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*Attorneys for Plaintiff*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN BERNARDINO**

SHAUN GONZALES, 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;

Plaintiff,

v.

CHAMPION FIRE SYSTEMS, INC., a  
California corporation; and DOES 1 through  
100, inclusive,

Defendants.

Case No.: CIVSB2028336

Honorable David S. Cohn  
Department S-26

**CLASS ACTION**

**DECLARATION OF ANNABEL  
BLANCHARD IN SUPPORT OF  
PLAINTIFF'S MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
ACTION SETTLEMENT**

[Plaintiff's Motion for Preliminary Approval of  
Class Action Settlement; Declaration of  
Proposed Class Representative (Shaun  
Gonzales); and [Proposed] Order filed  
concurrently herewith]

Date: June 2, 2022  
Time: 9:00 a.m.  
Department: S-26

Complaint Filed: December 28, 2020  
FAC Filed: May 3, 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 Plaintiff Shaun Gonzales (“Plaintiff”). 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 Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA

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

25 4. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He  
26 received his Bachelor of Arts degree from University of California, Los Angeles, and graduated  
27 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.  
28 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the

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

16 5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received a  
17 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of  
18 Science degree from the London School of Economics in 2007, and a Juris Doctor degree from  
19 Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010)  
20 and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in  
21 California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme  
22 Court. She has taken and defended dozens of depositions and successfully handled motion practice  
23 in class action cases regarding discovery (including and not limited to, regarding class contact  
24 information), class certification (both contested class certification and stipulated class  
25 certification), arbitration agreements, coordination, intervention. She has successfully handled  
26 briefing and oral argument on appeal and has obtained notable decisions regarding the Private  
27 Attorneys General Act and employer efforts to compel arbitration, e.g., *Betancourt v. Prudential*  
28 *Overall Supply*, 9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017),

cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019). She also has extensive experience with class action and/or representative action settlements. Under her, Edwin Aiwarzian, and Arby Aiwarzian’s supervision, the firm has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association.

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

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

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

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

b) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class action against a national retailer of household items involving allegations of misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court

1 granted final approval of the class action settlement. The Los Angeles County Superior Court  
2 Case Number is BC413498.

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

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

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

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

24 g) LFJ, in association with co-counsel therein, represented the plaintiff in a  
25 wage-and-hour class action against a multinational corporation that provides global workplace  
26 solutions, involving allegations of misclassification of the “Operations Manager” position. On  
27 September 16, 2014, the court granted plaintiff’s motion for class certification. The Los Angeles  
28 County Superior Court Case Number is BC478769.

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

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

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

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

22           l)     LFJ, in association with co-counsel therein, represented the plaintiffs in a  
23 wage-and-hour class action against a national retailer of apparel, accessories, and home products,  
24 involving allegations of misclassification of the “Department Manager” position. On August 12,  
25 2016, the court granted the plaintiffs’ motion for class certification in part and certified a class. On  
26 August 6, 2019, the court granted final approval of the class action settlement. The Alameda  
27 County Superior Court Case Number is RG13680477.  
28

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

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

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

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

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

26 r) LFJ, in association with co-counsel therein, represented the plaintiffs in a  
27 wage-and-hour class and PAGA representative action against a manufacturer of food service  
28 industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final

1 approval of the class and PAGA representative action settlement. The Orange County Superior  
2 Court Case Number is 30-2015-00810013-CU-OE-CXC.

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

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

13 u) LfJ represented the plaintiff in a wage-and-hour class and PAGA  
14 representative action against a food company on behalf of non-exempt employees. On June 30,  
15 2017, the court granted final approval of the class and PAGA representative action settlement. The  
16 Sacramento County Superior Court Case Number is 34-2015-00175871.

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

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

25 x) LfJ represented the plaintiffs in a wage-and-hour class and PAGA  
26 representative action against a manufacturer of plastic containers on behalf of non-exempt  
27 employees. On October 31, 2017, the court granted final approval of the class and PAGA  
28

1 representative action settlement. The Los Angeles County Superior Court Case Number is  
2 BC577233.

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

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

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

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

23 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA  
24 representative action against a behavioral health service provider on behalf of non-exempt  
25 employees. On November 13, 2018, the court granted final approval of the class and PAGA  
26 representative action settlement. The Alameda County Superior Court Case Number is  
27 RG16811450.  
28

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

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

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

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

22 hh) LFJ, in association with co-counsel therein, on behalf of the plaintiff and  
23 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed  
24 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a  
25 notable decision from the California Supreme Court clarifying the law and finding, in part, that  
26 employer arbitration agreements are unenforceable where they block a PAGA claim from  
27 proceeding, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court  
28

1 granted approval of the PAGA representative action settlement. The San Diego County Superior  
2 Court Case Number is 34-2015-00175330.

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

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

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

19 ll) LFJ, in association with co-counsel therein, represents the plaintiffs in a  
20 wage-and-hour class and PAGA representative action against a plastic packaging company on  
21 behalf of non-exempt employees. On June 8, 2020, the court granted in part the plaintiffs' motion  
22 for class certification and certified a class. On November 8, 2021, the court granted approval of  
23 the partial settlement of the action. The San Bernardino County Superior Court Case Number is  
24 CIVDS1507361.

25 mm) LFJ, in association with co-counsel therein, represents the plaintiffs in a  
26 wage-and-hour class action against manufacturer and supplier of power products and services on  
27 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion  
28

1 for class certification and certified a class. The San Diego County Superior Court Case Number is  
2 37-2015-00025968-CU-OE-CTL.

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

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

11 **BASIC INFORMATION ABOUT THE CASE AND REACHING THE SETTLEMENT**

12 8. Marked and attached hereto as "**EXHIBIT 1**" is the Joint Stipulation of Class Action  
13 and PAGA Settlement ("Settlement," "Agreement," or "Settlement Agreement") entered into by  
14 and between Plaintiff Shaun Gonzales, on the one hand, and Defendant Champion Fire  
15 ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and their counsel have  
16 approved the proposed Notice of Proposed Class Action Settlement ("Class Notice"), which is  
17 attached to the Settlement Agreement as "Exhibit A," and respectfully request that the Court  
18 approve it as well.

19 9. Based on information provided by Defendant, as of March 22, 2022, the Class is  
20 estimated to consist of approximately sixty-five (65) individuals.

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

1           11. Plaintiff's Counsel has litigated the matter for over a year, since the putative class  
2 action entitled *Shaun Gonzales v. Champion Fire Systems, Inc.*, San Bernardino County Superior  
3 Court, Case No. CIVSB2028336, was commenced on December 28, 2020 and the representative  
4 PAGA action entitled *Shaun Gonzales v. Champion Fire Systems, Inc.*, San Bernardino County  
5 Superior Court, Case No. CIVSB2105666 was commenced on February 22, 2021. Plaintiff's  
6 Counsel was actively preparing for class certification and trial. The Parties have conducted  
7 extensive investigations, informal discovery, settlement negotiations. The Parties meaningfully  
8 evaluated the cases and various aspects of the cases, including but not limited to, the risks and  
9 delays of further litigation, the risks to the Parties of proceeding with class certification and/or  
10 representative adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA  
11 representative actions, and wage-and-hour law and enforcement, as well as the evidence produced  
12 and analyzed, and the possibility of appeals, among other things. During all settlement  
13 discussions, the Parties conducted their negotiations at arm's length in an adversarial position.  
14 Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel  
15 felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and  
16 Plaintiff's Counsel believed that they would be able to obtain class certification and prevail at trial.  
17 After conducting investigations, informal discovery, exchange of information, and extensive  
18 settlement negotiations the Parties have agreed that the matter is well-suited for settlement given  
19 the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides  
20 that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution  
21 of the Plaintiff's and Settlement Class Members' Released Class Claims, and of the State of  
22 California's and PAGA Group Members' Released PAGA Claims.

23           12. Prior to reaching the settlement, the Parties investigated the veracity, strength, and  
24 scope of the claims, and Plaintiff's Counsel was preparing the action for class certification and  
25 trial. Plaintiff's Counsel interviewed Plaintiff and other Class Members to gather facts and to  
26 identify potential witnesses. Counsel for the Parties also met and conferred on numerous  
27 occasions. Plaintiff's Counsel also drafted pleadings, conducted informal discovery, and prepared  
28 for and attended court proceedings and settlement negotiations, among other tasks.

1           13. Counsel for the Parties have also invested time researching and investigating the  
2 applicable law, which is constantly evolving as it relates to certification, representative PAGA  
3 claims, off-the-clock theory, meal and rest periods, wage-and-hour law and enforcement,  
4 Plaintiff's claims and damages, and Defendant's defenses thereto, as well as facts discovered.  
5 Based on Plaintiff's Counsel's analysis, the result achieved in this litigation is fair, adequate, and  
6 reasonable.

7           14. The Settlement provides for a Maximum Settlement Amount of three hundred  
8 twenty-five thousand dollars and no cents (\$325,000.00). The Net Settlement Amount is the  
9 Maximum Settlement Amount less the following amounts subject to approval by the Court:  
10 Attorneys' Fees and Litigation Costs to Class Counsel, Enhancement Payment to Plaintiff,  
11 Administration Costs to Settlement Administrator, and PAGA Penalties. Assuming the amounts  
12 allocated under the Settlement toward these payments are awarded by the Court, the Net  
13 Settlement Amount that will be available for distribution to Settlement Class Members is currently  
14 estimated to be one hundred seventeen thousand seven hundred fifty dollars and no cents  
15 (\$117,750.00). Also, \$52,500 will be distributed to the LWDA and \$17,500 will be distributed to  
16 the PAGA Group Members, for their respective portion of the PAGA Penalties. The Maximum  
17 Settlement Amount will be fully distributed in accordance with the terms of the Settlement and  
18 there is no reversion to Defendant.

19           15. The Parties have agreed to retain Simpluris, Inc. ("Simpluris" or "Settlement  
20 Administrator") to handle the notice and settlement administration process. The Parties  
21 respectfully request that the Court appoint Simpluris to handle these procedures and serve as the  
22 Settlement Administrator. Defendant will provide the Settlement Administrator with a list of Class  
23 Members that Defendant will compile from its records, which will include each Class Member's  
24 full name; last known home address; last known telephone number; number of Workweeks worked  
25 during the Class Period; number of Workweeks during the PAGA Period; Social Security Number;  
26 and last known email address. The Settlement Administrator will calculate each Class Member's  
27 estimated share of the Class Settlement ("Individual Settlement Payment") and each PAGA Group  
28 Member's estimated share of the PAGA Penalties ("Individual PAGA Payment"). The Settlement

1 Administrator will also receive Requests for Exclusion, objections, and disputes regarding  
2 Workweeks; provide necessary reports and declarations; calculate, subtract, and transmit  
3 necessary taxes and withholdings; prepare and submit informational and other tax filings and  
4 documents; issue and transmit all payments provided for by the Settlement, including and not  
5 limited to, mailing Individual Settlement Payments to Settlement Class Members and Individual  
6 PAGA Payments to PAGA Group Members; and perform any other usual and customary duties  
7 for administering a class action settlement. Settlement Administration Costs are currently  
8 estimated to be four thousand dollars and no cents (\$4,000.00) and will be paid out of the  
9 Maximum Settlement Amount, subject to approval of the Court.

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

28 17. Plaintiff's Counsel is aware of the defenses and position of Defendant but believes

1 that Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and  
2 Plaintiff's Counsel have also taken into account the uncertainty and risk of the outcome of further  
3 litigation, and the difficulties and delays inherent in such litigation, including those involved in  
4 class certification and/or representative adjudication. Plaintiff and Plaintiff's Counsel further  
5 recognize the burdens of proof necessary to establish liability for the claims asserted by Plaintiff,  
6 Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery.

7 18. Defendant, on the other hand, denied and continues to deny any liability and  
8 wrongdoing of any kind associated with the allegations in the lawsuit, and further denies that the  
9 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than  
10 the Settlement. Defendant believes that it would ultimately succeed in the matter. The available  
11 information enabled Plaintiff's Counsel to assess and value the class and PAGA claims and  
12 prepare violation, damages, and penalties analyses and models. Accordingly, the Parties have  
13 conducted adequate investigation, informal discovery, and evaluation to be sufficiently informed  
14 of the nature and extent of the class and PAGA claims, and to enable both sides to fully evaluate  
15 the Settlement for its fairness, adequacy, and reasonableness. The Parties have agreed that the  
16 matter is well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as  
17 well as the costs and risks to both sides that would attend further litigation. The Settlement takes  
18 into account the strengths and weaknesses of each side's position and the uncertainty of how the  
19 case might have concluded at certification, trial, and/or appeals.

20 19. The Settlement Agreement provides for Plaintiff's Counsel to apply for attorneys'  
21 fees in an amount of up to thirty-five percent (35%) of the Maximum Settlement Amount  
22 (i.e., \$ 113,750.00) and litigation expenses and costs in an amount not to exceed seven thousand  
23 dollars and no cents (\$ 7,000.00), which will be paid out of the Maximum Settlement Amount,  
24 subject to approval by the Court. It should be noted that Plaintiff's Counsel has borne all of the  
25 risks and costs of litigation and will not receive any compensation until recovery is obtained.

26 20. The Settlement Agreement provides for payment of up to twelve thousand five  
27 hundred dollars and no cents (\$12,500.00) to Plaintiff as an Enhancement Payment, to be paid out  
28 of the Maximum Settlement Amount, subject to approval by the Court. Plaintiff spent

1 considerable time and effort to produce relevant documents and past employment records and to  
2 provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was  
3 available whenever Plaintiff's Counsel needed him, and actively tried to obtain information that  
4 would facilitate the pursuit of the class and PAGA claims. Accordingly, it is appropriate and just  
5 for Plaintiff to receive an Enhancement Payment, in addition to an Individual Settlement Payment  
6 and Individual PAGA Payment, for services performed in the matter on behalf of the Class, State  
7 of California, and PAGA Group Members.

8 21. Plaintiff's Counsel submits that the Settlement is fair, reasonable, and adequate, and  
9 is in the best interests of Plaintiff, the Class, the State of California, and PAGA Group Members.  
10 Plaintiff's Counsel further submits that the Settlement is within an acceptable range of recovery  
11 for this type of litigation given the strengths and weaknesses of the case, the inherent costs and  
12 risks of further litigation, and the costs and risks associated with class certification, representative  
13 adjudication, trial, and/or appeals.

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

16 Executed on this 10<sup>th</sup> day of May 2022, at Glendale, California.

17 

18 Annabel Blanchard  
19  
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27  
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# **EXHIBIT 1**

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Attorneys for Plaintiff Shaun Gonzales

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

SHAUN GONZALES, 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;

Plaintiff,

v.

CHAMPION FIRE SYSTEMS, INC., a  
California corporation; and DOES 1 through 100,  
inclusive,

Defendants.

Case No. CIVSB2028336

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

Action Filed: December 28, 2020

Trial Date: Not Yet Assigned

1 This Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement  
2 Agreement”) is made by and between the Plaintiff SHAUN GONZALES (“Plaintiff”), on his own  
3 behalf and on behalf of all members of the Settlement Class, as defined below, on the one hand,  
4 and Defendant CHAMPION FIRE SYSTEMS, INC. (“Defendant”) on the other hand (Plaintiff and  
5 Defendant collectively referred to as the “Parties”), in the lawsuit entitled *Shaun Gonzales v.*  
6 *Champion Fire Systems, Inc.*, filed in San Bernardino County Superior Court, Case No.  
7 CIVSB2028336 (“Litigation”). This Settlement resolves all claims that were asserted or could have  
8 been asserted against Defendant pertaining to the claims in the Litigation.

9 **I. DEFINITIONS**

10 **A. “Administration Costs”** means all administrative costs of settlement, including  
11 costs of notice to the Class, settlement administration, and any fees and costs incurred or charged  
12 by the Settlement Administrator in connection with the execution of its duties under this Settlement.

13 **B. “Class Counsel” or “Plaintiff’s Counsel”** mean Edwin Aiwazian, Arby Aiwazian,  
14 and Joanna Ghosh of Lawyers for Justice, PC and all the lawyers of this firm acting on behalf of  
15 Plaintiff and the Class.

16 **C. “Class Members”** means all current and former hourly-paid or non-exempt  
17 employees who worked for Defendant within the State of California at any time during the Class  
18 Period (collectively referred to as the “Class”).

19 **D. “PAGA Group Members”** means all current and former hourly-paid or non-  
20 exempt employees who worked for Defendant within the State of California at any time during the  
21 PAGA Period (collectively referred to as the “PAGA Members” or “PAGA Group Members”).

22 **E. “Court”** means the Superior Court of the State of California for the County of San  
23 Bernardino.

24 **F. “Effective Date”** means: the later of: (a) if no timely objections are filed or if all  
25 objections are withdrawn, the date upon which the Court enters the Final Approval Order; (b) if an  
26 objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed  
27 (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in  
28 a way that does not alter the terms of the settlement.

1           **G. “Final Approval Order”** as used herein mean the final formal judgment entered by  
2 the Court granting final approval of this Agreement.

3           **H. “Plaintiff”** as used herein means Shaun Gonzales.

4           **I. “Net Settlement Amount”** means the Maximum Settlement Amount minus any  
5 Court-approved award of Attorneys’ Fees to Class Counsel, Litigation Costs to Class Counsel,  
6 Administration Costs to the Settlement Administrator, Enhancement Payment to Plaintiff, and  
7 PAGA Penalties, and as provided in Sections VIII, IX, and XIV-XVII.

8           **J. “Individual Settlement Payments”** means payments made to the Settlement Class  
9 Members from the Net Settlement Amount as part of the Settlement.

10           **K. “Individual PAGA Payments”** means payments made to the PAGA Group  
11 Members from the Employee PAGA Amount that PAGA Group Members are eligible to receive  
12 under the PAGA Settlement.

13           **L. “Settlement”** means the disposition and agreement to resolve the Litigation.

14           **M. “Settlement Administrator”** means Simpluris, Inc. (“Simpluris”), the settlement  
15 administrator selected by the Parties, and which will be responsible for the administration of the  
16 Maximum Settlement Amount, as defined below, and all related matters. The Parties each represent  
17 that they do not have any financial interest in the Settlement Administrator or otherwise have a  
18 relationship with the Settlement Administrator that could create a conflict of interest.

19           **N. “Maximum Settlement Amount”** means the sum of Three Hundred Twenty-Five  
20 Thousand Dollars (\$325,000.00), which shall be paid by Defendant, and from which all Individual  
21 Settlement Payments pursuant to Section XII, Court-approved Attorneys’ Fees and Litigation Costs  
22 pursuant to Section XIV, Administration Costs pursuant to Section IX, Enhancement Payment  
23 pursuant to Section XV, and PAGA Penalties pursuant to Section XVII, except as provided herein.

24           **O. “Settlement Payment”** means the payment of \$325,000.00 due at final approval of  
25 the settlement by the Court.

26           **P. “Settlement Class Member”** means a Class Member who does not submit a timely  
27 and valid Request for Exclusion.

28 ///

1           **Q.**     “**Class Period**” means the period from December 28, 2016 through the date of  
2 preliminary approval of the Settlement by the Court or June 15, 2022, whichever is earlier.

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

4           **S.**     “**PAGA Period**” means the period from December 16, 2019 through the date of  
5 preliminary approval of the Settlement by the court or June 15, 2022, whichever is earlier.

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

7           **U.**     “**PAGA Penalties**” means the amount of Seventy Thousand Dollars (\$70,000.00)  
8 from the Maximum Settlement Amount which will be allocated toward penalties under the Private  
9 Attorneys General Act, California Labor Code § 2698 *et seq.*, of which seventy-five percent (75%)  
10 will be paid to the LWDA (i.e., the “LWDA Payment”), and twenty-five percent (25%) will be  
11 distributed to the PAGA Group Members (i.e., the “Employee PAGA Amount”).

12          **V.**     “**Workweeks**” means the number of weeks that a Class Member worked for  
13 Defendant as an hourly-paid or non-exempt employee in California during the Class Period (based  
14 on the number of workweeks in the Class List that Defendant provides to the Settlement  
15 Administrator). Each Class Member will be credited with at least one (1) Workweek. A Workweek  
16 includes any week in which a Class Member had a time worked entry in Defendant’s timekeeping  
17 system.

## 18   **II.    BACKGROUND**

19          **A.**     On December 16, 2020, Plaintiff sent a letter to the Labor and Workforce  
20 Development Agency, pursuant to California Labor Code section 2699.3, providing notice of his  
21 intent to seek civil penalties under the Private Attorneys General Act, California Labor Code  
22 section 2698, *et seq.*, for Defendant’s alleged violations of California Labor Code sections 201,  
23 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and  
24 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001,  
25 and 16-2001 (“LWDA Letter”).

26          **B.**     On December 28, 2020, Plaintiff filed Case No. CIVSB2028336 in San Bernardino  
27 County Superior Court, which is a wage and hour class action against Defendant. In this class  
28 action (“the Litigation”), Plaintiff alleges, *inter alia*, on behalf of himself and all others similarly

1 situated, that Defendant violated California state wage and hour laws and the California Business  
2 and Professions Code Section 17200 *et seq.* as a result of Defendant's California wage and hour  
3 policies and practices. Specifically, Plaintiff alleged that Defendant violated the following  
4 provisions of the California Labor Code: (1) California Labor Code sections 510 and 1198 (failure  
5 to pay overtime); (2) California Labor Code sections 226.7 and 512(a) (failure to provide compliant  
6 meal periods and associated premiums); (3) California Labor Code section 226.7 (failure to provide  
7 rest periods and associated premiums); (4) California Labor Code sections 1194, 1197, and 1197.1  
8 (failure to pay minimum wages); (5) California Labor Code sections 201-203 (failure to timely pay  
9 final wages); (6) California Labor Code section 204 (failure to timely pay wages during  
10 employment); (7) California Labor Code section 226(a) (failure to provide accurate wage  
11 statements); (8) California Labor Code section 1174(d) (failure to keep requisite payroll records);  
12 (9) California Labor Code sections 2800 and 2802 (failure to reimburse necessary business  
13 expenses); and (10) California Business & Professions Code sections 17200, *et seq.*

14 **C.** On February 22, 2020, Plaintiff filed Case No. CIVSB2105666 in San Bernardino  
15 County Superior Court ("PAGA Case"), alleging a single representative cause of action under  
16 Private Attorneys General Act, California Labor Code section 2698, *et seq.* ("PAGA") action  
17 against Defendant.

18 **D.** On May 3, 2021, Plaintiff filed a First Amended Class Action Complaint for  
19 Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698,  
20 *Et Seq.* in the Litigation ("First Amended Complaint"), which added Plaintiff's PAGA cause of  
21 action that had been asserted in the PAGA Case. Thereafter, the PAGA Case was dismissed on  
22 June 22, 2021.

23 **E.** Class Counsel conducted extensive investigation, discovery, review and analysis of  
24 data and documents, and evaluation concerning the claims set forth in the Litigation.

25 **F.** Plaintiff and Class Counsel have engaged in good faith, arms-length negotiations  
26 with Defendant concerning possible settlement of the claims asserted in the Litigation. These good  
27 faith, arms-length negotiations resulted in settlement of the Litigation memorialized in this  
28

1 Settlement Agreement after extensive negotiations about the terms and conditions of the  
2 Settlement.

3       **G.**     Class Counsel has conducted an investigation of the law and facts relating to the  
4 claims asserted in the Litigation and has concluded, taking into account the sharply contested issues  
5 involved, the defenses asserted by Defendant, the expense and time necessary to pursue the  
6 Litigation through trial and any appeals, the risks and costs of further prosecution of the Litigation,  
7 the risk of an adverse outcome, the uncertainties of complex litigation, and the substantial benefits  
8 to be received by Plaintiff and the members of the Class and State of California pursuant to this  
9 Agreement, that a settlement with Defendant on the terms and conditions set forth herein is fair,  
10 reasonable, adequate, and in the best interests of the Class and State of California. Plaintiff, on his  
11 own behalf, on behalf of the Class, and as a private attorney general on behalf of the State of  
12 California with respect to PAGA Members, has agreed to settle the Litigation with Defendant on  
13 the terms set forth herein.

14       **H.**     Defendant has concluded that, because of the substantial expense of defending  
15 against the Litigation, the length of time necessary to resolve the issues presented herein, the  
16 inconvenience involved, and the concomitant disruption to its business operations, it is in  
17 Defendant's best interest to accept the terms of this Agreement. Defendant denies each of the  
18 allegations and claims asserted against it in the Litigation. However, Defendant nevertheless  
19 desires to settle the Litigation for the purpose of avoiding the burden, expense and uncertainty of  
20 continuing litigation and for the purpose of putting to rest the controversies engendered by the  
21 Litigation.

22       **I.**     This Agreement is intended to and does effectuate the full, final and complete  
23 settlement of the allegations and claims set forth in Section II.A-D.

### 24     **III.     JURISDICTION**

25       The Court has jurisdiction over the Parties and the subject matter of this Litigation. The  
26 Litigation includes claims that, while Defendant denies them in their entirety, would, if proven,  
27 authorize the Court to grant relief pursuant to the applicable statutes. After the Court has granted  
28 final approval of the Settlement and after the Court has ordered the entry of judgment, pursuant to

1 California Code of Civil Procedure Section 664.6 the Court shall retain jurisdiction of the Litigation  
2 solely for the purpose of interpreting, implementing, and enforcing this Settlement consistent with  
3 the terms set forth herein.

4 **IV. STIPULATION OF CLASS CERTIFICATION**

5 **A.** The Parties stipulate to the certification of the Class for purposes of settlement only.  
6 This stipulation is contingent upon the preliminary and final approval and certification of the Class  
7 only for purposes of settlement. Should the Settlement not become final, for whatever reason, the  
8 fact that the Parties were willing to stipulate provisionally to class certification as part of the  
9 Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of  
10 whether a class should be certified in a non-settlement context in the Litigation. Defendant  
11 expressly reserves the right to oppose class certification and/or proactively move to deny  
12 certification should this Settlement be modified or reversed on appeal or otherwise not become  
13 final.

14 **B.** The Parties agree that class certification pursuant to California Code of Civil  
15 Procedure Section 382 under the terms of this Agreement is for settlement purposes only. Nothing  
16 in this Agreement will be construed as an admission or acknowledgement of any kind that any class  
17 should be certified or given collective treatment in the Litigation or in any other action or  
18 proceeding. Further, neither this Agreement nor the Court's actions with regard to this Agreement  
19 will be admissible in any court or other tribunal regarding the propriety of class certification or  
20 collective treatment. In the event that this Agreement is not approved by the Court or any appellate  
21 court, is terminated, or otherwise fails to be enforceable, Plaintiff will not be deemed to have  
22 waived, limited, or affected in any way any claims, rights, or remedies in the Litigation, and  
23 Defendant will not be deemed to have waived, limited, or affected in any way any of its objections  
24 or defenses in the Litigation.

25 **V. MOTION FOR PRELIMINARY APPROVAL**

26 **A.** Plaintiff will bring a motion before the Court for an order preliminarily approving  
27 the Settlement including the Notice of Class Action Settlement ("Class Notice"), which is attached  
28 hereto as "**Exhibit A**," and including certification of the Class for settlement purposes only.

1           **B.**     The date that the Court enters an order granting preliminary approval of the  
2 Settlement will be the “Preliminary Approval Date.”

3           **C.**     Class Counsel will prepare the motion for preliminary approval of the Settlement  
4 and will provide Defendant’s counsel the opportunity to review it and provide input before it is  
5 filed. Defendant agrees that it will not oppose Plaintiff’s Motion for Preliminary Approval, nor  
6 shall it seek to delay the hearing on this motion for more than thirty (30) days from the date obtained  
7 by Plaintiff. This is a material term of the Settlement and any delay or opposition by Defendant  
8 will be grounds for Plaintiff to withdraw from the Settlement.

9       **VI.   STATEMENT OF NO ADMISSION**

10          **A.**     Defendant denies liability for any claim or cause of action asserted in the LWDA  
11 Letter and the Litigation. This Agreement does not constitute, and is not intended to constitute, an  
12 admission by Defendant as to the merits, validity, or accuracy of any of the allegations or claims  
13 made against it in the LWDA Letter and the Litigation.

14          **B.**     Nothing in this Agreement, nor any action taken in implementation thereof, nor any  
15 statements, discussions or communications, nor any materials prepared, exchanged, issued or used  
16 during the course of the negotiations leading to this Agreement or the Settlement, is intended by  
17 the Parties to constitute, nor will any of the foregoing constitute, be introduced, be used or be  
18 admissible in any way in this case or any other judicial, arbitral, administrative, investigative or  
19 other forum or proceeding as evidence of any violation of any federal, state, or local law, statute,  
20 ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. The  
21 Parties themselves agree not to introduce, use, or admit this Agreement, directly or indirectly, in  
22 this case or any other judicial, arbitral, administrative, investigative, or other forum or proceeding,  
23 as purported evidence of any violation of any federal, state, or local law, statute, ordinance,  
24 regulation, rule or executive order, or any obligation or duty at law or in equity, or for any other  
25 purpose. Notwithstanding the foregoing, this Agreement may be used and filed in any proceeding  
26 before the Court that has as its purpose the interpretation, implementation, or enforcement of this  
27 Agreement or any orders or judgments of the Court entered in connection with implementation of  
28 this Agreement and/or the Settlement.

1 C. None of the documents produced or created by Plaintiff or the Class in connection  
2 with settlement procedures constitute, and they are not intended to constitute, an admission by  
3 either Plaintiff or Defendant regarding whether or not any violation of any federal, state, or local  
4 law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in  
5 equity has occurred.

6 **VII. WAIVER, RELEASE AND CONFIDENTIALITY**

7 **A. Release As to All Settlement Class Members.**

8 Upon the Effective Date, Plaintiff and all Settlement Class Members waive, release, and  
9 discharge Defendant, and its divisions, affiliates, predecessors, successors, shareholders, officers,  
10 directors, employees, agents, trustees, representatives, administrators, fiduciaries, assigns,  
11 subrogees, executors, partners, parents, subsidiaries, joint employers, insurers, clients, customers,  
12 suppliers, vendors, and related corporations (collectively, “Released Parties”) of any and all wage-  
13 related claims that were alleged in or which could have been alleged in the First Amended  
14 Complaint based on the factual allegations in the First Amended Complaint, arising during the  
15 Class Period, including the following claims, under any legal theory of liability, for: (1) alleged  
16 failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, 1197, and  
17 1198 and the IWC Wage Orders; (2) alleged failure to provide meal periods pursuant to California  
18 Labor Code sections 226.7 and 512 and the IWC Wage Orders; (3) alleged failure to provide rest  
19 periods pursuant to California Labor Code sections 226.7 and 512 and the IWC Wage Orders; (4)  
20 alleged failure to pay all minimum wages owed pursuant to California Labor Code sections 1194,  
21 1194.2, 1197, and 1197.1 and the IWC Wage Orders; (5) alleged failure to pay all wages owed at  
22 termination pursuant to California Labor Code sections 201-203 and the IWC Wage Orders; (6)  
23 alleged failure to pay all wages in a timely manner during employment pursuant to California Labor  
24 Code section 204 and the IWC Wage Orders; (7) alleged failure to furnish accurate itemized wages  
25 statements pursuant to California Labor Code section 226 and the IWC Wage Orders; (8) alleged  
26 failure to maintain adequate payroll records pursuant to California Labor Code section 1174 and  
27 IWC Wage Orders; (9) alleged failure to reimburse all necessary business expenses pursuant to  
28 California Labor Code sections 2800 and 2802 and the IWC Wage Orders; and (10) alleged

1 violations of California Business & Professions Code sections 17200, *et seq.* (collectively,  
2 “Released Class Claims”).

3 **B. Released as to State of California and PAGA Members.**

4 Upon the Effective Date, Plaintiff, the State of California, and PAGA Members waive,  
5 release, and discharge Released Parties of any and all claims, actions, and causes of action for civil  
6 penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq.*,  
7 arising during the PAGA Period, based on the factual allegations and legal theories in the LWDA  
8 Letter and First Amended Complaint, for alleged violations of California Labor Code sections 201,  
9 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and  
10 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 4-2001,  
11 and 16- 2001 (collectively, “Released PAGA Claims”).

12 **C. General Release by Plaintiff Only.**

13 In addition to the releases made in Section VII.A-B, Plaintiff makes the additional following  
14 general release of all claims, known or unknown. Plaintiff releases the Released Parties from all  
15 claims, demands, rights, liabilities and causes of action of every nature and description whatsoever,  
16 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for  
17 violation of any state or federal statute, rule or regulation arising out of, relating to, or in connection  
18 with Plaintiff’s relationship with Defendant as well as any and all acts or omissions by or on the  
19 part of Defendant, excluding only claims that, by law, may not be privately released. (The release  
20 set forth in this Section VII.C shall be referred to hereinafter as the “General Release.”)

21 With respect to the General Release, Plaintiff stipulates and agrees that, upon the Effective  
22 Date, Plaintiff shall be deemed to have expressly waived and relinquished, to the fullest extent  
23 permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code,  
24 or any other similar provision under federal or state law, which provides:

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

1 This release specifically excludes claims for unemployment insurance, disability, social security,  
2 and workers compensation (with the exception of claims arising pursuant to California Labor Code  
3 Sections 132(a) and 4553). Accordingly, if the facts relating in any manner to this Settlement are  
4 found hereafter to be other than or different from the facts now believed to be true, the release of  
5 claims contained herein shall be effective as to all unknown claims.

## 6 **VIII. MONETARY CONSIDERATION FOR SETTLEMENT**

### 7 **A. Consideration for This Agreement.**

8 As consideration for this Agreement, Defendant will make a payment that totals the  
9 Maximum Settlement Amount of \$325,000.00. The payment of the Maximum Settlement Amount  
10 represents full and complete settlement of this matter. The Maximum Settlement Amount includes  
11 all attorneys' fees and costs, administration costs, enhancement award to the class and PAGA  
12 representative, and PAGA Penalties. The balance of the Maximum Settlement Amount, after  
13 deduction of attorneys' fees and costs, administration costs, PAGA Penalties, and the enhancement  
14 award, will be the Net Settlement Amount. Defendant's employer payroll taxes and contributions  
15 in connection with the wages portion of the Settlement ("Employer Taxes") shall be paid separately  
16 and in addition to the Maximum Settlement Amount.

### 17 **B. Potential Increase to the Settlement Amount.**

18 Defendant represented that there will be no more than 6,015 Workweeks for the period from  
19 December 28, 2016 through June 15, 2022. If the number of Workweeks during this period is  
20 actually more than 10% higher than 6,015, i.e., there are more than 6,616.50 Workweeks for the  
21 referenced time period ("Workweeks Threshold"), the Maximum Settlement Amount will increase  
22 on a *pro rata* basis to the extent the Workweeks Threshold is exceeded. For example, if the  
23 Workweeks for the referenced time period exceed the Workweeks Threshold by 1%, then the  
24 Maximum Settlement Amount will be increased by 1%.

## 25 **IX. SETTLEMENT ADMINISTRATOR**

26 Plaintiff and Defendant, through their respective counsel, have selected Simpluris, Inc. as a  
27 Settlement Administrator to administer the Settlement, which includes but is not limited to  
28 distributing and responding to inquiries about the Class Notice, determining the timeliness, validity,

1 and/or completion of any objections, Requests for Exclusion, and/or Workweeks Disputes, and  
2 calculating all amounts to be paid from the Net Settlement Amount. Charges and expenses of the  
3 Settlement Administrator, estimated to be no more than \$4,000.00, will be paid from the Maximum  
4 Settlement Amount. Any charges and expenses of the Settlement Administrator greater than the  
5 allocated \$4,000.00 will be paid from the Maximum Settlement Amount. If the actual  
6 Administration Costs awarded are less than the amount provided herein, the difference will be part  
7 of the Net Settlement Amount. The Parties agree that this Agreement may be provided to the  
8 Settlement Administrator to effectuate its implementation of the settlement procedures herein.

9 **X. NOTICE, OBJECTIONS AND EXCLUSION RIGHTS**

10 **A. Notice to the Class.**

11 Plaintiff and Defendant, through their respective attorneys, have jointly prepared the Class  
12 Notice, which in substance will be provided to the Class Members as follows:

13 1. As soon as practicable following preliminary approval of the Settlement, but  
14 no later than twenty-one (21) calendar days after the Preliminary Approval Date, Defendant will  
15 provide to the Settlement Administrator the following information for each Class Member: (1) full  
16 name; (2) last known address; (3) last known telephone number; (4) the number of Workweeks  
17 worked during the Class Period; (6) number of Workweeks during the PAGA Period; (7) Social  
18 Security number; and (8) last known email address (collectively, “Class List”). Defendant further  
19 agrees to consult with the Settlement Administrator prior to the production date to ensure that the  
20 format will be acceptable to the Settlement Administrator. Plaintiff’s Counsel shall also receive a  
21 redacted Class List that shall only disclose an identification number attributed to each Class  
22 Member and their associated Workweeks during the Class Period and PAGA Period.

23 2. The Settlement Administrator shall run all the addresses provided through  
24 the United States Postal Service NCOA database (which provides updated addresses for any  
25 individual who has moved in the previous four years who has notified the U.S. Postal Service of a  
26 forwarding address) to obtain current address information, and shall mail the Class Notice to the  
27 Class Members via first-class U.S. Mail using the most current mailing address information  
28 available, within ten (10) calendar days of the receipt of the Class List from Defendant.

1           3.     The Class Notice will include information regarding the nature of the  
2     Litigation; a summary of the terms of the Settlement; the definition of the Class; a statement that  
3     the Court has preliminarily approved the Settlement; the nature and scope of the claims being  
4     released; the procedure and time period for objecting to the Class Settlement, the date and location  
5     of the Final Approval Hearing; information regarding the procedure for opting out of the Class  
6     Settlement; the number of Workweeks credited to each Class Member and the procedure for  
7     disputing the number of Workweeks credited; and the estimated Individual Settlement Payment for  
8     the Class Member.

9           4.     If a Class Notice is returned as undeliverable within thirty (30) calendar days  
10    after the initial mailing, the Settlement Administrator will perform a skip trace in an attempt to  
11    locate a more current address within three (3) business days of receipt of the returned mail. If the  
12    Settlement Administrator is successful in locating an updated address, it will re-mail the Class  
13    Notice to the Class Member as soon as possible. Further, any Class Notices returned with a  
14    forwarding address to the Settlement Administrator before the Response Deadline, shall be re-  
15    mailed to the forwarding address affixed thereto.

16          5.     Class Members will be given forty-five (45) calendar days after the Class  
17    Notice is initially mailed to the Class Members, to submit Workweeks Disputes, Requests for  
18    Exclusion, and/or written objections (“Response Deadline”). With respect to any Class Notice that  
19    is re-mailed, the Response Deadline for the Class Member whose Class Notice is re-mailed will be  
20    extended an additional fifteen (15) calendar days from the original Response Deadline.

21          6.     No later than twenty-five (25) calendar days before the Final Approval  
22    Hearing, the Settlement Administrator shall provide counsel for Defendant and Class Counsel with  
23    a declaration attesting to the completion of the settlement notice administration process, including  
24    the number of attempts to obtain valid mailing addresses for and re-sending of any returned Notices,  
25    as well as the number of Workweeks Disputes, Requests for Exclusion, and objections received.

26           **B.     Objections.**

27           Class Members who do not submit a Request for Exclusion may object to the Class  
28    Settlement. To object to the Class Settlement, a Settlement Class Member may send a written

1 objection to the Settlement Administrator or appear at the Final Approval Hearing with or without  
2 submitting a written objection to the Class Settlement. The Settlement Class Member may appear  
3 personally or through an attorney, at his or her own expense, at the Final Approval Hearing to  
4 present his or her objection directly to the Court. However, any attorney who will represent an  
5 objector must file a notice of appearance with the Court and serve Class Counsel and Defendant's  
6 counsel no later than the Response Deadline. A written objection to the Class Settlement must: (1)  
7 contain the case name and number of the Litigation; (2) contain the Settlement Class Member's full  
8 name, address, telephone number, signature, and last four digits of his or her Social Security  
9 number; (3) clearly state the grounds for the objection; (4) state whether the Settlement Class  
10 Member intends to appear at the Final Approval Hearing; and (5) be mailed to the Settlement  
11 Administrator, postmarked no later than the Response Deadline. If a Class Member objects to the  
12 Class Settlement, the Class Member will remain a Settlement Class Member and if the Court  
13 approves this Agreement, the Settlement Class Member will be bound by the terms of the Class  
14 Settlement in the same way and to the same extent as a Settlement Class Member who does not  
15 object to the Class Settlement. The date of mailing of the Class Notice to the objecting Settlement  
16 Class Member shall be conclusively determined according to the records of the Settlement  
17 Administrator. The Court retains final authority with respect to the consideration and admissibility  
18 of any objections to the Class Settlement from Settlement Class Members. The Class Notice shall  
19 contain instructions on how to object to the Class Settlement.

20 **C. Opportunity to Be Excluded from the Class Settlement and Defendant's Opt-Out**  
21 **Threshold.**

22 1. In order for any Class Member to validly exclude himself or herself from the  
23 Class Settlement (i.e., to validly opt out of the Class Settlement), a written request for exclusion  
24 from the Class Settlement ("Request for Exclusion") must: (1) contain the case name and number  
25 of the Litigation; (2) contain the Class Member's full name, address, telephone number, and last  
26 four digits of his or her Social Security number; (3) be signed by the Class Member or his or her  
27 authorized representative; (4) contain a clear statement that the Class Member requests to be  
28 excluded from the Class Settlement; and (5) be sent to the Settlement Administrator, postmarked

1 by no later than the Response Deadline. The Class Notice shall contain instructions on how to opt  
2 out.

3           2.       The date of the initial mailing of the Class Notice, and the date the signed  
4 Request for Exclusion was postmarked, shall be conclusively determined according to the records  
5 of the Settlement Administrator. Any Class Member who timely and validly submits a Request for  
6 Exclusion will not be entitled to an Individual Settlement Payment, will not be bound by the Class  
7 Settlement, and will not have any right to object, appeal, or comment thereon.

8           3.       Any Class Member who does not submit a timely and valid Request for  
9 Exclusion to the Settlement Administrator will be deemed bound to the Class Settlement in  
10 accordance with this Settlement. All PAGA Group Members shall be bound to the PAGA  
11 Settlement regardless of their decision to participate in the Class Settlement.

12           4.       In the event that five percent (5%) or more of the Class Members exercise  
13 their right to exclude themselves and opt out of the Class Settlement, Defendant retains the  
14 exclusive right, but not the obligation, to withdraw from and terminate the Settlement and return  
15 all Parties back to their same position before the Settlement was reached and the Settlement  
16 Agreement was entered into. In the event that Defendant exercises such rights under this Section,  
17 Plaintiff and Defendant shall resume the Litigation. Defendant must notify Class Counsel and the  
18 Court in writing of such a decision to withdraw and terminate the Settlement no later than five (5)  
19 business days after receiving written notice from the Settlement Administrator that the number of  
20 opt outs exceed 5% of the Class. In the event of Defendant's withdrawal, no Party may use the fact  
21 that the Parties agreed to the Settlement for any reason, and Defendant shall pay all administration  
22 expenses incurred through the date of its termination of the Settlement.

23           **D.       Cooperation.**

24           The Parties and their respective counsel agree not to encourage members of the Class to opt  
25 out of the Class Settlement or to object to the Class Settlement, directly or indirectly, through any  
26 means. However, if a Class Member contacts Class Counsel, Class Counsel may discuss the terms  
27 of the Settlement and the Class Member's options with respect to the Settlement.

28       ///

1 **XI. WORKWEEKS DISPUTE PROCEDURE**

2 **A.** If a Class Member and/or PAGA Group Member disputes the number of Workweeks  
3 credited to him or her for the Class Period and/or PAGA Period, which will be set forth in the Class  
4 Notice, he or she must submit a written dispute (“Workweeks Dispute”) that: (a) contains the case  
5 name and number of the Litigation; (b) contains the Class Member’s full name, address, telephone  
6 number, signature, and last four digits of his or her Social Security number; (c) contains a statement  
7 setting forth the number of Workweeks during the Class Period and/or PAGA Period that he or she  
8 contends is correct and attaches any relevant documentation in support thereof; and (d) is submitted  
9 to the Settlement Administrator by mail, postmarked no later than the Response Deadline. If a Class  
10 Member and/or PAGA Group Member does not dispute his or her number of Workweeks, the  
11 number of Workweeks set forth in the Class Notice will govern the Individual Settlement Payment  
12 to the Class Member and/or the Individual PAGA Payment to the PAGA Group Member, such  
13 individual need not take further action to participate in the Settlement.

14 **B.** Upon timely receipt of any such challenge, the Settlement Administrator, in  
15 consultation with Class Counsel and counsel for Defendant, will review the pertinent records  
16 showing the dates the Class Member worked for Defendant in California and the number of  
17 Workweeks worked, which records Defendant agrees to make available to the Settlement  
18 Administrator and Class Counsel.

19 **C.** After consulting with Class Counsel and counsel for Defendant, the Settlement  
20 Administrator shall compute the number of Workweeks to be used in computing the Class  
21 Member’s *pro rata* share of the Net Settlement Amount and the PAGA Group Members’ *pro rata*  
22 share of the Employee PAGA Amount. In the event that there is a disparity between the number  
23 of Workweeks a Class Member claims he or she worked during the Class Period and/or number of  
24 Workweeks a PAGA Group Member claims he or she worked during PAGA Period and the number  
25 of Workweeks indicated by Defendant’s records, Defendant’s records will control unless  
26 inconsistent with records provided by the Class Member and/or PAGA Group Member (or bona  
27 fide copies thereof), in which case the records provided by the Class Member and/or PAGA Group  
28 Member will control. The Settlement Administrator’s decision as to the number of Workweeks to

1 be credited to a Class Member and/or PAGA Group Member shall be final and non-appealable.  
2 The Settlement Administrator shall send written notice of the decision on any such dispute to the  
3 Class Member and/or PAGA Group Member, to Class Counsel, and counsel for Defendant within  
4 ten (10) calendar days of receipt of the Workweeks Dispute.

## 5 **XII. COMPUTATION AND DISTRIBUTION OF PAYMENTS**

### 6 **A. Formula for Calculating Individual Settlement Payments.**

7 Settlement Class Members (i.e., Class Members who do not submit a timely and valid  
8 Request for Exclusion) will receive a lump sum payment as good and valuable consideration for  
9 the waiver and release of Released Class Claims set forth in Section VII.A, above, in an amount  
10 determined by the Settlement Administrator in accordance with the provisions of this Agreement.  
11 Each Settlement Class Member's Individual Settlement Payment will be determined as follows:

12 1. Defendant will calculate the number of Workweeks of each Settlement Class  
13 Member during the Class Period and include this information in the Class List.

14 2. The value of each Workweek shall be determined by the Settlement  
15 Administrator by dividing the Net Settlement Amount by the total number of Workweeks of all  
16 Settlement Class Members ("Class Workweek Point Value").

17 3. Each Settlement Class Member's individual Workweeks will be multiplied  
18 by the Class Workweek Point Value to arrive at his or her Individual Settlement Payment.  
19 Individual Settlement Payments for each Settlement Class Member will be reduced by any required  
20 legal deductions for the employee's share of taxes and withholdings on the wages portion of the  
21 Individual Settlement Payments.

### 22 **B. Formula for Calculating Individual PAGA Payments.**

23 PAGA Group Members will receive a lump sum payment as good and valuable  
24 consideration for the waiver and release of Released PAGA Claims set forth in Section VII.B,  
25 above, in an amount determined by the Settlement Administrator in accordance with the provisions  
26 of this Agreement. Each PAGA Group Member's Individual PAGA Payment will be determined  
27 as follows:  
28

1                   1.       Defendant will calculate the number of Workweeks of each PAGA Group  
2 Member during the PAGA Period (“PAGA Workweeks”) and include this information in the Class  
3 List.

4                   2.       The value of each PAGA Workweek shall be determined by the Settlement  
5 Administrator by dividing the Employee PAGA Amount by the total number of PAGA Workweeks  
6 of all PAGA Group Members (“PAGA Workweek Point Value”).

7                   3.       Each PAGA Group Member’s individual PAGA Workweeks will be  
8 multiplied by the PAGA Workweek Point Value to arrive at his or her Individual PAGA Payment.

9                   **C.       Funding of Settlement.**

10                  Within twenty-one (21) calendar days following the Effective Date, Defendant will deposit  
11 the Maximum Settlement Amount into an interest-bearing account established by the Settlement  
12 Administrator for administration of the Settlement. At no time prior to the Effective Date shall  
13 Defendant be required to escrow any portion of the Maximum Settlement Amount.

14                  **D.       Time for Distribution.**

15                  1.       The Settlement Administrator shall distribute the Court-approved Attorney’s  
16 Fees and Litigation Costs to Class Counsel, Court-approved Enhancement Payment to Plaintiff,  
17 Court-approved Administration Costs to the Settlement Administrator, LWDA Payment to the  
18 LWDA, Individual Settlement Payments to Settlement Class Members, and the Individual PAGA  
19 Payments to PAGA Group Members within ten (10) calendar days following the full funding of the  
20 Settlement.

21                  2.       If an Individual Settlement Payment and/or Individual PAGA Payment  
22 check is returned to the Settlement Administrator as undeliverable within thirty (30) calendar days  
23 of the mailing of the check, the Settlement Administrator shall promptly attempt to obtain a valid  
24 mailing address by performing a skip trace search and, if another address is identified, shall mail  
25 the check to the newly identified address. The Settlement Administrator may, at its discretion,  
26 distribute the Individual Settlement Payment and Individual PAGA Payment by way of a single  
27 check that combines both payments (if applicable).

28                  ///

1                   3.       Any checks issues by the Settlement Administrator to Settlement Class  
2 Members and PAGA Group Members will be valid and negotiable for one hundred and eighty (180)  
3 days after issuance, and thereafter, the checks will be cancelled. The funds remaining and  
4 associated with cancelled Individual Settlement Payment and/or Individual PAGA Payment checks  
5 will be paid to Legal Aid at Work, after the Court enters an order approving the parties' stipulation  
6 to amend the judgment, which Parties shall prepare and file in accordance with California Code of  
7 Civil Procedure section 384.5, *et seq.* The Parties each represent that they do not have any financial  
8 interest in Legal Aid at Work or otherwise have a relationship with Legal Aid at Work that could  
9 create a conflict of interest.

10 **XIII. NO CONTRIBUTIONS TO EMPLOYEE BENEFIT PLAN**

11                   The amounts paid under this Agreement do not represent a modification of any previously  
12 credited hours of service under any employee benefit plan, policy, or bonus program sponsored by  
13 Defendant. Such amounts will not form the basis for additional contributions to, benefits under, or  
14 any other monetary entitlement under, benefit plans (self-insured or not) sponsored by Defendant,  
15 policies or bonus programs. Any payments made under the terms of this Settlement shall not be  
16 applied retroactively, currently or on a going forward basis as salary, earnings, wages, or any other  
17 form of compensation for the purposes of Defendant's benefit plan, policy or bonus program.  
18 Defendant retains the right to modify the language of its benefit plan, policies and bonus programs  
19 to effect this intent and to make clear that any amounts paid pursuant to this Settlement are not for  
20 "hours worked," "hours paid," "hours of service," or any similar measuring term as defined by  
21 applicable plans, policies and bonus programs for purpose of eligibility, vesting, benefit accrual, or  
22 any other purpose, and that additional contributions or benefits are not required by this Settlement.

23 **XIV. CLASS COUNSEL ATTORNEYS' FEES AND LITIGATION COSTS**

24                   Defendant shall not oppose an application by Class Counsel for an amount up to thirty-five  
25 percent (35%) of the Maximum Settlement Amount (i.e., \$113,750, if the Maximum Settlement  
26 Amount is \$325,000) for all past and future attorneys' fees necessary to prosecute, settle, and  
27 administer the Litigation and this Settlement ("Attorneys' Fees"). Additionally, Defendant shall  
28 not oppose an application by Class Counsel for an amount up to \$7,000.00 for all past and future

1 litigation costs and expenses necessary to prosecute, settle, and administer the Litigation and the  
2 Settlement (“Litigation Costs”). Any Attorneys’ Fees or Litigation Costs awarded to Class Counsel  
3 by the Court as part of the Settlement shall be deducted from the Maximum Settlement Amount for  
4 the purpose of determining the Net Settlement Amount. The “future” aspect of these amounts  
5 includes, without limitation, all time and expenses expended by Class Counsel in implementing the  
6 Settlement and securing preliminary and final approval (including any appeals therein). There will  
7 be no additional consideration paid by Defendant for such work; although such work may cause  
8 Class Counsel’s lodestar to increase, Class Counsel will be limited to the Attorneys’ Fees and  
9 Litigation Costs provided for under the Settlement. The Attorneys’ Fees and Litigation Costs shall  
10 include all attorneys’ fees, litigation costs, and expenses for which Plaintiff and Class Counsel  
11 could claim under any legal theory whatsoever with respect to the Litigation. Within ten (10)  
12 calendar days following the full funding of the Settlement, the Settlement Administrator shall  
13 disburse payment to Class Counsel from the Maximum Settlement Amount for the Court-approved  
14 Attorneys’ Fees and Litigation Costs. Should the Court approve a lesser percentage or amount of  
15 Attorneys’ Fees and/or Litigation Costs than the amount that Class Counsel ultimately seeks, then  
16 any such unapproved portion or portions shall be part of the Net Settlement Amount to be  
17 distributed to Settlement Class Members on a *pro rata* basis.

18 **XV. ENHANCEMENT PAYMENT TO PLAINTIFF**

19 Defendant shall not oppose an application by Plaintiff, and Plaintiff shall not seek or receive  
20 an amount in excess of \$12,500.00 for his participation in and assistance with the Litigation  
21 (“Enhancement Payment”). Any Enhancement Payment awarded to Plaintiff by the Court as part  
22 of the Settlement shall be deducted from the Maximum Settlement Amount for the purpose of  
23 determining the Net Settlement Amount, and shall be reported on IRS Form 1099. If the Court  
24 approves an Enhancement Payment of less than \$12,500.00 to Plaintiff, then the unapproved  
25 portion or portions shall be part of the Net Settlement Amount to be distributed to Settlement Class  
26 Members on a *pro rata* basis.

27 ///

28 ///

1 **XVI. TAXATION AND ALLOCATION**

2 **A.** The Parties agree that all employees' share of employment taxes and other legally  
3 required withholdings will be withheld from payments to the Settlement Class Members and  
4 Plaintiff based on the Parties stipulated allocation of the Net Settlement Amount as provided for in  
5 this Section.

6 **B.** In Defendant's sole discretion, and to which Plaintiff and Class Counsel do not  
7 object, the amount of federal income tax withholding will be based upon a flat withholding rate for  
8 supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or  
9 supplemented. Income tax withholdings will also be made pursuant to applicable state and/or local  
10 withholding codes or regulations.

11 **C.** For withholding tax characterization purposes and payment of taxes, the Individual  
12 Settlement Payments to Settlement Class Members shall be deemed twenty percent (20%) wages  
13 and eighty percent (80%) penalties, interest, and non-wage damages.

14 **D.** For withholding tax characterization purposes and payment of taxes, the Individual  
15 PAGA Payments to PAGA Group Members shall be deemed one hundred percent (100%) penalties.

16 **E.** Forms W-2 and/or Forms 1099 will be distributed at times and in the manner  
17 required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement,  
18 by the Settlement Administrator. If the Code, the regulations promulgated thereunder, or other  
19 applicable tax law, is changed after the date of this Agreement, the processes set forth in this Section  
20 may be modified in a manner to bring Defendant into compliance with any such changes.

21 **F.** The employer's share of payroll taxes and contributions on the wages portion of  
22 Individual Settlement Payments will be paid by Defendant in addition to and not as a deduction  
23 from the Maximum Settlement Amount.

24 **XVII. PAGA ALLOCATION**

25 In order to implement the terms of this Settlement and to settle claims alleged under the  
26 Private Attorneys General Act, California Labor Code section 2698 *et seq.*, the Parties agree to  
27 allocate \$70,000 from the Maximum Settlement Amount as penalties authorized by the PAGA  
28 ("PAGA Penalties"). Seventy-five percent (75%), which is \$52,500 of the PAGA Penalties will be

distributed to the Labor and Workforce Development Agency (“LWDA Payment”) and twenty-five percent (25%), which is \$17,500 of the PAGA Penalties will be distributed on a *pro-rata* basis to the PAGA Group Members (“Employee PAGA Amount”). Plaintiff’s Counsel will provide notice to the LWDA of the fact that the Settlement has been approved by the Court along with a copy of the Final Approval Order through the appropriate LWDA/DIR website. PAGA Group Members will be issued their Individual PAGA Payments regardless of their decision to opt-out of the Class Settlement.

#### **XVIII. COURT APPROVAL**

**A.** This Agreement and the Settlement is contingent upon final approval by the Court and entry of judgment. Plaintiff and Defendant agree to take all steps as may be reasonably necessary to secure both preliminary approval and final approval of the Settlement, to the extent not inconsistent with the terms of this Agreement, and will not take any action adverse to each other in obtaining approval by the Court, and, if necessary, appellate approval, of the Settlement in all respects. Plaintiff and Defendant expressly agree that they will not file any objection to the terms of the Settlement or assist or encourage any person or entity to file any such objection.

**B.** In the event it becomes impossible to secure approval of the Settlement, the Parties shall be restored to their respective positions in the Litigation, as of the date on which the Settlement was reached, except as otherwise provided in Section XIX, below.

#### **XIX. MISCELLANEOUS PROVISIONS**

##### **A. Interim Stay of Litigation.**

Plaintiff and Defendant agree to the stay of all proceedings in the Litigation, including with respect to California Code of Civil Procedure section 583.310, except such proceedings necessary to implement and complete the Settlement, pending final approval of the Settlement by the Court.

##### **B. Interpretation of the Agreement.**

This Agreement constitutes the entire agreement between Plaintiff and Defendant. Except as expressly provided herein, this Agreement has not been executed in reliance upon any other written or oral representations or terms, and no such extrinsic oral or written representations or terms shall modify, vary from or contradict its terms. In entering into this Agreement, the Parties

1 agree that this Agreement is to be construed according to its terms and may not be varied or  
2 contradicted by extrinsic evidence. The Agreement will be interpreted and enforced under the laws  
3 of the State of California, both in its procedural and substantive aspects, without regard to its  
4 conflict of laws provisions. Any claim arising out of or relating to the Agreement, or the subject  
5 matter hereof, will be resolved solely and exclusively in the Superior Court of the State of California  
6 for the County of San Bernardino, and Plaintiff and Defendant hereby consent to the personal  
7 jurisdiction of the Court over them solely in connection therewith. Plaintiff, on his own behalf, on  
8 behalf of the Class, and on behalf of the State of California pursuant to PAGA, and Defendant  
9 participated in the negotiation and drafting of this Agreement and had available to them the advice  
10 and assistance of independent counsel. As such, neither Plaintiff nor Defendant may claim that any  
11 ambiguity in this Agreement should be construed against the other. The terms and conditions of  
12 this Agreement constitute the exclusive and final understanding and expression of all agreements  
13 between Plaintiff and Defendant with respect to the Settlement.

14 **C. Further Cooperation.**

15 Plaintiff and Defendant and their respective attorneys shall proceed diligently to prepare  
16 and execute all documents, to seek the necessary approvals from the Court, and to do all things  
17 reasonably necessary or convenient to consummate the Agreement as expeditiously as possible.

18 **D. Confidentiality of Documents and Information.**

19 Plaintiff, the Settlement Administrator, and Class Counsel shall maintain the confidentiality  
20 of all documents and other information obtained in the Litigation that were specifically designated  
21 as confidential at the time they were produced (formally or informally) in the Litigation, unless  
22 ordered to be disclosed by the Court or by a subpoena.

23 **E. Neutral Employment Reference.**

24 Defendant agrees that it will adopt a neutral reporting policy regarding any future  
25 employment references related to Plaintiff. In the event that any potential or future employers of  
26 Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only  
27 provide the requested Plaintiff's dates of employment and job titles during employment. Defendant  
28 shall not refer to the Litigation or this Settlement.

1           **F. Counterparts.**

2           The Agreement may be executed in one or more actual or non-original counterparts, either  
3 through a physical original, facsimile, electronic, or e-mail signature, all of which will be  
4 considered one and the same instrument and all of which will be considered duplicate originals.

5           **G. Authority.**

6           Each individual signing below warrants that he or she has the authority to execute this  
7 Agreement on behalf of the Party for whom or which that individual signs.

8           **H. No Third-Party Beneficiaries.**

9           Plaintiff, Settlement Class Members, PAGA Group Members, the LWDA, Defendant, and  
10 Released Parties are intended beneficiaries of this Agreement, and there are no other third-party  
11 beneficiaries.

12          **I. Modification.**

13          Before this Agreement has been submitted to the Court in connection with seeking  
14 preliminary approval of the Settlement, it may not be changed, altered, or modified, except in a  
15 writing signed by the counsel for the Parties. After this Agreement has been submitted to the Court  
16 in connection with seeking preliminary approval of the Settlement, it may not be changed, altered,  
17 or modified, except in a writing signed by the counsel for the Parties, subject to approval by the  
18 Court. Notwithstanding the forgoing, the Parties agree that any dates contained or contemplated in  
19 this Agreement may be modified by agreement of counsel for the Parties in writing without  
20 approval by the Court if the Parties agree and cause exists for such modification. This Agreement  
21 may not be discharged except by performance in accordance with its terms or by a writing signed  
22 by the Parties.

23          **J. Deadlines Falling on Weekends or Holidays.**

24          To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or  
25 legal holiday, that deadline shall be continued until the following business day.

26          **K. California Law Governs.**

27          All terms of this Settlement Agreement and Exhibits hereto will be governed and interpreted  
28 according to the laws of the State of California.

1           **L.       Severability.**

2           In the event that any one or more of the provisions contained in this Agreement shall for  
3 any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or  
4 unenforceability shall in no way effect any other provision if Defendant's counsel and Class  
5 Counsel, on behalf of the Parties, the Settlement Class, State of California, and PAGA Group  
6 Members, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision  
7 had never been included in this Agreement.

8           **M.       Binding on Successors and Assigns.**

9           This Settlement Agreement will be binding upon, and inure to the benefit of, the successors  
10 or assigns of the Parties hereto, as previously defined.

11          **N.       Waiver.**

12          No waiver of any condition or covenant contained in this Settlement Agreement or failure  
13 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute  
14 a further waiver by such party of the same or any other condition, covenant, right or remedy.

15          **O.       Representation by Counsel.**

16          The Parties acknowledge that they have been represented by counsel throughout all  
17 negotiations that preceded the execution of this Agreement, and that this Agreement has been  
18 executed with the consent and advice of counsel and reviewed in full. Further, Plaintiff and Class  
19 Counsel warrant and represent that there are no liens on the Agreement.

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**P. Binding Agreement.**

The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement Agreement will be fully enforceable and binding on all Parties subject to Court approval, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that otherwise might apply under federal or state law.

**IT IS SO AGREED:**

Date: 03/29/2022, 2022

Electronically Signed: 2022-03-30 02:14:21 UTC - 174.195.197.171  
Nintex AssureSign®  5cbbbc7-946f-43e3-8579-ae670128407d

SHAUN GONZALES, Plaintiff

Date: \_\_\_\_\_, 2022

CHAMPION FIRE SYSTEMS, Inc.  
*Defendant*  
Name:  
Position:

**APPROVED AS TO FORM:**

Date: March 30, 2022

LAWYERS for JUSTICE, PC



Edwin Aiwanian  
*Attorneys for Plaintiff and Proposed Class*  
Counsel

Date: \_\_\_\_\_, 2022

MEDINA McKELVEY LLP

Alexander M. Medina  
Douglas R. Leach  
*Attorneys for Champion Fire Systems, Inc.*

1           **P.     Binding Agreement.**

2           The Parties warrant that they understand and have full authority to enter into this Settlement,  
3 and further intend that this Settlement Agreement will be fully enforceable and binding on all  
4 Parties subject to Court approval, and agree that it will be admissible and subject to disclosure in  
5 any proceeding to enforce its terms, notwithstanding any settlement confidentiality provisions that  
6 otherwise might apply under federal or state law.

7  
8           **IT IS SO AGREED:**

9           Date: \_\_\_\_\_, 2022

\_\_\_\_\_  
SHAUN GONZALES, *Plaintiff*

10          Date: 03/29, 2022

\_\_\_\_\_  
CHAMPION FIRE SYSTEMS, Inc.  
*Defendant*  
Name: *James Shehan*  
Position: *President*

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14          **APPROVED AS TO FORM:**

15          Date: \_\_\_\_\_, 2022

LAWYERS *for* JUSTICE, PC

\_\_\_\_\_  
Edwin Aiwazian  
*Attorneys for Plaintiff and Proposed Class*  
*Counsel*

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20          Date: March 29, 2022

MEDINA McKELVEY LLP

\_\_\_\_\_  
Alexander M. Medina  
Douglas R. Leach  
*Attorneys for Champion Fire Systems, Inc.*