the possibility of
6 appeals, among other things. During all settlement discussions, the Parties conducted their
7 negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable
8 to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on
9 the merits and at certification, and Plaintiffs and Class Counsel believed that they would be able
10 to obtain class certification and prevail at trial. After conducting investigations, formal and
11 informal discovery, and exchange of information, extensive settlement negotiations, and with the
12 aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for
13 settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and
14 risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and
15 adequate resolution of the Released Class Claims of Plaintiffs and Participating Class Members
16 and Released PAGA Claims of Plaintiffs and PAGA Group Members, against the Released
17 Parties.

18 12. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,
19 and scope of the claims, and was preparing the action for class certification and trial. Class Counsel
20 conducted significant investigation and formal and informal discovery regarding the facts of the
21 case, including and not limited to, the exchange, review, and analysis of a large volume of
22 documents and data obtained from Defendant, Plaintiffs, and other sources. On May 1, 2020, Class
23 Counsel propounded multiple sets of formal written discovery requests onto Defendant,
24 specifically, Request for Production of Documents, (Sets One & Two); Special Interrogatories,
25 (Sets One, Two & Three); and Form Interrogatories, (Set One) on Defendant; and noticed the
26 deposition of Defendant's Person Most Knowledgeable designee(s) regarding job duties and
27 organizational structure of Defendant. The volume of data and documents that Class Counsel
28 reviewed and analyzed included and was not limited to: employment records of Plaintiffs and

1 other Class Members, a detailed sampling of Class Members' time and pay data, W-2 and Wage
2 Statements, Timecards, Performance Reviews, Defendant's Employee Handbook, company
3 policy acknowledgements (Acknowledgement of At-Will Employment, Acknowledgement of
4 Receipt for Alcohol and Drug Policy, Receipt of Transitional Return to Work Program Policy and
5 Procedures for Injuries on the Job, Receipt of Pamphlets), Defendant's operations and employment
6 practices, procedures and policies (including, and not limited to, Non-Disclosure of Confidential
7 Information/Trade Secrets, Attendance and Punctuality, Company Paid Sick Leave, Photo
8 Agreement, Workplace Accidents, Pre-Employment Physical Agreement, Confidentiality
9 Agreement, Software Code of Ethics, Absence and Incident Guidelines Company Voicemail
10 Policy, Company Email and Internet Policy, Cellphone and Electronic Device Policy, Vendor
11 Gratuity Policy, Company Policy Update), among other information and documents. Class
12 Counsel had the opportunity to interview Plaintiffs and conducted investigations to gather facts
13 and circumstances surrounding Plaintiffs and putative Class Members' employment and to
14 identify potential witnesses. Counsel for the Parties also met and conferred on numerous
15 occasions, e.g., to discuss issues relating to the pleadings and data prior to the mediation. Class
16 Counsel also drafted pleadings and the mediation brief and prepared for and attended court
17 proceedings, mediation, and settlement negotiations, among other tasks.

18 13. Counsel for the Parties have also invested time researching and investigating the
19 applicable law, which is constantly evolving as it relates to certification, representative PAGA
20 claims, off-the-clock theory, meal and rest periods, wage-and-hour law and enforcement,
21 Plaintiffs' claims and damages, and Defendant's defenses thereto, as well as facts discovered.
22 Based on Class Counsel's analysis, the result achieved in this litigation is fair, adequate, and
23 reasonable.

24 14. The Settlement provides for a Maximum Settlement Amount of Three Million Five
25 Hundred Thousand Dollars (\$3,500,000.00). The Net Settlement Amount is the Maximum
26 Settlement Amount less the following amounts subject to approval by the Court: Attorney Fees
27 and Costs to Class Counsel, Service Awards to Class Representatives, PAGA Payment (which
28 includes the LWDA payment to the LWDA and Individual PAGA Payments to the PAGA Group

Members), and Settlement Administration Costs to the Settlement Administrator. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Participating Class Members is currently estimated to be Two Million One Hundred and Six Thousand Dollars (\$2,106,000.00). Additionally, 25% of the PAGA Payment (i.e., “PAGA Group Member Amount”), which is \$25,000.00 out of \$100,000.00, will be distributed to the PAGA Group Members on a *pro rata* basis, based on their Workweeks during the PAGA Period. The Net Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there is no reversion to Defendant.

15. The Parties have agreed to retain Phoenix Class Action Administration Solutions (“Phoenix” or “Settlement Administrator”) to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Phoenix to handle these procedures and serve as the Settlement Administrator. Defendant will provide the Settlement Administrator the following information with respect to each Class Member: last-known full name, mailing address, telephone number, Social Security Number, Workweeks worked as a non-exempt, hourly-paid employee of Defendant in California during: (1) the period from October 15, 2015 to February 7, 2022; (2) the Class Period; and (3) the PAGA Period, (collectively referred to as the “Class List”), and the Settlement Administrator will calculate each Class Member’s estimated share of the Net Settlement Amount (“Individual Settlement Payment”) and each PAGA Group Member’s estimated share of the PAGA Group Member Amount (“Individual PAGA Payment”). The Settlement Administrator’s duties shall include, without limitation: translating the Class Notice from English into Spanish, distributing and tracking Class Notices, calculating Individual Settlement Payments and Individual PAGA Payments, processing Requests for Exclusion, Notices of Objection, and Workweeks Disputes, performing necessary skip-traces on Class Notices returned as undeliverable, mailing Participating Class Members and PAGA Group Members settlement checks, issuing any required tax reporting forms, distributing the Maximum Settlement Amount and Net Settlement Amount and providing necessary reports and declarations, as requested by the Parties, Class Counsel and Defendant’s Counsel, among other things in this

1 Settlement Agreement. Settlement Administration Costs are currently estimated up to Thirteen
2 Thousand Dollars (\$13,000.00) and will be paid out of the Maximum Settlement Amount, subject
3 to approval of the Court.

4 16. Based on investigation and information discovered, Class Counsel believes that
5 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
6 that Defendant, with respect to Plaintiffs, Class Members, and PAGA Group Members, *inter alia*,
7 failed to properly pay overtime and minimum wages, failed to provide compliant meal and rest
8 periods and to pay associated premium pay, failed to timely pay wages during employment and
9 upon termination of employment, failed to provide compliant wage statements, failed to maintain
10 requisite payroll records, and failed to reimburse necessary business expenses, and thereby
11 engaged in unfair business practices and conduct giving rise to civil penalties recoverable under
12 the Private Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.).
13 Plaintiffs also asserted that Class Members and PAGA Group Members were expected to perform
14 similar job duties and were subject to the same or similar operations and employment policies,
15 practices, and procedures. Additionally, Plaintiffs asserted that Defendants' recordkeeping
16 practices with respect to Plaintiffs, Class Members, PAGA Group Members were substantially the
17 same during the time period at issue. As a result of said alleged uniform practices, Plaintiffs claims
18 that Class Members and PAGA Group Members were not paid all of the compensation that was
19 owed to them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome of this
20 litigation would be determined by Defendant's uniform operations and employment practices,
21 policies, and procedures that Plaintiffs allege applied across Defendant's hourly-paid or non-
22 exempt employees in California during the relevant time period.

23 17. Class Counsel is aware of the defenses and position of Defendant but believes that
24 Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class
25 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,
26 and the difficulties and delays inherent in such litigation, including those involved in class
27 certification and/or representative adjudication. Plaintiffs and Class Counsel further recognize the
28 burdens of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant's

1 defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class
2 Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the
3 mediator, who is experienced and well-regarded in complex labor and employment matters.

4 18. Defendant, on the other hand, denied and continues to deny any liability and
5 wrongdoing of any kind associated with the allegations in the lawsuit, and further denies that the
6 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
7 the Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
8 also had the opportunity to conduct investigations and gather documents and information relating
9 to Plaintiffs', Class Members', and PAGA Group Members' employment with Defendant, and
10 Defendant's operations and employment policies, practices, and procedures. The Parties also
11 reviewed and analyzed a large volume of documents and data, including but not limited to a
12 detailed sampling of Class Members' time and pay information, to determine the potential value
13 and strength of the claims. The available information enabled Class Counsel to assess and value
14 the class and PAGA claims and prepare violation, damages, and penalties analyses and models.
15 Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently
16 informed of the nature and extent of the class and PAGA claims, and to enable both sides to fully
17 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into
18 account the strengths and weaknesses of each side's position and the uncertainty of how the case
19 might have concluded at certification, trial, and/or appeals.

20 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
21 in an amount of up to thirty-five percent (35%) of the Maximum Settlement Amount
22 (i.e., \$1,225,000.00) and expenses and costs in an amount not to exceed Sixteen Thousand Dollars
23 (\$16,000.00), which will be paid out of the Maximum Settlement Amount, subject to approval by
24 the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation
25 and will not receive any compensation until recovery is obtained.

26 20. The Settlement Agreement provides for payment of up to Ten Thousand Dollars
27 (\$10,000.00) to each Plaintiff as Service Awards to be paid out of the Maximum Settlement
28 Amount subject to approval by the Court. Plaintiffs spent considerable time and effort to produce

relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiffs were available whenever Class Counsel needed Plaintiffs, and actively tried to obtain information that would facilitate the pursuit of the class and PAGA claims. Accordingly, it is appropriate and just for Plaintiffs to receive the Service Awards, in addition to Individual Settlement Payments and Individual PAGA Payment (if applicable), for services performed in the matter on behalf of the Class, PAGA Group Members, and State of California.

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

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

Executed on this 30th day of November 2022, at Glendale, California.



Annabel Blanchard

EXHIBIT A

1 **CLASS AND REPRESENTATIVE ACTION SETTLEMENT AGREEMENT**

2 This Class and Representative Action Settlement Agreement (“Settlement Agreement,”
3 “Agreement,” or “Settlement”) is made and entered into by and between Plaintiffs Jenny Garrido,
4 Juan Rivas, Frankie Betancourt and Jesse Ortiz (collectively, “Class Representatives” or
5 “Plaintiffs”), individually and on behalf of all putative class members and aggrieved employees, on
6 the one hand, and Defendant Acorn Engineering Company (“Defendant” or “Acorn”), on the other
7 hand. Plaintiffs and Acorn are collectively referred to herein as the “Parties” and individually
8 referred to as a “Party.” This Settlement Agreement is subject to the terms and conditions set forth
9 below and the Court’s approval. This Settlement Agreement completely resolves the Released Class
10 Claims (as defined herein) and Released PAGA Claims (as defined herein) against the Released
11 Parties (as defined herein).

12 **I. DEFINITIONS**

13 The following definitions are applicable to this Settlement Agreement. Definitions
14 contained elsewhere in this Settlement Agreement shall also be applicable.

15 1. “Action” means the case entitled *Jenny Garrido, et al. v. Acorn Engineering*
16 *Company, et al.*, Los Angeles County Case No. 19STCV36680, pending before the Court.

17 2. “Attorney Fees and Costs” means attorney fees for Class Counsel’s litigation and
18 resolution of the Action and reimbursement of litigation costs and expenses incurred and to be
19 incurred by Class Counsel in the Action, as set forth in Paragraph 50 below.

20 3. “Class” means all current and former non-exempt, hourly-paid California employees
21 who were employed by Acorn Engineering Company during the Class Period. Members of the
22 Class are referred to herein individually as a “Class Member” and collectively as “Class Members.”
23 Acorn represents that the Class includes approximately 569 Class Members as of November 10,
24 2021.

25 4. “Class List” means a list of Class Members that Acorn will compile from its records,
26 which will include each Class Member’s last-known full name, mailing address, telephone number,
27 Social Security Number, Workweeks worked as a non-exempt, hourly-paid employee of Defendant
28 in California during: (1) the period from October 15, 2015 to February 7, 2022; (2) the Class Period;

and (3) the PAGA Period.

5. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached as **Exhibit 1**.

6. “Class Period” means the time period from October 15, 2015 to Preliminary Approval.

7. “Class Settlement” means the settlement and release of the Released Class Claims.

8. “Court” means the Superior Court of the State of California, County of Los Angeles.

9. “Defendant’s Counsel” means Brian D. Martin, Esq. and Geoff D. La Val, Esq. of Atkinson, Andelson, Loya, Ruud & Romo.

10. “Effective Date” means the latter of: (a) if no objections to the Class Settlement are made in writing or at the hearing for the motion for final approval, the date the Court enters the Final Approval Order and Judgment and the Final Approval Order and Judgment is served on the Parties; (b) if objections to the Class Settlement are made in writing or at the hearing for the motion for final approval and overruled, and no appeal is taken of the Final Approval Order and Judgment, then the Effective Date shall be three (3) calendar days after the deadline to file an appeal of the Final Approval Order and Judgment; or (c) if one or more appeals are taken from the Court’s overruling of any objections to the Class Settlement, then the Effective Date shall be three (3) calendar days after any appeal is dismissed or the Final Approval Order and Judgment is affirmed after an appeal, and the Final Approval Order and Judgment is not subject to further review and becomes final.

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

12. “Final Approval Order and Judgment” means the Court order granting final approval of the Settlement Agreement and entering final judgment thereon.

13. “Individual PAGA Payment” means each PAGA Group Member’s *pro rata* share of the PAGA Group Member Amount that a PAGA Group Member is eligible to receive for the PAGA Settlement calculated in accordance with the Individual PAGA Payment calculations described below.

14. “Individual Settlement Payment” means each Participating Class Member’s *pro rata*

share of the Net Settlement Amount that a Participating Class Member may be eligible to receive for the Class Settlement calculated in accordance with the Individual Settlement Payment calculations described below.

15. “Maximum Settlement Amount” means the amount of Three Million Five Hundred Dollars and No Cents (\$3,500,000.00) to be paid by Acorn under this Settlement Agreement, subject to the entry of the Final Approval Order and Judgment and the Effective Date occurring. The Maximum Settlement Amount includes only (and all subject to Court approval): (1) Attorney Fees and Costs to Class Counsel; (2) Service Awards to Class Representatives; (3) LWDA Payment; (4) Settlement Administration Costs; (5) Individual Settlement Payments; and (6) Individual PAGA Payments. Employer side payroll taxes in connection with the wages portion of the Individual Settlement Payments will be paid by Defendant separately, and in addition to, the Maximum Settlement Amount.

16. “Net Settlement Amount” means the portion of the Maximum Settlement Amount that is available for distribution to the Participating Class Members, which is the Maximum Settlement Amount less the amounts approved and awarded by the Court for: (1) Attorney Fees and Costs to Class Counsel; (2) Service Awards to Class Representatives; (3) PAGA Payment; and (4) Settlement Administration Costs.

17. “Response Deadline” means the date by which Class Members must submit to the Settlement Administrator a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice by the Settlement Administrator. If the date of the Notice Deadline falls on a Sunday or federal holiday, the Response Deadline will be extended to the next calendar day on which the U.S. Postal Service is open.

18. “Notice of Objection” means a Class Member’s written objection to the Class Settlement, which must include: (a) the case name and number of the Action; (b) the objector’s full name, signature, address, telephone number, and last four (4) digits of each Class Member’s Social Security Number; (c) a written statement of all grounds for the objection, accompanied by any legal support for such objection; (d) copies of any papers, briefs, or other documents upon

which the objection is based; and (e) be submitted by mail or e-mail to the Settlement Administrator at the specified address or e-mail address, postmarked or e-mailed on or before the Response Deadline.

19. “Operative Complaint” means the First Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698 Et Seq. filed in the Action on February 11, 2021.

20. “PAGA” means the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code § 2698, *et seq.*).

21. “PAGA Group” means all current and former non-exempt, hourly-paid California employees who were employed by Acorn Engineering Company during the PAGA Period. Members of the PAGA Group are referred to herein individually as a “PAGA Group Member” and collectively as “PAGA Group Members.”

22. “PAGA Payment” means the amount of one-hundred thousand dollars (\$100,000) that the Parties have agreed to allocate from the Maximum Settlement Amount in order to settle the Released PAGA Claims, which includes payment to the Labor and Workforce Development Agency (“LWDA”) of its 75% share of the PAGA Payment, or seventy-five thousand dollars (\$75,000) (“LWDA Payment”), and the remaining twenty-five percent (25%), or twenty-five thousand dollars (\$25,000) (“PAGA Group Member Amount”), which will be distributed to the PAGA Group Members on a *pro rata* basis, based on their Workweeks during the PAGA Period.

23. “PAGA Period” means the time period from December 28, 2019 to Preliminary Approval.

24. “PAGA Settlement” means the settlement and release of the Released PAGA Claims.

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

26. “Plaintiffs’ Counsel” or “Class Counsel” means Edwin Aiwazian, Esq., Arby Aiwazian, Esq., Joanna Ghosh, Esq., and Annabel Blanchard, Esq. of Lawyers *for* Justice, PC.

27. “Preliminary Approval” means the entry of the Court Order granting preliminary approval of the Settlement Agreement.

1 28. “Qualified Settlement Account” means the account established by the Settlement
2 Administrator into which the Maximum Settlement Amount and all employer payroll taxes
3 associated therewith shall be deposited by Acorn.

4 29. “Released Parties” means Defendant, its past, present, and/or future owners, officers,
5 directors, managing agents, trustees, payroll processors, independent contractors, members,
6 managers, shareholders, employees, attorneys, insurers, assigns, shareholders, successors,
7 predecessors and agents, as well as Defendant’s past, present, and/or future parent, subsidiary, or
8 affiliated entities, DBAs and franchisors, and each of their owners, officers, directors, managing
9 agents, trustees, payroll processors, independent contractors, members, managers, employees,
10 attorneys, insurers, assigns, shareholders, successors, predecessors, and agents.

11 30. “Released Class Claims” means any and all claims, damages, or causes of action
12 alleged in, or arising out of, the allegations in the Operative Complaint filed in the Action and which
13 were alleged, or that could have been alleged, by Plaintiffs based on any of the factual allegations
14 contained in the Operative Complaint, including, but not limited to, claims under state, federal (i.e.,
15 Fair Labor Standards Act (“FLSA”)) or local law, including, but not limited to claims for unpaid
16 wages (including, *inter alia*, in connection with off-the-clock work, rounding of time, auto-
17 deduction of time, reporting time pay, and split-shift premiums), claims for the failure to pay
18 minimum wages, claims for the failure to pay overtime wages, claims related to non-compliant meal
19 and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized
20 employee wage statement provisions, failure to pay wages due at separation and associated waiting
21 time penalties, failure to timely pay wages during employment, failure to maintain compliant time
22 and payroll records, the failure to reimburse for business expenses, and unfair or unlawful business
23 practices pursuant to California Business and Professions Code § 17200, *et seq.* based on the
24 aforementioned. The Released Class Claims specifically include, but are not limited to, all claims
25 arising under California Labor Code sections 201, 202, 203, 204, 210, 218.5, 226, 226.7, 510, 512,
26 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800 and 2802, the
27 applicable Wage Orders of the California Industrial Welfare Commission, California Business and
28 Profession Code sections 17200, *et seq.*, California Code of Civil Procedure section 1021.5, and

California common law of contract, interest and claims for attorney's fees relating in any way to those claims alleged and mentioned in the Operative Complaint.

31. "Released PAGA Claims" means any and all claims for civil penalties under Private Attorneys General Act based on the allegations in the PAGA Notices (as defined in Paragraph 38), including violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, 2698, *et seq.*, and IWC Wage Orders 1-2001, 4-2001, 7-2001 and 16-2001, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Notices.

32. "Request for Exclusion" means a timely and valid letter submitted by a Class Member indicating a request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain the case name and number of the Action; (b) contain the full name, signature, and the last four digits of the Social Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (e) be submitted by mail or e-mail to the Settlement Administrator at the specified address or e-mail address, postmarked or e-mailed on or before the Response Deadline.

33. "Service Awards" mean the awards approved by the Court to be paid to the Class Representatives in exchange for a general release, and in recognition of their efforts and work in prosecuting the Action on behalf of all Class Members, as set forth in Paragraph 51.

34. "Settlement Administrator" means Phoenix Class Action Administration Solutions, or any other third-party class action settlement administrator mutually agreed to by the Parties and approved by the Court for the purposes of administering this Settlement.

35. "Settlement Administration Costs" mean all the expenses payable from the Maximum Settlement Amount to the Settlement Administrator for administering this Settlement Agreement, including, but not limited to, calculating Workweeks, printing, translating into Spanish, distributing Class Notices (in English and Spanish), calculating Individual Settlement Payments and Individual PAGA Payments, processing Requests for Exclusion and Notices of Objection, performing necessary skip traces on Class Notices returned as undeliverable, mailing Participating

Class Members and PAGA Group Members settlement checks, issuing any required tax reporting forms, distributing the payments due under the Settlement and providing necessary reports and declarations, as requested by the Parties, Class Counsel and Defendant's Counsel, among other things in this Settlement Agreement, as set forth in Paragraph 53 below.

36. "Workweeks" means the total number of weeks Class Members worked at least one shift for Defendant in a non-exempt, hourly-paid position in California during the Class Period. Workweeks shall be calculated by counting the number of weekly pay checks issued to each Class Member during the Class Period.

37. "Workweeks Dispute" means a written letter submitted by a Class Member that: (a) contains the case name and number of the Action; (b) contains the full name, address, telephone number, signature, and the last four digits of the Social Security Number of the disputing Class Member; (c) clearly states that the Class Member disputes the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) includes information and/or attaches documentation demonstrating that the number of Workweeks that he or she contends should be credited to him or her are correct; and (e) is submitted by mail or e-mail to the Settlement Administrator at the specified address or e-mail address postmarked or e-mailed on or before the Response Deadline.

II. PROCEDURAL AND FACTUAL BACKGROUND

38. On October 15, 2019, Plaintiff Jenny Garrido filed a Class Action Complaint for Damages ("Complaint") against Acorn and Morris Group International alleging the following wage and hour claims: (1) failure to pay overtime wages; (2) failure to provide compliant meal periods and associated premiums; (3) failure to provide compliant rest periods and associated premiums; (4) failure to pay minimum wages; (5) failure to timely pay final wages; (6) failure to timely pay wages during employment; (7) failure to provide compliant wage statements; (8) failure to keep requisite payroll records; (9) failure to reimburse business expenses; and (10) violation of the California Business and Professions Code § 17200 *et seq.* On September 29, 2020, Plaintiff Juan Rivas provided written notice by online submission to the LWDA, and by certified mail to Defendant and Morris Group International of alleged violations of the California Labor Code and IWC Wage

1 Orders (“Rivas PAGA Notice”). On September 29, 2020, Plaintiff Frankie Betancourt provided
2 written notice by online submission to the LWDA, and by certified mail to Defendant and Morris
3 Group International of alleged violations of the California Labor Code and IWC Wage
4 Orders (“Betancourt PAGA Notice”). On October 7, 2020, Plaintiff Jesse Ortiz provided written
5 notice by online submission to the LWDA, and by certified mail to Defendant and Morris Group
6 International of alleged violations of the California Labor Code and IWC Wage Orders (“Ortiz
7 PAGA Notice”). The Rivas PAGA Notice, Betancourt PAGA Notice, and Ortiz PAGA Notice are
8 collectively referred to as the “PAGA Notices”. On February 11, 2021, Plaintiffs filed the Operative
9 Complaint in the Action, which added Plaintiffs Rivas, Betancourt, and Ortiz as named plaintiffs
10 and added an eleventh cause of action for civil penalties under PAGA. On March 12, 2021, Acorn
11 and Morris Group International answered the Operative Complaint and identified that Morris Group
12 International is not a legal entity.

13 39. After the filing of the Action, Plaintiffs and Acorn engaged in formal and informal
14 discovery including the production of Plaintiffs’ employment records, (personnel file time records,
15 and payroll records), as well as other data, information and documents regarding putative class
16 members and aggrieved employees. The Parties exchanged substantial formal and informal
17 discovery and engaged in conferences regarding Plaintiffs’ claims and the claims of the alleged
18 aggrieved employees, the value of those claims, and Acorn’s defenses to those claims.

19 40. On February 7, 2022, the Parties attended a full-day mediation with Steve Rottman,
20 Esq., a respected mediator with substantial experience resolving employment class and
21 representative actions. The matter resolved at mediation with the help of Mr. Rottman for a
22 Maximum Settlement Amount of Three Million Five Hundred Thousand Dollars (\$3,500,000).

23 41. Acorn denies any liability or wrongdoing of any kind associated with the claims
24 alleged in the PAGA Notices and the Operative Complaint, and further denies that the Action is
25 appropriate for class treatment for any purpose other than this Settlement. Acorn contends that it
26 has complied with the law at all times. It is Acorn’s position that, if this case were to be litigated,
27 class certification would be denied, and the PAGA claims would be found to be without procedural
28 and substantive merit.

42. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims. The Action, the negotiation and execution of this Settlement Agreement, and all acts performed or documents executed pursuant to or in furtherance of the Settlement Agreement (i) shall not be used as an admission or evidence of wrongdoing on behalf of Acorn; (ii) shall not be an admission or evidence of fault on behalf of Acorn in any action before a civil, criminal, or administrative agency; and (iii) shall not be deemed to be, and may not be used as, an admission or evidence of the appropriateness of these or similar claims for class certification in the Action or with respect to any other proceeding.

43. Class Counsel represent they have conducted a thorough investigation into the facts and law during the prosecution of the Action, including the exchange of extensive formal and informal discovery and the review and verification of statistical data and other facts and information provided by Acorn. Counsel for the Parties also represent they have investigated the applicable law as applied to the facts discovered regarding the alleged claims of Plaintiffs, the putative Class, allegedly aggrieved employees, and the potential defenses thereto.

44. Based on their own independent investigation and evaluation, Class Counsel are of the opinion (and will so represent to the Court) that settlement for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class, State of California, and PAGA Group Members in light of all known facts and circumstances, including, and not limited to, the risk of significant delay, the risk any class claims would not be certified by the Court, and the risk of successful defenses asserted by Acorn. Acorn and its counsel also agree (and will so represent to the Court) that this Settlement is fair and in the best interest of the Class, State of California, and PAGA Group Members.

45. The Parties agree that the Class described herein may be certified for settlement purposes only and that any motion for preliminary approval seeking, *inter alia*, certification of the Class is for purposes of the settlement only. If for any reason the Settlement is not approved, the certification will have no force or effect and will immediately be revoked. The Parties further agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation and that evidence of this limited

1 stipulation for settlement purposes only will not be admissible for any purpose in this or any other
2 proceeding. The Parties further agree that by entering this Settlement, Acorn is not waiving any
3 other defenses to the claims.

4 **III. TERMS OF AGREEMENT**

5 46. Terms of this Settlement Agreement are Subject to Court Approval. All terms set
6 forth in this Settlement Agreement are subject to Court approval. The Parties stipulate to class
7 certification for purposes of settlement only. Plaintiffs shall apply to the Court for approval of the
8 Settlement Agreement and for class certification solely for purposes of effectuating this Settlement.
9 Acorn shall not oppose such application, provided it does not deviate from this Settlement
10 Agreement. If, for any reason, the Court declines to approve the Settlement without providing the
11 Parties an opportunity to make non-material modification to the Settlement in order to obtain
12 approval of the Settlement, the stipulation to certification will be void. The Parties further agree
13 that certification for purposes of settlement is not an admission that class certification is proper
14 under the standard applied to contested certification motions and that this Settlement will not be
15 admissible in this, or in any other, legal process or proceeding as evidence that (i) a class should be
16 certified or (ii) Acorn is liable to Plaintiffs or any other Class Members.

17 47. Overview of Payment Structure. This Settlement is made on a non-reversionary
18 basis. This Settlement shall consist of a Maximum Settlement Amount which, in turn, includes only
19 (and all subject to Court approval): (1) Attorney Fees and Costs; (2) Service Awards to Class
20 Representatives; (3) LWDA Payment; (4) Settlement Administration Costs; (5) Individual
21 Settlement Payments; and (6) Individual PAGA Payments.

22 48. Payments Made by Acorn. The following are all amounts Acorn will pay pursuant
23 to this Settlement Agreement:

24 a. *Maximum Settlement Amount.* Acorn shall pay Three Million Five Hundred
25 Thousand Dollars (\$3,500,000) to fund the Maximum Settlement Amount. The payment by Acorn
26 pursuant to this Settlement Agreement shall settle all claims released herein. The settlement payment
27 is not being made for any other purpose and will not be construed as compensation for determining
28 eligibility for any health and welfare benefits or unemployment compensation. The Maximum

Settlement Amount shall also include any interest that accrues in the Qualified Settlement Account created by the Settlement Administrator.

b. *Employer Payroll Taxes.* Acorn shall be responsible for paying employer payroll taxes on the wage portion of the Individual Settlement Payments in addition to the Maximum Settlement Amount.

c. *No Other Amounts.* Acorn is under no obligation under this Settlement Agreement to pay, and shall not pay, anything other than the Maximum Settlement Amount and the employer payroll taxes referred to above.

49. Funding and Disbursement of Payments Made by Acorn. Acorn shall deposit the Maximum Settlement Amount, plus all employer taxes due on the wage portion of the Individual Settlement Payments, with the Settlement Administrator no later than thirty (30) calendar days after the Effective Date. The Settlement Administrator shall disburse the Maximum Settlement Amount to the recipients designated herein no later than fifteen (15) calendar days after Acorn's payment above.

50. Attorney Fees and Costs. Acorn agrees not to object to, undermine or oppose any application or motion by Class Counsel for an award of attorney fees not to exceed One Million Two Hundred Twenty-Five Thousand Dollars (\$1,225,000) or thirty-five percent (35%) of the Maximum Settlement Amount, and reimbursement of reasonable litigation-related costs and expenses not to exceed Sixteen Thousand Dollars (\$16,000) which is subject to review and final approval by the Court. If approved by the Court, the Attorney Fees and Costs shall be paid from the Maximum Settlement Amount. Any portion of the amounts sought by Class Counsel not awarded by the Court shall be part of the Net Settlement Amount for distribution to Participating Class Members, and will not revert to Acorn under any circumstance. The Attorney Fees and Costs include, without limitation, all such fees and costs incurred to date, as well as such fees and costs to be incurred in documenting the Settlement, securing Court approval of the Settlement, and obtaining judgment in the Action. Neither Plaintiffs nor Class Counsel will be entitled to any other attorney fees or costs from Acorn other than awarded by the Court pursuant to this Settlement Agreement. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the payments

made pursuant to this Paragraph. IRS Form 1099 shall be provided to Class Counsel for the payments made pursuant to this Paragraph. With respect to the Attorney Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other attorney fee deferral vehicles, for Class Counsel, and any additional expenses for doing so shall be paid separately by Class Counsel and shall not be included within the Settlement Administration Costs. Defendant and Defendant's Counsel shall not be liable for any expenses associated with the purchase or use of any attorney fee deferral vehicles for Class Counsel by the Settlement Administrator.

51. Service Awards. Acorn agrees not to oppose or object to any application or motion for Service Awards to the Class Representatives in amounts equal to ten thousand dollars (\$10,000) to each, which shall be payable from the Maximum Settlement Amount and shall be in addition to payment of the Individual Settlement Payment and Individual PAGA Payment (if applicable) payable to each of the Plaintiffs, and is further consideration for settling this matter and in exchange for the general release of all claims by Plaintiffs. The Settlement Administrator shall issue an IRS Form 1099 for the Service Awards. The Class Representatives shall be solely and legally responsible to pay any and all applicable taxes on their respective payments made pursuant to this Paragraph. Any reduction in the amount of the Service Awards by the Court shall be part of the Net Settlement Amount to be distributed to Participating Class Members.

52. PAGA Payment. The Parties agree that \$100,000 shall be allocated to settle the PAGA Settlement (i.e., PAGA Payment). Of this amount, seventy-five percent (75%) or \$75,000 shall be made payable to the LWDA (i.e., LWDA Payment) and twenty-five percent (25%) or \$25,000 (i.e. PAGA Group Member Amount) shall be distributed to PAGA Group Members on a *pro rata* basis, based on their number of Workweeks worked during the PAGA Period.

53. Settlement Administration Costs. Subject to Court approval, the Parties have agreed that Phoenix Class Action Administration Solutions will serve as the Settlement Administrator to perform all acts required by the Settlement Agreement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest. The

Settlement Administrator shall be paid for the Settlement Administration Costs. Settlement Administration Costs are not to exceed \$13,000.00. Any portion of the Settlement Administration Costs which is not used or awarded by the Court shall be part of the Net Settlement Amount for distribution to Participating Class Members, and will not revert to Acorn under any circumstance. The Settlement Administration Costs shall be paid from the Maximum Settlement Amount and shall cover all costs of the administration of the Settlement. No fewer than ten (10) calendar days prior to the Final Approval hearing, the Settlement Administrator shall provide the Court and all counsel for the Parties with a statement detailing the Settlement Administration Costs. The Parties agree to cooperate in the settlement administration process and to make all reasonable efforts to control and minimize the costs and expenses incurred in the administration of the Settlement. An IRS Form 1099 shall be issued to the Settlement Administrator.

54. Net Settlement Amount. The Net Settlement Amount shall be available for distribution to Participating Class Members in accordance with the notice procedure and formula set forth in this Settlement Agreement.

**IV. DUTIES OF THE PARTIES BEFORE PRELIMINARY APPROVAL AND
BETWEEN PRELIMINARY AND FINAL APPROVAL**

55. Promptly after the execution of this Settlement Agreement, Class Counsel shall move the Court for preliminary approval of the Settlement and obtain entry of an order accomplishing the following:

- a. Provisionally certifying the Action under California law as a class action for purposes of this Settlement only;
- b. Preliminarily approving the Settlement subject only to objections of Participating Class Members to the Class Settlement, and final approval by the Court;
- c. Approving as to form and content the proposed Class Notice attached hereto as **Exhibit 1**;
- d. Directing the mailing of the Class Notice by first-class mail to the Class Members;
- e. Preliminarily appointing Plaintiffs as Class Representatives and Plaintiffs'

Counsel as Class Counsel (only for purposes of effectuating and implementing this Settlement Agreement);

f. Preliminarily approving the application for Attorney Fees and Costs to Class Counsel;

g. Preliminarily approving the Service Awards to the Class Representatives;

h. Preliminarily approving the Settlement Administration Costs to the Settlement Administrator.

i. Preliminarily approving the PAGA Payment; and

j. Scheduling a hearing for Final Approval on the question whether the proposed Settlement should be finally approved as fair, reasonable, and adequate to Class Members.

56. Plaintiffs shall submit this Settlement Agreement in support of the motion for preliminary approval. Class Counsel shall not file said motion or any other documents associated with same unless and until Defendant's Counsel has been given sufficient opportunity to provide feedback regarding the contents thereof.

57. Plaintiffs shall also submit this Settlement Agreement to the LWDA (as required by Labor Code § 2699(l)(2)).

58. Class Counsel will file a motion for final approval of the Settlement and supporting documents with the Court no later than the deadline set by the Court. Supporting documents shall include, but are not limited to: (a) a declaration by the Settlement Administrator of due diligence and proof of mailing of the Class Notice required to be mailed to Class Members by this Settlement Agreement, and of the delivery results of the Settlement Administrator's mailings, including tracing and re-mailing efforts; and (b) a proposed Final Approval Order and Judgment granting Final Approval. Class Counsel will send Defendant's Counsel the final approval motion for review prior to the filing of same. Defendant's Counsel shall have at least three (3) business days in which to review and provide feedback regarding the motion for final approval.

59. Acorn will not object to or oppose the motions for preliminary or final approval of the Settlement, including application by Class Counsel for the Service Awards and Attorney Fees and Costs, provided the motions do not deviate from the terms of this Settlement Agreement.

60. Class Counsel will submit with the motion for final approval a proposed Final Approval Order and Judgment granting Final Approval. The proposed Final Approval Order and Judgment granting Final Approval shall include the following findings and orders:

- a. Approving the Settlement, adjudging the terms thereof to be fair, reasonable and adequate, and directing that its terms and provisions be carried out;
- b. Approving payment of the Service Awards to the Class Representatives;
- c. Approving payment of Attorney Fees and Costs to Class Counsel;
- d. Approving payment of the Settlement Administration Costs to the Settlement Administrator;
- e. Approving the PAGA Payment;
- f. Ordering the payment of Individual Settlement Payments and Individual PAGA Payments in accordance with the terms of this Agreement;
- g. Listing the individuals who opted-out of the Class Settlement and will not be included in the release of the Class Released Claims.
- h. Entering Final Approval releasing all Released Class Claims of the Participating Class Members and all Released PAGA Claims of the PAGA Group Members against all Released Parties;
- i. Entering judgment in this Action in accordance with this Settlement Agreement, pursuant to Cal. Rules of Court, Rule 3.769(h);
- j. Requiring the Settlement Administrator to post a copy of the Final Approval Order and Judgment on its website for a period of at least sixty (60) calendar days from the date the Final Approval Order and Judgment is executed in compliance with Cal. Rules of Court, Rule 3.771(b); and
- k. Providing that the Court will retain jurisdiction to oversee administration and enforcement of the terms of the Settlement and the Court's orders.

V. DUTIES OF THE PARTIES AFTER FINAL APPROVAL

61. Following entry of the Court's Final Approval Order and Judgment granting Final Approval of the Settlement Agreement, the Parties will each act to assure its timely execution and

the fulfillment of all its provisions, including, but not limited to the following:

a. Class Counsel will immediately file and serve a written Notice of Entry of the Final Approval Order and Judgment or a filed-endorsed copy of the Final Approval Order and Judgment, accompanied by proof of service, on any person who objected to the Class Settlement in writing or at the hearing on the motion for final approval;

b. Class Counsel will immediately send a copy of the Final Approval Order and Judgment to the LWDA;

c. Should an appeal be taken from the Final Approval Order and Judgment granting Final Approval of the Settlement Agreement, all Parties will support the Final Approval Order and Judgment granting Final Approval on appeal;

d. Class Counsel and Defendant's Counsel will reasonably assist the Settlement Administrator as needed or requested in the process of identifying and locating Participating Class Members and PAGA Group Members entitled to payments pursuant to this Settlement Agreement and assuring delivery of such payments;

e. Class Counsel and Defendant's Counsel will ensure that the Settlement Administrator will certify to the Court completion of all payments required to be made by this Settlement Agreement.

VI. NOTICE PROCEDURE AND ADDITIONAL TERMS

62. Notice Procedure.

a. *Delivery of the Class List.* Within fifteen (15) calendar days from Preliminary Approval, Acorn shall provide the Class List to the Settlement Administrator. The Class List information shall remain confidential and shall not be disclosed to anyone, including Class Counsel, except to carry out reasonable efforts described below, or pursuant to express written authorization by Acorn. The Settlement Administrator shall use due care with respect to the storage, custody, use, and/or dissemination of the confidential information. The Settlement Administrator will perform address updates and verifications as necessary prior to the initial mailing of the Class Notice. The Settlement Administrator shall provide Class Counsel the aggregate number of Workweeks worked by Class Members for the period from October 15, 2015 to February 7, 2022.

b. *Class Notice.* Within seven (7) calendar days after receipt of the Class List, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice, substantially in the form attached hereto as **Exhibit 1** and as approved by the Court, to the Class Members (in English and Spanish), by First Class U.S. Mail. The Class Notice shall be sent via regular First Class U.S. Mail, using the most updated mailing addresses, and advise Class Members of the terms of the Settlement, their ability to object to the Class Settlement in writing and/or in person, and their ability to submit a Request for Exclusion. The Class Notice will further inform Class Members of the Court-established deadlines for filing objections to the Class Settlement and requesting to be excluded from the Class Settlement. The Class Notice will also include the calculation of Workweeks during the applicable Class Period and PAGA Period and calculation of the Class Member's estimated Individual Settlement Payment and Individual PAGA Payment (if applicable) (which will be based upon the assumption that the requests for Attorney Fees and Costs and the Service Awards are awarded in full).

c. *Procedure for Lost and Undeliverable Class Notices.* Any Class Notice returned to the Settlement Administrator as undeliverable on or before the Response Deadline shall be sent to the forwarding address affixed thereto, if a forwarding address is provided. If no forwarding address is provided, the Settlement Administrator shall promptly, but no later than five (5) business days after receiving notice that the Class Notice was undeliverable, attempt to determine a correct mailing address using a skip-trace, or similar search, using the name, address and/or Social Security Number of the Class Member involved, and promptly re-mail the Class Notice. If the Class Notice is returned to the Settlement Administrator as undeliverable after re-mailing, that individual will be deemed a Participating Class Member for purposes of the Released Class Claims (as defined below), and the Settlement Administrator will have no further obligation to obtain the Class Member's current address. The Response Deadline for any Class Member who is re-mailed a Class Notice shall be extended fifteen (15) calendar days from the date of the re-mailing or the original sixty (60) calendar day deadline, whichever is later.

63. Request for Exclusion Procedure. The Class Notice shall provide Class Members with instructions on how to exclude themselves or “opt out” if they do not wish to participate in the Class Settlement.

a. Class Members who wish to opt out of the Class Settlement must submit a written Request for Exclusion to the Settlement Administrator on or before the Response Deadline, unless extended pursuant to a re-mailing, or unless the Court requires a longer period, in which case the Court-ordered deadline period will apply.

b. Within five (5) calendar days after receipt by the Service Administrator of each timely-submitted Request for Exclusion, and if there are irregularities, the Settlement Administrator will send a deficiency notice to such Class Members requesting exclusion and note any irregularities in the Request for Exclusion (such as failure to sign or include last four (4) digits of the Class Member’s Social Security Number). The deficiency notice will provide the Class Members no more than ten (10) calendar days from the mailing of the deficiency notice to resubmit a revised Request for Exclusion that cures all deficiencies. The failure of a Class Member to cure all deficiencies in a timely manner shall invalidate the Request for Exclusion and it will not be subject to cure.

c. A Class Member who does not properly and timely submit a Request for Exclusion of the Settlement Agreement in the manner and by the deadline specified above will automatically become a Participating Class Member and will be bound by all terms and conditions of the Class Settlement, including those pertaining to the Released Class Claims (as defined below), if the Settlement Agreement is approved by the Court, and be bound by the Final Approval Order and Judgment, regardless of whether he or she has objected to the Class Settlement.

d. A Class Member who timely and validly submits a Request for Exclusion from the Class Settlement will not become a Participating Class Member, will not be bound by the Class Settlement, and will not have a right to object to the Class Settlement.

e. To the extent any Class Member submits a Request for Exclusion, that Class Member’s unclaimed portion shall be reallocated to the Net Settlement Amount. Increases to Participating Class Member payments shall be allocated on a proportional basis based on the number

of each Participating Class Member's Workweeks.

f. Counsel for the Parties shall not discourage any Class Member from participating in, objecting to, or opting out of the Class Settlement.

g. If more than five percent (5%) of Class Members timely and validly submit a Request for Exclusion, then Acorn shall have the right, in its sole discretion, to void and revoke the Settlement Agreement and its stipulation to class certification. All signatories and their counsel must not encourage opt-outs. The Parties specifically agree not to solicit opt-outs, directly or indirectly, through any means. Objective statements to Class Members who call Class Counsel with inquiries regarding the Settlement, or the exercise of Class Counsel's ethical obligations, shall not be deemed a violation of the prohibitions contained herein. In the event of such a rescission, no Party may use the fact that the Parties agreed to settle this case as evidence of Acorn's liability in this Action or the lack thereof.

h. The Settlement Administrator will notify the Parties of the total number of timely and valid Requests for Exclusion and identify the individuals who submitted a Request for Exclusion within ten (10) calendar days after the Response Deadline. Acorn shall have five (5) business days to notify Class Counsel in writing of Acorn's intent to revoke the Settlement Agreement, including conditional class certification. Acorn's deadline to notify Class Counsel of the intent to revoke the Settlement Agreement will be extended, if at the time of the Response Deadline there are sufficient Class Members to exceed the 5% threshold whose deadline to provide a Request for Exclusion was extended because of a re-mailed Class Notice, to five (5) business days after the last extended deadline to provide a Request for Exclusion.

i. PAGA Group Members will not be permitted to exclude themselves from the PAGA Settlement. Individual PAGA Payments in the appropriate amounts will be distributed by the Settlement Administrator by U.S. First Class Mail to the PAGA Group Members including to those Class Members who are PAGA Group Members, irrespective of whether they submitted a Request for Exclusion.

64. Notice of Objection Procedure. Class Members who wish to object to the Class Settlement must present their objection at the Final Approval hearing or submit a Notice of

Objection to the Settlement Administrator on or before the Response Deadline. The Settlement Administrator shall notify and submit a copy of the Notice of Objection to Class Counsel and Defendant's Counsel forthwith and the written Notice of Objection will be attached as an exhibit to the Settlement Administrator's declaration that is to be filed with the Court prior to the Final Approval hearing. Any Notice of Objection sent to the Settlement Administrator must be postmarked or e-mailed no later than the Response Deadline, unless the Court requires a longer period, in which the Court ordered objection period will apply. Class Members shall be permitted to rescind their Notice of Objection in writing by submitting a rescission statement to the Settlement Administrator not later than one (1) business day before the Court's Final Approval hearing or as otherwise ordered by the Court. Whether or not a Class Member timely submits a Notice of Objection, the Class Member may appear at the Final Approval hearing to have their objections to the Class Settlement heard by the Court.

65. Workweeks Dispute Procedure. Each Class Member shall have an opportunity to dispute the number of Workweeks attributed to him or her as identified in the Class Notice by submitting a Workweeks Dispute to the Settlement Administrator on or before the Response Deadline. To the extent a Class Member disputes the number of Workweeks identified and listed in the Class Notice, the Class Member may produce evidence to the Settlement Administrator showing that such information is inaccurate. In order to be valid, a Class Member's dispute of the number of Workweeks, and the evidence in support of such dispute, must be received by the Settlement Administrator no later than the Response Deadline. Absent evidence rebutting Acorn's records, Acorn's records will be presumed determinative. Defendant's Counsel and Class Counsel shall jointly determine the number of eligible Workweeks that should apply. If Defendant's Counsel and Class Counsel cannot agree, the Workweeks Dispute will be submitted to the Court.

66. Certification Reports Regarding Requests for Exclusion, Workweeks Disputes, Notices of Objection, and Undeliverable Class Notices. The Settlement Administrator shall provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted a timely and valid or defective Request for Exclusion; (b) the number of Class Members who have submitted a Workweeks Dispute; (c) the number of Participating Class

Members who have submitted a Notice of Objection; and (c) the number of returned, undeliverable and/or re-mailed Class Notices. Additionally, the Settlement Administrator shall provide to Defendant's Counsel and Class Counsel any updated reports regarding the administration of the Settlement Agreement as needed or requested.

67. Individual PAGA Payment and Individual Settlement Payment Calculations. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual PAGA Payments and Individual Settlement Payments under the terms of this Settlement Agreement. Should any question arise regarding the determination of eligibility for participation in the Settlement or the amount of any Individual PAGA Payments and Individual Settlement Payment under the terms of this Settlement Agreement, Class Counsel and Defendant's Counsel will meet and confer and attempt to reach agreement. Any unresolved disputes concerning the administration of the Settlement Agreement will be resolved by the Court, under the laws of the State of California.

68. Methods of Calculating the Individual PAGA Payments and Individual Settlement Payments: Individual PAGA Payments and Individual Settlement Payments will be calculated as follows:

a. *Individual PAGA Payments.* The Settlement Administrator will calculate the total number of Workweeks for all PAGA Group Members worked during the PAGA Period. The Individual PAGA Payment that each PAGA Group Member will be eligible to receive will be calculated by dividing each PAGA Group Member's individual number of Workweeks worked during the PAGA Period by the total number of Workweeks of all PAGA Group Members worked during the PAGA Period, and multiplying the resulting fraction by the PAGA Group Member Amount. The Settlement Administrator will determine the total number of qualifying Workweeks worked during the PAGA Period for each PAGA Group Member.

b. *Individual Settlement Payments.* The Settlement Administrator will calculate the total number of Workweeks for all Participating Class Members worked during the Class Period. The Individual Settlement Payment that each Participating Class Member will be eligible to receive will be calculated by dividing each Participating Class Member's individual number of Workweeks by the total number of Workweeks of all Participating Class Members worked during the Class

Period, and multiplying the resulting fraction by the Net Settlement Amount. The Settlement Administrator will determine the total number of qualifying Workweeks worked during the Class Period for each Participating Class Member.

69. Allocation and Tax Treatment of Individual PAGA Payments and Individual Settlement Payments. Individual PAGA Payments shall be allocated as follows: One hundred percent (100%) as civil penalties. Each Individual PAGA Payment will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. Individual Settlement Payments shall be allocated as follows: twenty percent (20%) as wages; and eighty percent (80%) as non-wage damages and interest. Those portions of each Individual Settlement Payment which are allocated as wages will be reported on an IRS Form W-2. Those portions allocated as non-wage damages, penalties and interest will be reported on an IRS Form 1099.

70. Payment of Individual PAGA Payments and Individual Settlement Payments. The Settlement Administrator shall have the authority and obligation to make all payments, credits and disbursements, calculated in accordance with the methodology set forth in this Settlement Agreement and orders of the Court. The Settlement Administrator's duties will include reporting payment of the Individual PAGA Payments and Individual Settlement Payments to all required taxing and other authorities, taking appropriate withholdings from the Individual Settlement Payments, and issuing the appropriate IRS Forms. No person shall have any claim against Acorn, Defendant's Counsel, Plaintiffs, Class Counsel, the Settlement Administrator, or any Participating Class Member and/or PAGA Group Member based on distributions and payments made in accordance with this Settlement Agreement.

71. No Credit Toward Employer Provided Benefit Plans. All Individual Settlement Payments to Participating Class Members and Individual PAGA Payments to PAGA Group Members shall be deemed to be income to such Participating Class Members or PAGA Group Members solely in the year in which such awards actually are received by the Participating Class Members and PAGA Group Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments and Individual PAGA Payments will not entitle any Participating Class Member or PAGA Group Member to additional compensation or benefits under any company

bonus, paid time off (including vacation and sick leave), or other compensation or benefit plan or agreement in place during the period covered by the Settlement Agreement, nor will it entitle any Participating Class Member or PAGA Group Member to any increased retirement, 401(k) benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement Agreement that the Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Acorn to the Participating Class Members and PAGA Group Members in connection with this Settlement Agreement, and that the Participating Class Members and PAGA Group Members are not entitled to any new or additional compensation or benefits as a result of having received the Individual Settlement Payments and Individual PAGA Payments (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement Agreement).

72. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY”) AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT

MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

73. Settlement Checks. The Settlement Administrator may, at its discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way of single check that combines both payments (if applicable). Individual Settlement Payment and Individual PAGA Payment checks will be valid for one hundred eighty (180) calendar days after they are mailed by the Settlement Administrator, and thereafter, any such uncashed checks will be cancelled. The Parties agree that the funds associated with said cancelled checks, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500, *et. seq.* for the benefit of those Participating Class Members and PAGA Group Members whose checks were cancelled without them having received payment, until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members.

74. Settlement Administrator's Final Report(s). Not less than ten (10) calendar days after the Response Deadline, the Settlement Administrator shall report to Defendant's Counsel and Class Counsel: (i) the names of individuals who opted-out of the Class Settlement; (ii) the Individual Settlement Payments owed to each Participating Class Member and/or Individual PAGA Payments owed to each PAGA Group Member; and (iii) the final number of Class Members who have submitted Notices of Objection and/or timely and valid Requests for Exclusion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties. Additionally, once Acorn fully funds the Maximum Settlement Amount and payroll taxes, the Settlement Administrator

will provide a written declaration under oath to certify Acorn's full and final satisfaction of the Maximum Settlement Amount and payroll taxes and for Acorn's use and records.

75. Release of Released Class Claims. Upon the Effective Date and full funding of the Maximum Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, each and every Participating Class Member, on behalf of themselves and their heirs and assigns, releases the Released Parties from the Released Class Claims that arose during the Class Period. A Participating Class Member's cashing of the Individual Settlement Payment check will be considered a consent and opt-in to the settlement of all federal wage and hour claims under the FLSA which are encompassed within these Released Class Claims, and each Participating Class Member who cashes his or her Individual Settlement Payment check will waive his or her rights to bring such claims under the FLSA which arose during the Class Period. A Participating Class Member who does not cash his or her Individual Settlement Payment check will retain all rights and claims under the FLSA. However, the Settlement will still discharge and extinguish the claims described herein under California law, including those for Participating Class Members who do not cash their Individual Settlement Payment checks or who do not opt out of the Class Settlement.

76. Release of Released PAGA Claims. Upon the Effective Date and full funding of the Maximum Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, each and every PAGA Group Member, on behalf of themselves and their heirs and assigns, and Plaintiffs Rivas, Ortiz, and Betancourt, on behalf of the State of California, releases the Released Parties from the Released PAGA Claims that arose during the PAGA Period.

77. General Release by Class Representatives Only. In addition, upon the Effective Date and full funding of the Maximum Settlement Amount, the Class Representatives make the additional following General Release in favor of the Released Parties:

a. The Class Representatives each individually hereby unconditionally waive and forever release, waive, discharge, any and all demands, damages, debts, liabilities, contracts, obligations, actions, causes of action and claims of every kind, nature, and description whatsoever, whether now known or unknown, suspected or unsuspected, including in equity or otherwise, which

1 they or any of them ever had or now have against the Released Parties arising or accruing at any
2 time prior to the Effective Date, including without limitation any matter, cause or claim arising out
3 of or related to facts or events occurring prior to the execution of this Settlement Agreement, and/or
4 related to each of their employment with Acorn and his or her separation therefrom. At a minimum,
5 the claims released by the Class Representatives include but are not limited to: (a) any claims that
6 were or could have been brought under California Labor Code sections 201, 202, 203, 204, 226(a),
7 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2698 *et seq.*, 2800 and 2802, the
8 applicable Wage Orders of the California Industrial Welfare Commission, including IWC Wage
9 Orders 1-2001, 4-2001, 7-2001 and 16-2001, the FLSA, and all related or corresponding federal
10 laws, and all implementing regulations and interpreting guidance; (b) any claims that were or could
11 have been brought under California Corporations Code, and California Business and Professions
12 Code, including but not limited to California Business and Professions Code § 17200 *et seq.* as
13 unlawful, fraudulent or misleading based on the claims, facts and allegations alleged in the Action
14 (including, but not limited to, claims of conduct unlawful under state or federal law); (c) any other
15 causes of action, including those seeking premiums, penalties, interest, punitive damages, costs,
16 attorney fees, injunctive relief, declaratory relief, or accounting, whether such causes of action are
17 in tort, contract, equity, statute, or common law; (d) any claims under the Fair Employment and
18 Housing Act, Americans with Disabilities Act, Age Discrimination in Employment Act, and Title
19 VII of the Civil Rights Act of 1964, and (e) any other claims the Class Representatives could have
20 made related to their employment with Acorn. The Class Representatives may hereafter discover
21 facts in addition to or different from those which they now know or believe to be true, but stipulate
22 and agree that, upon the Effective Date and full funding of the Maximum Settlement Amount, each
23 of them fully, finally, and forever settles and releases any and all claims, known or unknown,
24 suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which
25 now exist, or heretofore have existed, upon any theory of law or equity and without regard to the
26 subsequent discovery or existence of such different or additional facts. Plaintiffs are deemed, by
27 operation of the Final Approval Order and Judgment, to have agreed not to sue or otherwise make
28 a claim against any of the Released Parties for any claim.

b. The Class Representatives each individually acknowledge that he or she has had the opportunity to review, and has reviewed, California Civil Code section 1542, 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 RELEASING PARTY.

Being fully informed of this provision of the Civil Code and understanding its provisions, the Class Representatives each individually agree to waive any rights under that section, and acknowledge that this Settlement Agreement and the release contained here in Paragraph 77 extends to all claims that each of them has or might have against the Released Parties, including those which are presently unknown to each of them or that they do not know or suspect to exist, which, if known by them, might have affected their settlement with, and release of, the Released Parties or might have affected their decision.

78. Final Approval Hearing and Entry of Judgment. Upon expiration of the deadlines to submit a Request for Exclusion or Notice of Objection and with the Court's permission, a Final Approval hearing shall be conducted to finally determine the fairness of the Settlement, along with the amounts properly payable for (a) Individual Settlement Payments; (b) Service Awards; (c) Attorney Fees and Costs; (d) Settlement Administration Costs; and (e) the PAGA Payment. Class Counsel will be responsible for drafting the motion for final approval of the Settlement to be heard at the Final Approval hearing.

79. Judgment and Continued Jurisdiction. Upon Final Approval of the Settlement by the Court or at the time of, or subsequent to, the Final Approval hearing, the Parties shall present a Final Approval Order and Judgment to the Court for approval and entry. After entry of the Final Approval Order and Judgment, the Court shall have continuing jurisdiction under Code of Civil Procedure section 664.6 solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, (c) failure to timely pay all amounts owed by Defendant, and (d) such post-Final Approval matters as may be appropriate under court rules or

as set forth in this Settlement Agreement.

80. No Solicitation of Class Settlement Objections or Exclusions. The Parties agree to use their best efforts to carry out the terms of this Settlement Agreement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit either a Request for Exclusion or Notice of Objection to the Class Settlement or to appeal from the Court's Final Approval Order and Judgment.

81. Interim Stay of Proceedings. Pending completion of the settlement process, the Parties agree to a stay of all proceedings in the Action (including, but not limited to, the deadline to bring the Action to trial under California Code of Civil Procedure section 583.310) except such as are necessary to implement the Settlement itself and the Parties agree to refrain from further litigation of this matter, except as to proceedings necessary to implement and obtain an order granting Final Approval of the terms of the Settlement.

82. Nullification of Settlement Agreement. In the event: (i) Acorn timely and properly revokes this Settlement Agreement as set forth in Paragraph 63.g herein; (ii) the Court does not finally approve the Settlement Agreement as provided herein; (iii) the Court does not enter the Final Approval Order and Judgment as provided herein, which becomes final as a result of the occurrence of the Effective Date; or (iv) the Settlement Agreement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement Agreement shall be treated as void from the beginning. In such a case, the Parties shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Settlement Agreement and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed (and the terms and existence of the Settlement Agreement will be confidential). In the event an appeal is filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement Agreement shall be stayed pending final resolution of the appeal or other appellate review (unless otherwise agreed to by the Parties).

83. No Admission. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of liability, culpability, negligence, or

wrongdoing on the part of Acorn or any of the other Released Parties. Acorn specifically denies any and all liability. Each of the Parties hereto has entered into this Settlement Agreement with the intention of avoiding further disputes and litigation with the attendant inconvenience and expenses. This Settlement Agreement is a settlement document and, pursuant to California Evidence Code section 1152 and/or Federal Rule of Evidence 408 and/or any other similar law, shall be inadmissible in evidence in any proceeding, except an action or proceeding to approve the settlement, and/or interpret or enforce this Settlement Agreement, including but not limited to use as a bar or affirmative defense, in whole or in part, to other or future claims or actions.

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

85. Notices. Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the third business day after mailing by U.S. registered or certified mail, return receipt requested, addressed as follows:

<u>To Class Counsel:</u>	<u>To Defendant's Counsel:</u>
Edwin Aiwazian, Esq. Arby Aiwazian, Esq. Joanna Ghosh, Esq. LAWYERS for JUSTICE, PC 410 West Arden Avenue, Suite 203 Glendale, California 91203 Telephone: (818) 265-1020 Facsimile: (818) 265-1021	Brian D. Martin, Esq. Geoffrey D. La Val, Esq. Atkinson, Andelson, Loya, Ruud & Romo 4275 Executive Square, Suite 700 La Jolla, California, 92037-1477 T: (858) 485-9526 F: (858) 485-9412 Ann K. Smith, Esq. Paul S. Fleck, Esq. Atkinson, Andelson, Loya, Ruud & Romo 12800 Center Court Drive South, Suite 300 Cerritos, California 90703-9364 Telephone: (562) 653-3200 Fax: (562) 653-3333

86. Tax Liability. The Parties make no representations as to the tax treatment or legal

effect of the payments called for hereunder, and Participating Class Members and PAGA Group Members are not relying on any statement or representation by the Parties in this regard. Participating Class Members and PAGA Group Members understand and agree that Participating Class Members and PAGA Group Members will be solely responsible for the payment of any taxes and penalties assessed on the payments described herein.

87. Headings. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement, and in no way, define, limit, extend, or describe the scope of this Settlement Agreement or any provision herein.

88. Amendment or Modification. Prior to the filing of the motion for preliminary approval of the Settlement, this Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest. After the filing of the motion for preliminary approval of the Settlement, this Settlement Agreement may be amended or modified only by a written instrument signed by counsel for all Parties or their successors-in-interest, and approved by the Court.

89. Plaintiffs' Right to Rescind. Defendant represented that for the period of October 15, 2015 to November 10, 2021, there were approximately 85,390 Workweeks, which Plaintiffs extrapolated to being approximately 91,344 Workweeks through February 7, 2022. If it is determined that the number of Workweeks worked by Class Members for the period from October 15, 2015 to February 7, 2022 exceeds 91,344 by more than ten percent (10%) (i.e., the Workweeks exceed 100,478), then Plaintiffs may choose, but are not obligated, to rescind and revoke this settlement agreement in its entirety within five (5) business days after notification by the Settlement Administrator of the aggregate number of Workweeks, as provided in Paragraph 62.a.

90. Entire Agreement. This Settlement Agreement, any supplemental written agreement subsequently incorporated, and any attached exhibits constitute the entire Settlement Agreement among these Parties, and no oral or written representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its exhibits other than the representations, warranties and covenants contained and memorialized in such documents.

1 91. Authorization to Enter into Settlement Agreement. The signatories hereto represent
2 that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to
3 the terms and conditions hereof.

4 92. Mutual Full Cooperation. The Parties and their counsel will cooperate with each
5 other and use their best efforts to effect the implementation of the Settlement Agreement, including
6 but not limited to, execution of such documents and to take such other action as may be reasonably
7 be necessary to implement the terms of this Settlement Agreement. As soon as practicable after
8 execution of this Settlement Agreement, Class Counsel shall, with the assistance of Acorn and
9 Defendant's Counsel, take all necessary steps to secure the Court's Preliminary Approval and Final
10 Approval of this Settlement Agreement. In the event the Parties are unable to reach agreement on
11 the form or content of any document needed to implement the Settlement Agreement, or on any
12 supplemental provisions that may become necessary to effectuate the terms of this Settlement
13 Agreement, the Parties may seek the assistance of the Court to resolve such disagreement.

14 93. No Prior Assignments. The Parties hereto represent, covenant, and warrant that they
15 have not directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer,
16 or encumber to any person or entity any portion of liability, claim, demand, action, cause of action,
17 or rights herein released and discharged except as set forth herein.

18 94. Binding on Successors and Assigns. This Settlement Agreement shall be binding on
19 the Parties' successors, assigns, and agents, and shall inure to the benefit of the Released Parties,
20 including Acorn and its past, present, and/or future owners, officers, directors, managing agents,
21 trustees, payroll processors, independent contractors, members, managers, shareholders, employees,
22 attorneys, insurers, assigns, shareholders, successors, predecessors and agents, Acorn's past,
23 present, and/or future parent, subsidiary, or affiliated entities, DBAs and franchisors, and each of
24 their owners, officers, directors, managing agents, trustees, payroll processors, independent
25 contractors, members, managers, employees, attorneys, insurers, assigns, shareholders, successors,
26 predecessors and agents.

27 95. Signatories. It is agreed that because the Participating Class Members are so
28 numerous, it is impossible or impractical to have each Participating Class Member execute this

Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the Participating Class Members and the binding nature of the PAGA Settlement as to the PAGA Group Members, and, upon Final Approval, such shall have the same force and effect as if this Settlement Agreement were executed by each Participating Class Member and PAGA Group Member.

96. California Law Governs. All terms of this Settlement Agreement shall be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.

97. Counterparts. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Settlement Agreement shall exchange among themselves original signed counterparts.

98. The Class Representatives' Waiver of Right to be Excluded and Object. The Class Representatives individually each agree that by signing this Settlement Agreement, he or she is bound by the terms herein stated and further agrees not to request to be excluded from the Class Settlement and agrees not to object to any of the terms of this Settlement Agreement. Any such letter requesting to be excluded from the Class Settlement or objection shall therefore be void and of no force or effect. Efforts by the Class Representatives to circumvent the terms of this Paragraph shall be void and of no force or effect.

99. Confidentiality Preceding Preliminary Approval. The Class Representatives and Class Counsel agree that the terms of this Settlement (including, but not limited to, the Maximum Settlement Amount), the negotiations leading to this Settlement, and all documents related to the Settlement shall not be discussed with, advertised, marketed, publicized, published, reported, or promoted to the public, except as necessary to effectuate and/or enforce the terms of this Settlement Agreement. The Class Representatives and Class Counsel will not publicize the terms of this Settlement Agreement and will not issue any press releases except that the Class Representatives and Class Counsel may disclose in legal proceedings a summary of the terms of the Settlement Agreement and may communicate with Class Members regarding the Settlement, its terms, its

history (apart from settlement communications). Nothing herein will restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Furthermore, Plaintiffs and Class Counsel will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

Dated: ACORN ENGINEERING COMPANY

By: _____

Title: _____

Dated: 11/23/2022

JENNY GARRIDO

Electronically Signed: _____ 2022-11-23 22:22:38 UTC - 172.58.22.4
Jenny Garrido

By: _____

JENNY GARRIDO

Dated: JUAN RIVAS

By: _____

JUAN RIVAS

Dated: FRANKIE BETANCOURT

By: _____

FRANKIE BETANCOURT

Dated: JESSE ORTIZ

By: _____

JESSE ORTIZ

history (apart from settlement communications). Nothing herein will restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Furthermore, Plaintiffs and Class Counsel will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

Dated: ACORN ENGINEERING COMPANY

By: _____

Title:

Dated: JENNY GARRIDO

By: _____
JENNY GARRIDO

Dated: 11/23/22

JUAN RIVAS

By:  _____
JUAN RIVAS

Dated: FRANKIE BETANCOURT

By: _____
FRANKIE BETANCOURT

Dated: JESSE ORTIZ

By: _____
JESSE ORTIZ

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Dated: ACORN ENGINEERING COMPANY

By: _____

Title:

Dated: JENNY GARRIDO

By: _____
JENNY GARRIDO

Dated: JUAN RIVAS

By: _____
JUAN RIVAS

Dated: 11/29/2022

FRANKIE BETANCOURT

By:

Electronically Signed	2022-11-30 08:50:53 UTC - 172.58.20.14
<i>Frankie Betancourt</i>	
Nintex AssureSign®	220b575c-6291-4797-bae4b-a15a01872061

FRANKIE BETANCOURT

Dated: JESSE ORTIZ

By: _____
JESSE ORTIZ

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Dated: ACORN ENGINEERING COMPANY

By: _____

Title:

Dated: JENNY GARRIDO

By: _____
JENNY GARRIDO

Dated: JUAN RIVAS

By: _____
JUAN RIVAS

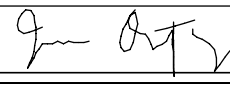
Dated: FRANKIE BETANCOURT

By: _____
FRANKIE BETANCOURT

Dated: 11-23-2022

JESSE ORTIZ

By:

Electronically Signed	2022-11-23 21:00:22 UTC - 172.56.233.241
	
Nintex AssureSign®	8bc39511-4872-44b0-9c30-a560149640

JESSE ORTIZ

1 **APPROVED AS TO FORM ONLY**

2 Dated:

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

5 By:

Brian D. Martin
Geoff D. La Val
Attorneys for Defendant Acorn Engineering
Company

8 Dated: November 23, 2022

LAWYERS FOR JUSTICE, PC

10 By:


Edwin Aiwanian
Attorneys for Plaintiffs JENNY GARRIDO,
JUAN RIVAS, FRANKIE BETANCOURT and
JESSE ORTIZ

1 history (apart from settlement communications). Nothing herein will restrict Class Counsel from
2 including publicly available information regarding this Settlement in future judicial submissions
3 regarding Class Counsel's qualifications and experience. Furthermore, Plaintiffs and Class
4 Counsel will undertake any and all disclosures required to be made to the LWDA in conformity
5 with PAGA.

6
7 Dated: November 29, 2022

ACORN ENGINEERING COMPANY

8
9 By: 
DONALD E. MORRIS
10 Title: CEO

11 Dated:

JENNY GARRIDO

12
13 By: _____
JENNY GARRIDO

14 Dated:

JUAN RIVAS

15
16 By: _____
JUAN RIVAS

17 Dated:

FRANKIE BETANCOURT

18
19 By: _____
FRANKIE BETANCOURT

20 Dated:

JESSE ORTIZ

21
22 By: _____
JESSE ORTIZ

1 **APPROVED AS TO FORM ONLY**

2 Dated: November 29, 2022

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

3
4 By: 
5 Brian D. Martin
6 Geoff D. La Val
7 Attorneys for Defendant Acorn Engineering
Company

8 Dated:

LAWYERS FOR JUSTICE, PC

9
10 By: _____
11 Edwin Aiwarzian
12 Attorneys for Plaintiffs JENNY GARRIDO,
13 JUAN RIVAS, FRANKIE BETANCOURT and
14 JESSE ORTIZ
15
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EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

Garrido, et al. v. Acorn Engineering Company, et al.
Superior Court of California for the County of Los Angeles
Case No. 19STCV36680

PLEASE READ THIS NOTICE CAREFULLY.

You are receiving this Notice because you worked for Acorn Engineering Company between October 15, 2015 to [date of Preliminary Approval] and may be eligible to take part in a class action settlement.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement and how you can request to be excluded from the class settlement, object to the class settlement, and/or dispute your credited number of Workweeks, if you so choose.

YOU ARE NOTIFIED THAT: A class and PAGA representative action settlement has been reached between Plaintiffs Jenny Garrido, Juan Rivas, Frankie Betancourt, and Jesse Ortiz (“Plaintiffs”) and Defendant Acorn Engineering Company (“Defendant”) (Plaintiffs and Defendant are collectively referred to as the “Parties”) in the case entitled *Garrido, et al., v. Acorn Engineering Company, et al.*, Superior Court of California for the County of Los Angeles, Case No. 19STCV36680 (“Action”). Please read this Notice carefully, as the settlement may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“**Class**” means all current and former non-exempt, hourly-paid California employees who were employed by Acorn Engineering Company during the Class Period.

“**Class Member**” means an individual member of the Class.

“**Class Period**” means the time period from October 15, 2015 to [date of Preliminary Approval].

“**Class Settlement**” means the settlement and release of the Released Class Claims.

“**PAGA Group**” means all current and former non-exempt, hourly-paid California employees who were employed by Acorn Engineering Company during the PAGA Period.

“**PAGA Group Member**” means a member of the PAGA Group.

“**PAGA Period**” means the time period from December 8, 2019 to [date of Preliminary Approval].

“**PAGA Settlement**” means the settlement and release of the Released PAGA Claims.

II. BACKGROUND OF THE LAWSUIT

In this lawsuit, which commenced October 15, 2019, Plaintiffs allege that Defendant violated the California Labor Code by failing to properly pay minimum and overtime wages, failing to provide compliant meal and rest breaks and associated premiums, failing to timely pay wages during employment and upon termination of employment and associated waiting-time penalties, failing to provide accurate wage statements, failing to keep requisite payroll records, and failing to reimburse business expenses, and thereby engaged in unfair business practices and conduct that is in violation of California Business & Professions Code section 17200, *et seq.*, and engaged in conduct that gives rise to civil penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendant denies all of Plaintiffs' allegations in the Action or that it violated any law.

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Class and Representative Action Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement").

The Court has appointed **Phoenix Class Action Administration Solutions** as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs Jenny Garrido, Juan Rivas, Frankie Betancourt, and Jesse Ortiz as the representatives of the Class ("Class Representatives"), and the following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

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

If you are a Class Member, you do not need to take any action to receive your Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by the Defendant that the claims in the Action have merit or that the Defendant has any liability to Plaintiffs or to Class Members. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Breakdown.

The Maximum Settlement Amount is Three Million Five Hundred Thousand Dollars (\$3,500,000) (the "Maximum Settlement Amount"). The portion of the Maximum Settlement Amount that is available for payment to Participating Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Maximum Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorney Fees and Costs, consisting of attorneys' fees in an amount not to exceed 35% of the Maximum Settlement Amount (i.e., \$1,225,000) and reimbursement of litigation costs and expenses in an amount not to exceed Sixteen Thousand Dollars (\$16,000) to Class Counsel; (2) Service Awards in an amount not to exceed Ten Thousand Dollars (\$10,000) each to Plaintiffs for their services in the Action; (3) payment to the California Labor and Workforce Development Agency ("LWDA") in the amount of Seventy Five Thousand Dollars (\$75,000) for its 75% portion of the PAGA Payment ("LWDA Payment") and the remaining 25%, or Twenty Five Thousand Dollars (\$25,000), will be distributed to the PAGA Group Members on a *pro rata* basis, based on their Workweeks during the PAGA Period (i.e., PAGA Group Member Amount); and (4) Settlement Administration Costs in an amount not to exceed Thirteen Thousand Dollars (\$13,000) to the Settlement Administrator.

B. Calculating Individual Settlement Payments

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement

Amount (“Individual Settlement Payment”) based on total number of calendar weeks Class Members worked at least one shift for Acorn Engineering Company in a non-exempt, hourly-paid position in California from October 15, 2015 to [date of Preliminary Approval] (“Workweeks”). Workweeks will be calculated by counting the number of weekly pay checks issued to each Class Member during the Class Period. Class Members who do not submit a valid and timely Request for Exclusion will be issued payment of their final Individual Settlement Payment and shall be deemed Participating Class Members.

To determine the amount owed to each Participating Class Member, the Settlement Administrator shall divide each Class Member’s individual number of Workweeks by the total number of Workweeks of all Class members worked during the Class Period and multiply the resulting fraction by the Net Settlement Amount.

PAGA Group Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the 25% portion of the PAGA Payment attributed to PAGA Group Members, i.e., \$25,000, (“PAGA Group Member Amount”) based on the PAGA Group Members’ Workweeks worked during the PAGA Period, which will be calculated by the Settlement Administrator by counting the number of weekly pay checks issued to each PAGA Group Member during the PAGA Period. PAGA Group Members shall receive an Individual PAGA Payment and shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

To determine the amount owed to each PAGA Group Member, the Settlement Administrator shall divide each PAGA Group Member’s individual number of Workweeks worked during the PAGA Period by the total number of Workweeks of all PAGA Group Members worked during the PAGA Period and multiply the resulting fraction by the PAGA Group Member Amount.

C. Tax Implications

Individual Settlement Payments will be allocated as twenty percent (20%) wages which will be reported on an IRS Form W2 and eighty percent (80%) as non-wage damages and interest which will be reported on an IRS Form 1099 (if necessary). Each Individual Settlement Payment will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment. Individual PAGA Payments will be allocated as one hundred percent (100%) civil penalties and will be reported on an IRS Form 1099 (if necessary). Defendant shall be responsible for paying employer payroll taxes on the wage portion of the Individual Settlement Payments in addition to the Maximum Settlement Amount.

If the Court grants final approval of the Settlement, Individual Settlement Payments and/or Individual PAGA Payments will be mailed to Participating Class Members and PAGA Group Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

D. Your Workweeks Based on Defendant’s Records

According to Defendant’s records, you have been credited with [] Workweeks during the Class Period, i.e., from October 15, 2015 to [date of Preliminary Approval].

[if applicable]

According to Defendant’s records, you have been credited with [] Workweeks during the PAGA Period, i.e., from December 8, 2019 to [date of Preliminary Approval].

If you wish to dispute the Workweeks credited to you, you may submit your dispute by way of written letter (“Workweeks Dispute”) to the Settlement Administrator. The Workweeks Dispute must: (a) contain the case name and number of the Action; (b) your full name, address, telephone number, signature, and the last four digits of your Social Security Number; (c) clearly state that you dispute the number of Workweeks credited to you and what you believe the correct number to be, along with any include information and/or documentation demonstrating that your updated number of Workweeks is correct; and (d) be submitted on or before the [the Response Deadline] by mail or e-mail to the Settlement Administrator at:

[Settlement Administrator]

[Mailing Address]

[Email address]

E. Your Estimated Individual Settlement Payment and/or Individual PAGA Payment

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$[REDACTED]. The Individual Settlement Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

[if applicable]

Your Individual PAGA Payment is estimated to be \$[REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Payment and/or Individual PAGA Payment reflected in this Notice is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment may be higher or lower.

F. Release of Claims

Upon the Effective Date and full funding of the Maximum Settlement Amount, and except as to such rights or claims as may be created by this Settlement Agreement, each and every Participating Class Member, on behalf of themselves and their heirs and assigns, releases the Released Parties from the Released Class Claims that arose during the Class Period.

"Released Class Claims" means any and all claims, damages, or causes of action alleged in, or arising out of, the allegations in the Operative Complaint filed in the Action and which were alleged, or that could have been alleged, by Plaintiffs based on any of the factual allegations contained in the Operative Complaint, including, but not limited to, claims under state, federal (i.e., Fair Labor Standards Act ("FLSA")) or local law, including, but not limited to claims for unpaid wages (including, inter alia, in connection with off-the-clock work, rounding of time, auto-deduction of time, reporting time pay, and split-shift premiums), claims for the failure to pay minimum wages, claims for the failure to pay overtime wages, claims related to non-compliant meal and rest breaks or periods and nonpayment of premium pay for such, failure to comply with itemized employee wage statement provisions, failure to pay wages due at separation and associated waiting time penalties, failure to timely pay wages during employment, failure to maintain compliant time and payroll records, the failure to reimburse for business expenses, and unfair or unlawful business practices pursuant to California Business and Professions Code § 17200, *et seq.* based on the aforementioned. The Released Class Claims specifically include, but are not limited to, all claims arising under California Labor Code sections 201, 202, 203, 204, 218.5, 226, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800 and 2802, the applicable Wage Orders of the California Industrial Welfare Commission, California Business and Profession Code sections 17200, *et seq.*, California Code of Civil Procedure section 1021.5, and California common law of contract, interest and claims for attorney's fees relating in any way to those claims alleged and mentioned in the Operative Complaint.

A Participating Class Member's cashing of the Individual Settlement Payment check will be considered a consent and opt-in to the settlement of all federal wage and hour claims under the FLSA which are encompassed within these Released Class Claims, and each Participating Class Member who cashes his or her Individual Settlement Payment check will waive his or her rights to bring such claims under the FLSA which arose during the Class Period.

Upon the Effective Date and full funding of the Maximum Settlement Amount, an except as to such rights or claims as may be created by this Settlement Agreement, each and every PAGA Group Member, on behalf of themselves and their heirs and assigns, and Plaintiffs Juan Rivas, Frankie Betancourt, and Jesse Ortiz, on behalf of the State of California, releases the Released Parties from the Released PAGA Claims that arose during the PAGA Period.

"Released PAGA Claims" means any and all claims for civil penalties under the Private Attorneys General Act based

on the California Labor Code violations alleged in the PAGA Notices; those being California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, 2698, *et seq.*, the IWC Wage Orders, including IWC Wage Orders 1-2001, 4-2001, 7-2001 and 16-2001, as well as all facts, theories, or claims for civil penalties that would be considered administratively exhausted under applicable law by the PAGA Notices.

“Released Parties” means Defendant, its past, present, and/or future owners, officers, directors, managing agents, trustees, payroll processors, independent contractors, members, managers, shareholders, employees, attorneys, insurers, assigns, shareholders, successors, predecessors, agents, parent entities, subsidiary entities, or affiliated entities, DBAs, franchisors, and each of their owners, officers, directors, managing agents, trustees, payroll processors, independent contractors, members, managers, employees, attorneys, insurers, assigns, shareholders, successors, predecessors and agents.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Class Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and the contemplated judgment to be entered by the Court based thereon if the Court grants final approval of the Settlement, and you will release the Released Class Claims described in Section III.D above.

If you are a PAGA Group Member, you will automatically be bound to the PAGA Settlement and issued your Individual PAGA Payment.

As a Class Member or PAGA Group Member, you will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney’s fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written letter (“Request for Exclusion”) to the Settlement Administrator.

A Request for Exclusion must: (a) contain the case name and number of the Action; (b) your full name, signature, and the last four digits of your Social Security Number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be submitted by mail or e-mail on or before **[Response Deadline]** to the Settlement Administrator at::

[Settlement Administrator]

[Mailing Address]

[Email address]

If the Court grants final approval of the Settlement and you submitted a valid and timely Request for Exclusion, you will not be entitled to receive an Individual Settlement Payment from the Class Settlement, will not be bound by the Class Settlement (and the release of Released Class Claims described above), and will not have any right to object to, appeal, or comment on the Class Settlement. Furthermore, if you do not submit a valid and timely Request for Exclusion, you will be deemed a Participating Class Member and will be bound by all terms of the Class Settlement, including those pertaining to the release of Released Class Claims described above, as well as the contemplated judgment to be entered by the Court. However, consistent with applicable law, if you are a PAGA Group Member, you may not exclude yourself from the PAGA Settlement and will be bound by all terms of the PAGA Settlement, including those pertaining to the release Released PAGA Claims described above, and any judgment that may be entered by the Court (as it pertains to the PAGA Settlement).

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by

submitting a written objection (“Notice of Objection”) to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

The Notice of Objection must include: (a) the case name and number of the Action; (b) your full name, signature, address, telephone number, and the last four digits of your Social Security number; (c) a written statement of all grounds for the objection, accompanied by any legal support for such objection; (d) copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail or e-mail to the Settlement Administrator at the specified address or email address postmarked or e-mailed on or before **[Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 12 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorney Fees and Costs to Class Counsel, Service Awards to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members and PAGA Group Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action for a fee by visiting the civil clerk’s office, during business hours (you must make an appointment prior to visiting the civil clerk’s office), located at the Stanley Mosk Courthouse, 111 North Hill Street, California, 90012, or online by visiting the following website: <https://www.lacourt.org/casesummary/ui>.

Please note, due to COVID-19, there are limitations on personal appearances and telephonic appearances are an option. You can find information regarding the Court’s most current COVID-19 guidelines online at: <https://www.lacourt.org/>. You can find information regarding appearing remotely through LA CourtConnect online at: <http://www.lacourt.org/laccligibility/ui/civil.aspx?casetype=ci>. Please note that there may be deadlines to reserve a remote appearance and reservation fees or charges may apply.

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

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**