

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (hereinafter the “Agreement”) is made by Plaintiff Kim Aldridge and Defendant Luth Research, LLC (“Luth”). Aldridge and Luth will, at times, be collectively referred to herein as “the Parties.”

I. THE LITIGATION

1. On February 28, 2019, Aldridge filed a class action complaint in the San Diego County Superior Court entitled *Kim Aldridge v. Luth Research LLC*, case number 37-2019-00011479-CU-OE-CTL, on behalf of herself and a proposed class consisting of allegedly similarly situated individuals currently or formerly employed by Luth during the Settlement Period, in which she asserted causes of action for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, et seq.

2. On January 9, 2020, the parties attended a full day of mediation in Irvine with mediator Louis Marlin. The mediation conference did not immediately result in a settlement; however, negotiations continued for several more weeks. After extensive negotiations and much effort, the Parties agreed to the settlement described herein.

3. Within ten (10) days after the Parties have signed this Agreement, Aldridge will begin steps necessary to file a First Amended Class Action Complaint that includes all the claims and allegations in her initial complaint, and adds a cause of action for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, based on those claims and allegations. Luth will stipulate to the filing of the First Amended Class Action Complaint. This Agreement will not be submitted to the Court for preliminary approval until the First Amended Class Action Complaint has been filed.

4. Within thirty (30) days after the Parties have signed this Agreement, Luth will provide a declaration from an accountant stating that the accountant has reviewed Luth's financial records and has determined that Luth does not currently have the ability to pay the Gross Settlement Fund as defined in Section II(9) below, and thus in order to pay the Gross Settlement Fund Luth will need to obtain loan or other outside funds in order to fund the settlement.

5. This Agreement concerning the settlement is made in compromise of disputed claims. The payment by Luth required by this Agreement shall satisfy all claims alleged in the Litigation, including but not limited to claims for wages, penalties, and interest, and shall include payment for PAGA penalties, individual settlement awards to Settlement Class Members, attorneys' fees, litigation costs and expenses, Plaintiff's class representative enhancement payment, and settlement administration expenses.

6. Because this is a putative class action, this Agreement must receive preliminary and final approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis. In the event the Court does not enter Final Judgment, or in the event such Final Judgment does not become Final for any reason, or is modified in any material respect, or

in the event the Effective Date, as defined herein, does not occur, this Agreement shall be deemed null and void *ab initio* and shall be of no force or effect whatsoever, and shall not be referred to or utilized for any purpose. Luth denies all of Aldridge's claims as to liability and damages as well as her class allegations, and does not waive, but rather expressly reserves all rights to challenge all such claims and allegations upon all procedural and factual grounds including the assertion of any and all defenses, if the Final Judgment does not become Final for any reason, or in the event that the Effective Date does not occur.

II. DEFINITIONS

The following are certain definitions applicable to this Agreement. Definitions contained elsewhere in the body of this Agreement shall also be effective.

1. "Class" – means all persons who were employed by Luth and worked in California as non-exempt employees at any time during the Settlement Period.
2. "Class Counsel" – means Lawyers for Justice, PC. and CounselOne, PC.
3. "Class Counsel Attorneys' Fees" – refers to the amount awarded to Class Counsel by the Superior Court for the County of San Diego for prosecuting and obtaining a settlement of the Litigation.
4. "Class Representative Enhancement" – means the sum to be paid to Aldridge as service for her role as Class Representative, which shall be paid from the Gross Settlement Fund.
5. "Effective Date" – means the date by which both of the following have occurred:
(a) this Settlement is finally approved by the Superior Court for the County of San Diego; and
(b) the Court's Order Approving Class Settlement and Dismissing the Class Action with Prejudice ("Final Judgment") becomes Final.
6. "Final" – means the latest of: (a) if there is an appeal of the Superior Court's Final Judgment in the Litigation, the date of final affirmance on an appeal or the date of

dismissal of such appeal; or (b) if one or more objections are submitted and not withdrawn, the expiration date of the time for filing or noticing any appeal of the Final Judgment; or (c) if no objections are made, the date the Court enters the Final Judgment.

7. “Final Approval Hearing” – means the hearing to be conducted by the Superior Court for the County of San Diego to determine whether to enter the Final Judgment finally approving and implementing the terms of this Agreement.

8. “Final Judgment” – refers to the Final Judgment and Order Approving Class Settlement.

9. “Gross Settlement Fund” – refers to Seven Hundred Thousand Dollars (\$700,000), which is the maximum amount Luth shall be required to pay under this Agreement, except as otherwise provided with respect to the employer’s share of payroll taxes (as stated in Section III, Paragraph 2). The \$700,000 Gross Settlement Fund is non-reversionary and shall consist of the following elements: (a) Class Counsel Attorneys’ Fees; (b) Litigation Costs and Expenses; (c) Class Representative Enhancement; (d) Settlement Administration Expenses; (e) PAGA Payment; and (f) Net Settlement Fund, as defined below.

10. “Litigation” – means the action entitled *Kim Aldridge v. Luth Research LLC*, pending in the San Diego County Superior Court as case number 37-2019-00011479-CU-OE-CTL, and all causes of action, claims and allegations contained therein.

11. “LWDA” – means the California Labor and Workforce Development Agency.

12. “Motion for Preliminary Approval” – refers to the Motion for Preliminary Approval of the Settlement and its supporting papers.

13. “Net Settlement Fund” – means the Gross Settlement Fund, less all of the following: (a) Class Counsel Attorneys’ Fees; (b) Litigation Costs and Expenses; (c) Class

Representative Enhancement; (d) Settlement Administration Expenses; and (e) PAGA Payment to the LWDA.

14. “Notice” – refers to the Notice of Pendency of Putative Class Action, Proposed Settlement and Hearing Date for Court Approval, substantially in the form attached hereto as Exhibit A.

15. “Order Granting Preliminary Approval” – refers to the order or statement of decision preliminarily approving the Settlement.

16. “PAGA Payment” – means the portion of the Gross Settlement Fund that the Parties have designated as representing the recovery of civil penalties on behalf of the Settlement Class under the Labor Code Private Attorneys General Act of 2004.

17. “PAGA Payment to the LWDA” refers to the 75% portion of the PAGA Payment that shall be distributed to the California Labor and Workforce Development Agency (“LWDA”).

18. “Parties” – means Plaintiff Kim Aldridge, individually and in her capacity as Class Representative; and Defendant Luth Research LLC (“Luth”).

19. “Plaintiff” – means Kim Aldridge, individually and in her capacity as Class Representative.

20. “Preliminary Approval Hearing” – means the hearing to be conducted by the Superior Court for the County of San Diego to determine whether to grant the Motion for Preliminary Approval.

21. “Settlement” – means the settlement of the Litigation and related claims effectuated by this Agreement.

22. “Settlement Administration Expenses” – means those expenses of effectuating and administering the Settlement, i.e., the costs incurred by the Settlement Administrator, the costs of giving notice to the Class, the costs of administering and disbursing the Net Settlement Fund, and the fees of the Settlement Administrator approved by the Court.

23. “Settlement Administrator” – means or refers to CPT Group, Inc., a third-party administrator jointly selected by the Parties, to effectuate the Settlement.

24. “Settlement Class” – means all those persons who are members of the Class and who have not properly and timely opted out of the Litigation.

25. “Settlement Class Member(s)” – means any person who is included in the Settlement Class.

26. “Settlement Payments” – means the amounts to be paid from the Net Settlement Fund to individual Settlement Class Members.

27. “Settlement Period” – means the period from February 28, 2015 through May 31, 2020.

III. SETTLEMENT TERMS

The Parties agree as follows:

1. Scope of Settlement:

The Settlement described herein will resolve fully and finally all Settlement Class Members’ Released Claims as described in Section III, Paragraph 6.

2. Maximum Potential Consideration:

Subject to Court approval, and in consideration for the release and settlement described in this Agreement, Luth shall pay the Gross Settlement Fund to the Settlement Class Members, Plaintiff, Class Counsel, the Settlement Administrator, and the LWDA in the manner specified in this Agreement. Payment of the Gross Settlement Fund under the terms described in this

Agreement shall be the sole financial obligation of Luth under this Agreement. The Gross Settlement Fund is non-reversionary shall be used: (1) to satisfy the claims of all Settlement Class Members, as specified herein; (2) to satisfy the award of Class Counsel Attorneys' Fees; (3) to satisfy the award of Litigation Costs and Expenses; (4) to satisfy the Class Representative Enhancement; (5) to satisfy Settlement Administration Expenses incurred in this action; and (6) to satisfy the PAGA Payment to the LWDA. The Gross Settlement Fund does not include the employer's share of payroll taxes on the portion of payments to Settlement Class Members allocated as wages, which Luth shall be responsible for paying separately. The Gross Settlement Fund plus the employer's share of payroll taxes on the portion of payments to Settlement Class Members allocated as wages shall constitute the maximum amount that Luth shall be required to pay under this Agreement.

3. Approval of Settlement:

(a) Plaintiff shall apply for approval of the Settlement as described in Section III, Paragraph 13 of this Agreement for purposes of effectuating this Settlement. Plaintiff agrees not to request more than \$7,500 as a Class Representative Enhancement. Plaintiff agrees not to seek more than thirty-five percent of the Gross Settlement Fund (\$245,000) for Class Counsel Attorneys' Fees, and further agrees not to seek more than \$20,000 for Litigation Costs and Expenses. Luth shall not oppose any application by Plaintiff or Class Counsel for a Class Representative Enhancement equal to or less than \$7,500, Class Counsel Attorneys' Fees equal to or less than \$245,000, and Litigation Costs and Expenses equal to or less than \$20,000.

(b) Should the Superior Court for the County of San Diego decline to approve all material aspects of the Settlement or make rulings substantially altering the fundamental terms of this class settlement, except for the awards of the Class Representative Enhancement, Class

Counsel Attorneys' Fees, and Litigation Costs and Expenses (which shall be decided by the Court), Luth shall have no obligation to make any payment, including payment of the Gross Settlement Fund. Further, in that event if Luth has made any payment, such monies shall be returned promptly to Luth.

4. Allocation of Net Settlement Fund Among Settlement Class Members:

The Net Settlement Fund will be allocated among Settlement Class Members according to each Settlement Class Member's workweeks during the Settlement Period as a *pro rata* portion of the total combined workweeks of all the Settlement Class Members during the Settlement Period. One day worked in a given week will be credited as a workweek for purposes of this calculation.

5. Tax Treatment of Payments to Settlement Class Members:

The Settlement Payments are payments for all claims asserted in the Litigation or that reasonably could have been asserted based on the causes of action, claims and allegations in the Litigation. Of the payments to individual Settlement Class Members, one-third shall be designated as wages subject to payroll withholding to be reported on IRS Form W2s where required by law, one-third shall be designated as interest to be reported on IRS Form 1099s where required by law, and the remaining one-third shall be designated as penalties to be reported on IRS Form 1099s where required by law. Luth shall be responsible for paying the employer's share of payroll taxes on any amounts allocated as wages. Each Settlement Class Member shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the portion of his or his Settlement Payment or Class Representative Enhancement. The Settlement Administrator shall report all required information to the appropriate taxing authorities regarding all payments made pursuant to this Agreement.

6. Release of Claims by Settlement Class Members:

Upon the Court's final approval of the Settlement, entry of final judgment, and payment of required funds to Settlement Class Members, each Settlement Class Member shall be deemed to have released Luth, and all of its parents, subsidiaries, predecessors, successors, and affiliates, and all of their respective shareholders, officers, directors, employees, administrators, fiduciaries, trustees, agents, and benefit plans (collectively the "Releasees"), from any and all "Settlement Class Members' Released Claims." For the purposes of this Agreement, the Settlement Class Members' Released Claims are defined as:

Any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action which are alleged, or reasonably could have been alleged based on the facts and claims asserted in the Litigation, including without limitation to, claims for restitution and other equitable relief, claims for unpaid wages, unpaid overtime wages, failure to provide rest periods or meal periods or to provide compensation in lieu thereof, meal period penalties, rest period penalties, waiting time penalties, penalties for unpaid minimum wages, penalties for incomplete payroll records, unfair business practices, failure to provide accurate wage statements, failure to maintain required records, failure to reimburse business expenses, declaratory relief, accounting, injunctive relief, civil penalties brought under the Labor Code Private Attorneys General Act of 2004 (Labor Code Section 2698 *et seq.*), claims for penalties of any nature whatsoever arising out of the Settlement Class Members' Released Claims, or any other benefit claimed on account of allegations and claims which are reasonably related to the allegations and claims asserted in the Litigation. This release shall apply to claims arising at any point during the Settlement Period.

7. Release of Claims by Plaintiff:

In addition to the Settlement Class Members' Released Claims described above, in exchange for the consideration recited in this Agreement, including but not limited to the Class Representative Enhancement, Plaintiff Kim Aldridge releases, acquits, and discharges any covenants not to sue any of the Releasees for any claim, whether known or unknown, which Plaintiff has ever had, or hereafter may claim to have, arising on or before the date that she signs this Agreement, including without limitation to, any claims relating to or arising out of any aspect of her employment, or the termination of her employment, with Luth, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.*, or any state, county or city law or ordinance regarding wages or compensation; any claims for employee benefits, including without limitation, any claims under the Employee Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county or city law or ordinance regarding employment discrimination. Plaintiff acknowledges and agrees that the foregoing general release is given in exchange for the consideration provided to her under this Agreement by IES. However, this release shall not apply to claims for workers' compensation benefits, unemployment insurance benefits, or any other claim or right that as a matter of law cannot be waived or released.

Plaintiff expressly waives any rights or benefits available to her under the provisions of Section 1542 of the California Civil Code, which provides as follows:

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

Plaintiff understands fully the statutory language of Civil Code section 1542 and, with this understanding, nevertheless elects to, and does, assume all risks for claims that have arisen, whether known or unknown, which she ever had, or hereafter may claim to have, arising on or before the date of her signature to this Agreement, and specifically waives all rights she may have under California Civil Code section 1542.

8. Opt-Outs:

Individuals who fall within the definition of the Class may choose to opt out of the Class under such procedures specified in Section III, Paragraph 13(c)(v) of this Agreement. Any such persons who opt out of the Class ("Opt-Outs") will receive no part of the Net Settlement Fund or the Gross Settlement Fund. Every individual who falls within the definition of the Class who does not validly and timely opt out shall be deemed a Settlement Class Member. The Settlement Administrator shall provide copies of all written requests for exclusion from the Class to the Parties' counsel within ten (10) calendar days following the final date to opt out. If more than five percent (5%) of the persons who fall within the definition of the Class become Opt-Outs as specified in this Agreement, then Luth shall have the option to declare this Agreement null and void, if, within forty-five (45) calendar days following the expiration of the last time period in

which to opt out, Luth serves written notice of its exercise of this option on Class Counsel. All signatories and their counsel agree not to encourage opt-outs.

9. Denial of Liability:

LUTH DENIES THAT IT OR ANY OF ITS PARENTS, SUBSIDIARIES, AFFILIATES OR SUCCESSORS OR ANY OTHER RELEASEE HAS ENGAGED IN ANY UNLAWFUL ACTIVITY, HAS FAILED TO COMPLY WITH THE LAW IN ANY RESPECT, OR HAS ANY LIABILITY TO ANYONE UNDER THE CLAIMS ASSERTED IN THE LITIGATION. The Parties expressly acknowledge that this Agreement is entered into for the purpose of compromising highly disputed claims and that nothing herein is an admission of liability or wrongdoing by Luth or any of the Releasees. Neither the Agreement nor any document prepared in connection with the Settlement may be admitted in any proceeding as an admission by Luth, or any of the Releasees, Plaintiff, or any person within the definition of the Class. However, this paragraph and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.

10. PAGA Allocation: Twenty Thousand Dollars (\$20,000) of the Gross Settlement Fund shall be designated as the recovery of civil penalties under the Labor Code Private Attorneys General Act of 2004 (PAGA). Of that amount, 75% (\$15,000) shall be distributed to the California Labor and Workforce Development Agency (LWDA). The remaining 25% (\$5,000) shall become part of the Net Settlement Fund available for distribution to Settlement Class Members.

11. Distribution of Net Settlement Fund:

The Net Settlement Fund shall be distributed by the Settlement Administrator in accordance with the following eligibility requirements:

- (a) Those persons who timely submit written requests for exclusion from the class pursuant to the Notice (“Opt-Outs”) are not entitled to any Settlement Payments.
- (b) Luth, through the Settlement Administrator, shall make payments to Settlement Class Members as set forth in Section III, Paragraphs 4-5, above.
- (c) Luth will provide to the Settlement Administrator the best information available to it with respect to the full names, last known addresses, last known telephone numbers, Social Security numbers, and workweeks of the persons identified from its records as being Class Members.

12. Settlement Administration:

Settlement Administration Expenses, upon order of the Court, shall be paid from the Gross Settlement Fund. All disputes relating to the Settlement Administrator’s ability and need to perform its duties shall be referred to the Court if they cannot be resolved by the Parties. The Settlement Administrator shall regularly and accurately report to the Parties, in written form when requested, the substance of the work performed, including the amounts payable to individual Settlement Class Members and the total amount to be paid to all Settlement Class Members.

13. Preliminary Approval of Settlement:

The Parties agree to the following procedures for obtaining preliminary approval of the Settlement, certifying a conditional Settlement Class, notifying Settlement Class Members, and obtaining final court approval of the Settlement:

(a) **Class Certification for Settlement Purposes Only:** The Parties stipulate to certification of the Class for purposes of settlement only. If the Court does not grant either preliminary approval or final approval of this Settlement, or if Luth elects to exercise its option to declare the Agreement void as set forth in Section III, Paragraph 8, the Parties' stipulation on class certification will be void and of no further force or effect.

(b) **Motion for Preliminary Approval:** Plaintiff shall file the Motion for Preliminary Approval of the Settlement and Proposed Order Granting Preliminary Approval of the Settlement with the supporting papers.

(c) **Notice of Class Settlement:** Following entry of the Order Granting Preliminary Approval of the Settlement, the Notice, substantially in the form attached hereto as Exhibit A, and the Settlement Allocation Form, substantially in the form attached hereto as Exhibit B (collectively "Notice Packet") shall be mailed to Class Members.

(i) Within fifteen (15) business days of preliminary approval, Luth shall provide the Settlement Administrator with the following data for each Class Member: name, last known mailing address, last known telephone number, Social Security number, and workweeks during the Settlement Period. Thereafter, the Settlement Administrator shall update the last known mailing addresses of Class Members received from Luth, with those obtained by searching the National Change of Address database ("NCOA").

(ii) Within twenty-five (25) business days of preliminary approval, the Settlement Administrator shall mail the Notice Packet to all identified Class Members via U.S. Mail using the most current mailing address information available for Class Members from Luth's records and the NCOA database. The deadline for requesting exclusion from the Settlement Class shall be forty-five (45) calendar days from mailing by the Settlement Administrator. (This deadline is referred to as the "Exclusion/Objection Deadline Date").

(iii) If Notice Packets are returned as undeliverable without forwarding addresses, the Settlement Administrator shall conduct a skip trace to locate more current addresses for Class Members and re-mail the Notice Packets to any new addresses obtained. If forwarding address information is obtained by return mail, the Settlement Administrator shall promptly forward the Notice Packet to the addressee via first-class regular U.S. Mail indicating on the Notice Packet the date on which it was re-mailed. The Exclusion/Objection Deadline Date shall not be extended for Class Members who receive re-mailed Notice Packets.

(iv) The Notice shall provide that the Class Members who wish to object to the Settlement may simply appear at the Final Approval Hearing or submit to the Settlement Administrator a written statement objecting to the Settlement. Written objections must be submitted to the Settlement Administrator within forty-five (45) calendar days following the mailing of the Notice Packet, which is the Exclusion/Objection Deadline Date. No individual who excludes himself or herself from the Settlement Class shall be entitled to object to the Settlement.

(v) The Notice shall include the option for Class Members to opt out of the Settlement. Any Class Member wishing to opt out of the Settlement must comply with the deadline and procedures specified in the Notice for doing so. Class Members who fail to submit

a written request for exclusion from the settlement on or before the Exclusion/Objection Deadline Date shall be bound by all terms of the Settlement and the Final Judgment entered in the Litigation if the Settlement is approved by the Court, regardless of whether they have objected to the Settlement. Within ten (10) calendar days after the Exclusion/Objection Deadline Date, the Settlement Administrator shall provide the Parties with a complete and accurate list of all Class Members who have validly and timely requested exclusion from the Settlement.

(vi) The Settlement Allocation Form mailed to Class Members shall state the Class Member's dates of employment within the Settlement Period according to the records of Luth, the total amount of workweeks calculated as being worked by the Class Member during the Settlement Period and shall state the approximate amount of the Class Member's share of the proposed Settlement.

(vii) The Settlement Allocation Form shall request corrected and/or updated name, address, and telephone information, and shall permit the Class Member to challenge or dispute the workweeks stated on the Settlement Allocation Form, by submitting the Class Member's contentions by way of completing the relevant portion of the Form and attaching appropriate documentation. Alternatively, Class Members may also submit a written challenge stating what they believe to be the correct information and providing supporting documentation. Any such challenges must be mailed to the Settlement Administrator by the Exclusion/Objection Deadline. Any such challenges shall be resolved by the Settlement Administrator, whose decision shall be final, binding, and non-appealable.

(d) **Non-Solicitation of Opt-Outs / Objections:** The Parties agree that neither they nor their counsel will solicit or otherwise encourage directly or indirectly Class Members to request exclusion from the Class, object to the Settlement, or appeal the Final Judgment.

(e) **Final Approval Hearing:** A Final Approval Hearing to determine final approval of the Settlement shall be conducted subject to the calendar of the Court. No later than twenty (20) calendar days prior to the Final Approval Hearing, the Settlement Administrator shall provide Class Counsel with a Declaration of Compliance to be filed with the Court by Class Counsel. No later than ten (10) calendar days before the Final Approval Hearing, or upon such other schedule as may be directed by the Court, Plaintiff shall file a Motion for Final Approval, Memoranda of Points and Authorities in Support of the Settlement, and Motion for Attorneys' Fees and Costs and Class Representative Enhancement. Prior to the Final Approval Hearing, Class Counsel shall present the proposed Final Judgment and Order Approving Class Settlement ("Final Judgment") to the Court for its approval and entry. After entry of the Final Judgment, the Court retains continuing jurisdiction over the Litigation under California Rule of Court 3.769(h) for purposes of (i) enforcing this Settlement Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Final Judgment matters as may be appropriate under court rules or applicable law. No judgment shall be entered unless it is consistent with the terms of this Agreement.

14. Funding and Distribution of Gross Settlement Fund:

(a) **Funding Timeline:** Subject to the payment maximum specified in Section III, Paragraph 2 of this Agreement, Luth will pay the Settlement Administrator the Gross Settlement Fund in four equal payments subject to the following payment deadlines:

(i) The first payment will be due within ten (10) calendar days after the Final Judgment becomes Final.

(ii) The second payment will be due within six (6) months after the Final Judgment becomes Final.

(iii) The third payment will be due within 12 months after the Final Judgment becomes Final.

(iv) The fourth payment will be due within 18 months after the Final Judgment becomes Final.

(b) Distribution Timeline: The Settlement Administrator shall distribute the entire Gross Settlement Fund subject to the following deadlines:

(i) One-half of the Gross Settlement Fund (to include one-half of Class Counsel Attorneys' Fees, one-half of Litigation Costs and Expenses, one-half of the Class Representative Enhancement, one-half of Settlement Administration Expenses, one-half of the PAGA Payment to the LWDA, and one-half of the Net Settlement Fund) shall be paid within fifteen (15) calendar days after Luth makes its second payment as specified above.

(ii) The remaining one-half of the Gross Settlement Fund shall be paid within fifteen (15) calendar days after Luth makes its fourth and final payment as specified above.

(c) Payment of Class Counsel Attorneys' Fees: Class Counsel shall apply to the Court for approval of Class Counsel Attorneys' Fees. Class Counsel anticipate requesting that the court approve \$245,000 as Class Counsel Attorneys' Fees. As set forth above, Class Counsel Attorneys' Fees shall come exclusively from the Gross Settlement Fund. The amount of court-awarded Class Counsel Attorneys' Fees shall be paid by the Settlement Administrator to Plaintiff's Attorneys. The Settlement Administrator shall issue a Form 1099 to Class Counsel for the payment. Luth agrees not to oppose the request for Attorneys' Fees so long as it does not exceed \$245,000.

(d) Payment of Litigation Costs and Expenses: Class Counsel shall apply to the Court for approval of Litigation Costs and Expenses. Class Counsel anticipate requesting that the Court

approve no more than \$20,000 as Litigation Costs and Expenses. As set forth above, Litigation Costs and Expenses shall come exclusively from the Gross Settlement Fund. The amount of court-awarded Litigation Costs and Expenses shall be paid by the Settlement Administrator to Class Counsel. The Settlement Administrator shall issue a Form 1099 to Class Counsel for the payment. Luth agrees not to oppose the request for Litigation Costs and Expenses so long as it does not exceed \$20,000.

(e) Payment of Class Representative Enhancement and Compensation for General

Release: Upon court approval, Plaintiff shall be paid a Class Representative Enhancement. Plaintiff intends to request that the Court approve a payment in the amount of \$7,500 as Class Representative Enhancement and Luth agrees not to object to a Class Representative Enhancement of not more than \$7,500 for Plaintiff. The Settlement Administrator shall make payment of the Class Representative Enhancement to Plaintiff. The Settlement Administrator shall issue a form 1099 to Plaintiff for the payment.

(f) Payment of Settlement Expenses: The Settlement Administrator shall receive such amount approved by the Court, which is estimated to be \$22,000, from the Gross Settlement Fund. The Settlement Administration Expenses shall not exceed \$22,000 unless the Settlement Administrator obtains prior approval from the Parties.

(g) Approval of Class Counsel Attorneys' Fees, Litigation Costs and Expenses and Class Representative Enhancement: Recovery of Class Counsel Attorneys' Fees, Litigation Costs and Expenses and the award of a Class Representative Enhancement are not conditions to this Agreement and are to be considered by the Court separately from the fairness, reasonableness, adequacy and good faith of the Settlement. Any order or proceeding relating to the application by Class Counsel of an award of attorneys' fees, costs, expenses, or Class

Representative Enhancement, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement, or affect or delay the finality of the Final Judgment. To the extent the Court does not approve the full amount of Class Counsel Attorneys' Fees, Litigation Costs and Expenses, Settlement Administration Expenses, or the Class Representative Enhancement described above, the non-approved amounts will be allocated to the Net Settlement Fund for distribution to the Settlement Class Members according to the allocation formula set forth herein.

(h) **Payments to Settlement Class Members:** After deducting Class Counsel Attorneys' Fees, Litigation Costs and Expenses, the Class Representative Enhancement, Settlement Administration Expenses, and the PAGA Payment to the LWDA from the Gross Settlement Fund, the Settlement Administrator shall distribute the entire Net Settlement Fund to the Settlement Class Members according to the allocation formula described in Section III, Paragraph 4. The Settlement Administrator shall mail a check to each Settlement Class Member via U.S. Mail using the most current mailing address information available, including any address updates obtained through NCOA searches, Social Security Number searches, address changes self-reported by Settlement Class Members, or any other source. The Settlement Administrator shall also provide Class Members with notice of entry of judgment by posting it on the Settlement Administrator's website. After the Settlement Administrator mails out the Settlement Payments, Settlement Class Members shall have one-hundred and eighty (180) calendar days to cash the checks that were mailed to them. After one-hundred and eighty (180) calendar days from the date of mailing, the checks shall become null and void, and any monies remaining in the distribution account shall be distributed to the State of California's Unclaimed Property Fund in the names of the Settlement Class members who failed to cash their checks.

The Parties agree that this disposition results in no “unpaid residue” under California Civil Procedure Code § 384, as the entire Net Settlement Fund will be paid out to Settlement Class Members, whether or not they all cash their Settlement Checks. Therefore, Luth will not be required to pay any interest on said amount.

15. 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 fifth day after mailing by United States mail, addressed as follows:

<u>To Counsel for Plaintiff:</u>	Edwin Aiwazian LAWYERS for JUSTICE, PC 410 West Arden Avenue, Suite 203 Glendale, CA 91203 Tel: (818) 265-1020	Anthony J. Orshansky CounselOne, P.C. 9301 Wilshire Blvd, Suite 203 Beverly Hills, CA 90210 Tel: (310) 277-9945
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<u>To Counsel for Defendant:</u>	Michael C. Sullivan Aaron A. Buckley PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP 101 West Broadway, Ninth Floor San Diego, CA 92101 Tel: (619) 237-5200
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16. Luth’s Option to Void Agreement:

It is understood and agreed by the Parties that the formula for the distribution of the Net Settlement Fund and the procedure for effectuating this Settlement are subject to approval by the Court. However, if any court order or action of the Court requires Luth or any other Releasee to pay any portion of the Gross Settlement Fund to any person or entity other than as provided herein, or pay more than \$700,000, (including cash payments to the Class, Class Counsel Attorneys’ Fees, Litigation Costs and Expenses, Settlement Administration Expenses, the Class Representative Enhancement, and the PAGA Payment to the LWDA), or requires any other

changes in the Settlement that are materially detrimental to Luth or any other Releasee, the Agreement shall be voidable by Luth by written notice by any of them to the attorney of record for Plaintiff, no later than twenty (20) calendar days after Luth receives notice of entry of any such order.

As set forth in Section III, Paragraph 8, Luth also shall have the option to void this Agreement if more than five percent (5%) of the Class Members exercise their right to opt out of this Agreement.

If Luth voids this Agreement, or if the Court fails to approve this Agreement, neither Luth nor any other Releasee shall have any obligation to make any payments under this Agreement and Luth shall receive a return of any funds already paid. Luth agrees to pay to the Settlement Administrator directly all the Settlement Administration expenses under those circumstances.

17. No Effect on Employee Benefit Plans:

Neither the Settlement nor any amounts paid under the Settlement will modify any previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus program sponsored by Releasees. Such amounts will not form the basis for additional contributions to, benefits under, or any other monetary entitlement under Releasees' sponsored benefit plans, policies or bonus programs. The payments made under the terms of this Agreement shall not be applied retroactively, currently, or on a going forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of any of Releasees' benefit plan, policy or bonus program. Releasees retain the right to modify the language of any benefit plans, policies and bonus programs to effect this intent and to make clear that any amounts paid pursuant to this Agreement are not for "weeks worked," "weeks paid," "weeks of service," or

any similar measuring term as defined by applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or benefits are not required by this Agreement. Releasees do not consider any payments under this Agreement “compensation” for purposes of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs, or any other plan sponsored by Releasees.

18. No Publicity:

The Parties and their respective counsel shall not issue any press release or media release or have any communication with the press or media regarding this Settlement. Class Counsel may, however, respond to any inquiries from Class Members regarding the Settlement.

19. Entire Agreement:

After this Agreement is fully executed by all Parties and their attorneys of record, this Agreement and its Exhibits shall constitute the entire agreement relating to settlement of this Litigation and the causes of action and defenses asserted therein, and it shall then be deemed that no oral representations, warranties or inducements have been made to any party concerning this Agreement other than the representations, warranties and covenants expressly stated in this Agreement.

20. Authorization:

Class Counsel warrant and represent that they are authorized by Plaintiff, for whom they are the attorneys of record, and the attorneys of record for Luth warrant and represent that they are authorized by Luth, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate

with each other and use their best efforts to implement the settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties agree to seek the assistance of the Court, and in all cases all such documents, supplemental provisions and assistance of the Court shall be consistent with this Agreement.

21. Jurisdiction:

The Court shall have continuing jurisdiction to resolve any dispute which may arise regarding the terms and conditions of this Agreement, subject to approval by the Court. Except where the context indicates otherwise, references to the court shall also include any other courts that take jurisdiction of the Litigation, or any to whom the court has referred the matter. If one or more of the Parties institutes an action or proceeding to enforce the provisions of this Settlement or declare rights and/or obligations under this Settlement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement action. This Agreement and the rights and obligations of the Parties shall be construed and governed by the laws of the State of California.

22. Modification:

This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their successors-in-interest or their counsel.

23. Successors:

This Agreement shall be binding upon, and inure to the benefit of, the successors of each of the Parties.

24. California Law:

All terms of this Agreement and its Exhibits 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.

25. Representation by Counsel:

The Parties have each been represented by counsel and have cooperated in the drafting and preparation of this Agreement. This Agreement shall not be construed against any party on the basis that the party was the drafter or participated in the drafting.

26. Counterparts:

This 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. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

27. Incorporation of Exhibits:

All exhibits attached hereto are incorporated by reference and are a material part of this Agreement. Any notice, order, judgment or other exhibit that requires approval of the Court must be approved without material alteration from its current form for this Agreement to become effective.

28. Reasonableness of Settlement:

The Parties believe that this is a fair, reasonable, and adequate Settlement and have arrived at this Settlement through arms-length negotiations, considering all relevant factors, present and potential.

29. Headings:

The headings contained in this Agreement are for reference only and are not to be construed as a part of the Agreement.

30. Waiver of Right to be Excluded:

By signing this Agreement, Plaintiff agrees to be bound by its terms and agrees not to request to be excluded from the Class. Any such request for exclusion by Plaintiff shall be void and of no force or effect.

31. Final Order and Judgment:

Upon final approval of the Settlement, a Final Order and Judgment shall be entered by the Court which shall, among other things:

(a) Grant final approval to the Settlement as fair, reasonable, adequate, in good faith and in the best interests of the Class and order the Parties to carry out the provisions of this Agreement.

(b) Award amounts for Class Counsel Attorneys' Fees, Litigation Costs and Expenses, the Class Representative Enhancement, and Settlement Administration Expenses.

(c) Adjudge that the Settlement Class Members are conclusively deemed to have released Luth and the Releasees of and from any and all rights, claims, demands, liabilities, causes of action, liens and judgments arising out of or in any way related to the matters within the scope of the Litigation.

(d) Bar and permanently enjoin each Settlement Class Member from prosecuting against the Releasees any of the Released Claims which the Settlement Class Members have arising out of, based upon, or otherwise related to the Litigation.

(e) Dismiss this action without prejudice as to all putative class members who are not Settlement Class Members.

- (f) Dismiss this action with prejudice as to all Settlement Class Members.
- (g) Reserve continuing jurisdiction as provided herein.

Dated: 10/14/2020, 2020

Electronically Signed: 2020-10-15 02:24:04 UTC - 172.58.19.48
Kim Aldridge
AssureSign® 85c26c2d-6483-4624-b065-4c5301903d4

KIM ALDRIDGE
Plaintiff

Dated: _____, 2020

LAWYERS FOR JUSTICE, PC

By _____
EDWIN AIWAZIAN
Attorneys for Plaintiff KIM ALDRIDGE

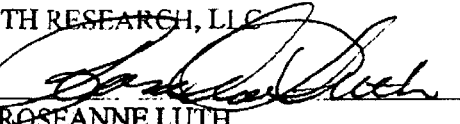
Dated: _____, 2020

COUNSELONE, P.C.

By _____
ANTHONY J. ORSHANSKY
Attorneys for Plaintiff KIM ALDRIDGE

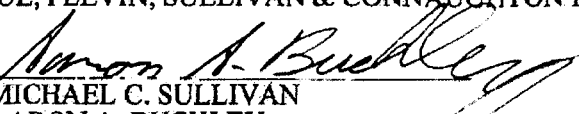
Dated: 10-12-20, 2020

LUTH RESEARCH, LLC

By 
ROSEANNE LUTH
Chief Executive Officer

Dated: OCTOBER 13 2020

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP

By 
MICHAEL C. SULLIVAN
AARON A. BUCKLEY
Attorneys for Defendant LUTH RESEARCH, LLC

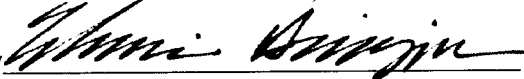
- (f) Dismiss this action with prejudice as to all Settlement Class Members.
- (g) Reserve continuing jurisdiction as provided herein.

Dated: _____, 2020

KIM ALDRIDGE
Plaintiff

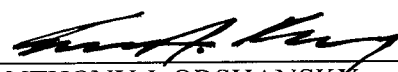
Dated: October 5, 2020

LAWYERS FOR JUSTICE, PC

By 
EDWIN AIWAZIAN
Attorneys for Plaintiff KIM ALDRIDGE

Dated: October 5, 2020

COUNSELONE, P.C.

By 
ANTHONY J. ORSHANSKY
Attorneys for Plaintiff KIM ALDRIDGE

Dated: _____, 2020

LUTH RESEARCH, LLC

By _____
ROSEANNE LUTH
Chief Executive Officer

Dated: _____, 2020

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP

By _____
MICHAEL C. SULLIVAN
AARON A. BUCKLEY
Attorneys for Defendant LUTH RESEARCH, LLC

- (f) Dismiss this action with prejudice as to all Settlement Class Members.
- (g) Reserve continuing jurisdiction as provided herein.

Dated: _____, 2020

KIM ALDRIDGE
Plaintiff

Dated: _____, 2020

LAWYERS FOR JUSTICE, PC

By _____
EDWIN AIWAZIAN
Attorneys for Plaintiff KIM ALDRIDGE

Dated: _____, 2020

COUNSELONE, P.C.

By _____
ANTHONY J. ORSHANSKY
Attorneys for Plaintiff KIM ALDRIDGE

Dated: 10-12-20, 2020

LUTH RESEARCH, LLC

By 
ROSEANNE LUTH
Chief Executive Officer

Dated: OCTOBER 13 2020

PAUL, PLEVIN, SULLIVAN & CONNAUGHTON LLP

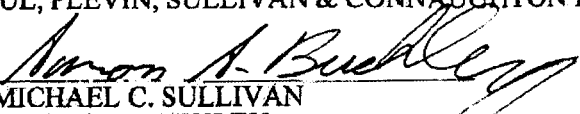
By 
MICHAEL C. SULLIVAN
AARON A. BUCKLEY
Attorneys for Defendant LUTH RESEARCH, LLC

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO

KIM ALDRIDGE, individually, and on behalf
of other members of the general public
similarly situated;

Plaintiff,

v.

LUTH RESEARCH LLC, and unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO. 37-2019-00011479-CU-OE-CTL

**NOTICE OF PENDENCY OF PUTATIVE
CLASS ACTION, PROPOSED
SETTLEMENT AND HEARING DATE
FOR COURT APPROVAL**

Dept.: 69
Judge: Hon. Katherine Bacal
Complaint Filed: February 28, 2019
Trial Date: Not Set

TO: All persons employed in California by Luth Research LLC ("Luth") as hourly-paid or non-exempt employees at any time during the period from February 28, 2015 through May 31, 2020.

Please read this notice carefully. This notice permits you to file a notice of objection on or before if you wish to object to the proposed settlement, or to submit a request for exclusion on or before if you wish to be excluded from the proposed settlement. YOU ARE NOT BEING SUED.

Pursuant to the order of the San Diego County Superior Court, entered <<preliminary approval>> YOU ARE HEREBY NOTIFIED AS FOLLOWS: A proposed settlement has been reached between the parties in the lawsuit identified in the caption above, pending in San Diego County Superior Court, on behalf of the Class described above, which has been provisionally certified for purposes of this settlement.

You have received this notice because records indicate you qualify as a member of the Class. This notice is designed to advise you of how you can participate in the settlement, how you can object to the settlement, and how you can exclude yourself from the settlement.

I. BACKGROUND OF THE CASE

On February 28, 2019, Kim Aldridge ("Plaintiff") filed a Class Action Complaint in the San Diego County Superior Court entitled *Kim Aldridge v. Luth Research LLC*, case number 37-2019-00011479-CU-OE-CTL ("Litigation"), on behalf of herself and a proposed class consisting of allegedly similarly situated individuals currently or formerly employed by Luth, in which she asserted causes of action for: (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4) Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); and (10) Violation of California Business & Professions Code §§ 17200, *et seq.*

On _____, 2020, Plaintiff filed a First Amended Complaint including all of the above causes of action, plus a claim for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004, Labor

Code §§ 2698, *et seq.*, based on those claims.

Luth contends that Plaintiff's claims are without merit, and disputes all claims for damages, penalties, and other relief. No court has ruled on the merits of the claims.

Plaintiff and her attorneys have vigorously prosecuted this case, and Luth has vigorously defended it. The parties have investigated the facts to assess the relative merits of the claims and Luth's defenses to those claims. Plaintiff's attorneys ("Class Counsel") have reviewed extensive documents and information produced by Luth.

Class Counsel believe that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including liability, and the amount of damages or penalties, if any, would ultimately be resolved. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believe that the proposed settlement is fair, reasonable and adequate.

On January 9, 2020, the parties attended a full day of mediation. The mediation conference did not immediately result in a settlement; however, negotiations continued for several more weeks. After extensive negotiations and much effort, the parties agreed to the settlement described in this Notice. The Class Action Settlement Agreement has been granted preliminary approval by the Court. The Agreement provisionally certifies the Settlement Class for purposes of this settlement.

II. SUMMARY OF THE PROPOSED SETTLEMENT

Plaintiff and Class Counsel support this settlement. Among the reasons given for support include the risk that class certification could be denied, the inherent risk of trial on the merits, and the delays associated with litigation.

The settlement provides for the following:

A. **Gross Settlement Fund:** Luth will pay \$700,000 to settle the Litigation. The \$700,000 Gross Settlement Fund shall consist of the following elements: (a) Class Counsel Attorneys' Fees; (b) Class Counsel Litigation Costs and Expenses; (c) Class Representative Enhancement; (d) Settlement Administration Expenses; (e) PAGA Payment to the California Labor and Workforce Development Agency; and (f) Net Settlement Fund. Each of these components is described below.

B. **Class Counsel Attorneys' Fees:** Class Counsel anticipates requesting an attorney fee award of up to thirty-five percent of the Gross Settlement Fund (\$245,000), subject to court approval, which shall be paid from the Gross Settlement Fund.

C. **Class Counsel Litigation Costs and Expenses:** Class Counsel anticipates requesting an award of no more than \$20,000, subject to court approval, as reimbursement for litigation costs, which shall be paid from the Gross Settlement Fund.

D. **Class Representative Enhancement:** Plaintiff anticipates requesting an award of no more than \$7,500, subject to court approval, for her role as Class Representative, which shall be paid from the Gross Settlement Fund.

E. **Private Attorneys General Act (PAGA) Allocation:** The parties have designated \$20,000 of the Gross Settlement Fund as representing the recovery of civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004. Of this amount, 75% (\$15,000) will be paid to the California Labor and Workforce Development Agency (LWDA), and the remaining 25% (\$5,000) shall become part of the Net Settlement Fund available for distribution to the Settlement Class Members.

F. **Settlement Administration Expenses:** The parties have selected, and the Court has approved, CPT Group, Inc. to administer the settlement. Upon final approval, Class Counsel will request that the Court approve a payment to CPT Group, Inc. to cover its fees and costs associated with giving notice to the Class, administering and disbursing the Net Settlement Fund, and other activities required to administer the settlement. The parties estimate that the payment to CPT Group, Inc., subject to court approval, will be approximately \$22,000, which shall be paid from the Gross Settlement Fund.

G. **Net Settlement Fund:** The Net Settlement Fund consists of all funds remaining from the Gross Settlement Fund after subtraction of Class Counsel Attorneys' Fees, Litigation Costs and Expenses, Class Representative Enhancement, PAGA Payment to the LWDA, and Settlement Administration Expenses. The Net Settlement Fund, estimated to be \$390,500, will be distributed to the Settlement Class as described below.

H. **Class Defined:** "Class"– means all persons employed in California by Luth as hourly-paid or non-exempt employees at any time during the period from February 28, 2015 through May 31, 2020.

I. **Settlement Class Defined:** "Settlement Class" – means all those persons who are members of the Class and who have not excluded themselves ("opted out") from the settlement.

J. **Settlement Period Defined:** "Settlement Period" – means the period from February 28, 2015 through May 31, 2020.

K. **Allocation of Net Settlement Fund Among Settlement Class Members:** The Net Settlement Fund will be allocated among the Settlement Class members according to each Settlement Class member's qualifying workweeks from February 28, 2015 through May 31, 2020 as a *pro rata* portion of the total combined qualifying workweeks of all the Settlement Class Members during the same period.

L. **Tax Treatment of Payments to Settlement Class Members:** The Settlement Payments are payments for all claims in the Litigation or that reasonably could have been asserted based on the causes of action, claims and allegations in the Litigation. Of the payments to individual Settlement Class Members, one-third shall be designated as wages subject to payroll withholding to be reported on IRS Form W2s where required by law, one-third shall be designated as interest to be reported on IRS Form 1099s where required by law, and the remaining one-third shall be designated as penalties to be reported on IRS Form 1099s where required by law. Luth shall be responsible for paying the employer's share of payroll taxes on any amounts allocated as wages. Each Settlement Class Member shall be responsible for remitting to state and/or federal taxing authorities any applicable taxes which may be owed on the portion of his or his Settlement Payment or Class Representative Enhancement. The Settlement Administrator shall report all required information to the appropriate taxing authorities regarding all payments made pursuant to the settlement agreement.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER?

Your interests as a Settlement Class Member are represented by Plaintiff and Class Counsel. Unless you exclude yourself from the Settlement Class, you are a part of the Settlement Class, you will be bound by the terms of the settlement agreement and any final judgment that may be entered by the Court, and you will be deemed to have released certain claims as described below. As a member of the Settlement Class you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and costs.

A. Participating in the Settlement

If you qualify for inclusion in the Settlement Class and you wish to participate in the settlement, **you are NOT required to take any action.** If the Court grants final approval of the settlement and you qualify as a Settlement Class Member, you will receive a Settlement Payment based on the calculations described above.

You will also be bound by the terms of the settlement and will release Luth and all related or affiliated entities from any and all claims that you may have based on the allegations in the lawsuit.

B. Objecting to the Settlement

If you do not agree with the terms of the settlement, you can object to the settlement before final approval. However, if the Court rejects your objection you will still be bound by the terms of the settlement. To object, you may simply appear at the Final Approval Hearing or submit a written objection by [REDACTED] to the Settlement Administrator at the following address:

Luth Research LLC Settlement
 INSERT NAME
 INSERT STREET ADDRESS
 INSERT CITY, STATE ZIP
 Toll Free: <<Telephone>>

Any written objections must state each specific reason in support of your objection and any legal support for each objection. Your objection must also state your full name, address, telephone number, and the dates of your employment as a qualified member of the Settlement Class defined above. To be valid and effective, any written objection to approval of the settlement must be postmarked and mailed to the Settlement Administrator no later than [REDACTED]. **PLEASE DO NOT TELEPHONE THE COURT.**

C. Excluding Yourself from the Settlement

If you qualify for inclusion in the Class but you do not wish to participate in the settlement, you may exclude yourself (i.e., "opt-out") by submitting a letter requesting exclusion to the Settlement Administrator. Your letter must be signed by you personally, and must clearly state: (1) your name, address, telephone number, the last four digits of your social security number, and the dates of your employment; and (2) your wish to be excluded from the Settlement Class. **Your letter requesting exclusion must be postmarked and mailed on or before [REDACTED], and mailed to the Settlement Administrator at the following address:**

Luth Research LLC Settlement
 INSERT NAME
 INSERT STREET ADDRESS
 INSERT CITY, STATE ZIP
 Toll Free: <<Telephone>>

Any person who timely submits a letter following the procedures above to request exclusion from the Class shall, upon receipt, no longer be a member of the Settlement Class, shall be barred from participating in any portion of the settlement, may not object to the settlement, and shall receive no payment or benefits from the settlement. Any such person will not release any claims he or she may have against Luth.

If you exclude yourself from the settlement, you will NOT receive any money from the settlement.

D. Challenging the Record of Your Weeks Worked

The Settlement Allocation Form that accompanies this notice states Luth's record of your weeks worked in a qualifying position within the Settlement Period. If you believe this information as stated on the Settlement Allocation Form to be inaccurate, you may state what you believe the correct number to be, and provide supporting documentation. The Settlement Administrator will then decide whether this information should be revised. **Your written dispute must be postmarked and mailed on or before [REDACTED], and mailed to the Settlement Administrator at the following address:**

Luth Research LLC Settlement

INSERT NAME

INSERT STREET ADDRESS

INSERT CITY, STATE ZIP

Toll Free: <<Telephone>>

You may also provide corrected name, address, and/or telephone information on the Settlement Allocation Form.

IV. EFFECT OF THE SETTLEMENT**A. Released Rights and Claims**

Upon the Court's final approval of the settlement and entry of final judgment, each Settlement Class Member shall be deemed to have released Luth, and all of its parents, subsidiaries, predecessors, successors, and affiliates, and all of their respective shareholders, officers, directors, employees, administrators, fiduciaries, trustees, agents, and benefit plans (collectively the "Releasees"), from any and all "Settlement Class Members' Released Claims." The Settlement Class Members' Released Claims are defined as:

Any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, actions or causes of action which are alleged, or reasonably could have been alleged based on the facts and claims asserted in the Litigation, including without limitation to, claims for restitution and other equitable relief, claims for unpaid wages, unpaid overtime wages, failure to provide rest periods or meal periods or to provide compensation in lieu thereof, meal period penalties, rest period penalties, waiting time penalties, penalties for unpaid minimum wages, penalties for incomplete payroll records, unfair business practices, failure to provide accurate wage statements, failure to maintain required records, failure to reimburse business expenses, declaratory relief, accounting, injunctive relief, civil penalties brought under the Labor Code Private Attorneys General Act of 2004 (Labor Code Section 2698, *et seq.*), claims for penalties of any nature whatsoever arising out of the Settlement Class Members' Released Claims, or any other benefit claimed on account of allegations and claims which are reasonably related to the allegations and claims asserted in the Litigation. This release shall apply to claims arising at any point during the Settlement Period.

B. Payment to Settlement Class Members

The distribution of the Gross Settlement Fund will be paid as follows: One-half of the Gross Settlement Fund will be distributed approximately seven (7) months after final court approval of this settlement, and all appeals and rights to appeal are exhausted. The remaining one-half of the Gross Settlement Fund will be distributed approximately 12 months after the first distribution.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing in Department 69 of the San Diego County Superior Court, 330 West Broadway - Dept. 69, San Diego, CA 92101 [REDACTED], to determine whether the settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel Attorneys' Fees, Litigation Costs and Expenses, PAGA Payment to the LWDA, Settlement Administration Expenses, and Class Representative Enhancement. Class Counsel's application for attorneys' fees and reimbursement of expenses will be on file with the Court no later than ten (10) days before this hearing, and will be available for review after that date.

The hearing may be continued without further notice to the Settlement Class. It is not necessary for you to appear at this hearing. (However, you are permitted to appear.)

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. Should you desire additional information, you may contact Class Counsel as follows:

Edwin Aiwarzian
LAWYERS *for* JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, CA 91203
Tel: (818) 265-1020

Anthony J. Orshansky
CounselOne, P.C.
9301 Wilshire Blvd, Suite 650
Beverly Hills, CA 90210
Tel: (310) 277-9945

If you wish to review the precise terms and conditions of the settlement, you are referred to the detailed Class Action Settlement Agreement, which is on file with the Clerk of the Superior Court. The pleadings and other records in this litigation including the Class Action Settlement Agreement, may be examined at any time during regular business hours at the Office of the Clerk of the San Diego County Superior Court, Hall of Justice Courthouse, 330 West Broadway, San Diego, CA 92101.

Settlement Award checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California's Unclaimed Property Fund for the benefit of those Settlement Class Members who did not cash their checks. If you lose or misplace a check, you should contact the Settlement Administrator immediately to request a replacement.

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

BY ORDER OF THE SUPERIOR COURT

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

TO:

<<ID>>
<<Name>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip>>
<<Barcode>>

KIM ALDRIDGE, individually, and on behalf
of other members of the general public similarly
situated;

Plaintiff,

v.

LUTH RESEARCH LLC, and unknown
business entity; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO. 37-2019-00011479-CU-OE-CTL

SETTLEMENT ALLOCATION FORM

Department:	69
Judge:	Hon. Katherine Bacal
Complaint Filed:	February 28, 2019
Trial Date:	Not Set

USE AND RETURN THIS FORM ONLY IF:

- 1) You dispute the "Weeks Worked" attributed to you below; and/or
- 2) Your name, address, or telephone number information listed above is not accurate.

If your name, address, and telephone number above is accurate, and you do not dispute the weeks worked stated below, you may disregard this form. You do not need to do anything, and you will receive a check by U.S. Mail.

If your name, address, or telephone number stated above is inaccurate, please provide the correct information below, and return this form to the Settlement Administrator.

PLEASE PRINT CLEARLY

I. PERSONAL INFORMATION

Name: _____

Street Address: _____

City, State, Zip Code: _____

Mobile Telephone No.:(_____) _____

Home Telephone No.:(_____) _____

Last four digits of Social Security Number: _____

For purposes of verification only, I began working at Luth Research LLC in approximately:

(month) _____, (year) _____ at: _____ (location)

II. SETTLEMENT PAYMENT BASED ON WEEKS WORKED

Your estimated settlement amount is: <<estAmount>>. This amount may be increased, depending upon the number of class members who exclude themselves from the settlement, and the final approval process.

Your weeks worked according to Luth Research LLC's ("Luth") Records:

Your recovery will be based on the number of weeks you were employed in California by Luth as an hourly-paid or non-exempt employee from February 28, 2015 through May 31, 2020. **According to personnel records maintained by Luth, you worked <<WorkWeeks>> weeks ("Your Weeks Worked") in California during that time period in a qualifying position.**

If you do not dispute the weeks worked listed on this form, you do not need to do anything. You will receive a check by U.S. Mail.

If you do not agree with the number of weeks worked, you may dispute the number above by providing information and documentation to the Settlement Administrator. Your Weeks Worked are presumed to be correct unless you submit **documentation**, such as paystubs, for example, that proves otherwise. **If you dispute Your Weeks Worked**, in the space below, provide the position(s) in which you worked, and the dates that you worked during the relevant period. Include copies of any documents, such as paycheck stubs, that supports your position.

Position:Dates:

If you dispute your Weeks Worked, you must return this form to the Settlement Administrator, at the following address, by U.S. Mail, post-marked on or before _____.

Luth Research LLC Settlement

INSERT NAME

INSERT STREET ADDRESS

INSERT CITY, STATE ZIP

Toll Free: 1(888)

If you agree with your Weeks Worked and your address information stated on this form is correct, you need do nothing. You will receive a check in the mail.