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SMITHS INTERCONNECT, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF VENTURA

ELLIOT MORALES, an individual, on
behalf of himself, and all others similarly
situated,

Plaintiff,

vs.

SMITHS INTERCONNECT, INC., a
Delaware corporation; SMITHS
INTERCONNECT AMERICAS, INC., a
Delaware Corporation; TRAK
MICROWAVE CORPORATIONS, a
Delaware Corporation; TECOM
INDUSTRIES, INCORPORATED, a
California Corporation; and DOES 1 to 50,

Defendants.

Case No. 56-2021-00549907-CU-OE-VTA

**STIPULATION OF CLASS AND PAGA
ACTION SETTLEMENT**

Judge: Hon. Benjamin Coats
Complaint filed: January 28, 2021
FAC Filed: April 14, 2021

Case No. 56-2021-00549907-CU-OE-VTA

STIPULATION RE: SETTLEMENT OF CLASS AND PAGA ACTION

I. THE CONDITIONAL NATURE OF THIS AGREEMENT

Defendant denies all claims as to liability, damages, penalties, interest, fees, and all other forms of relief as well as the class and representative allegations asserted in the Action, as that term is defined below. Defendant has agreed to resolve the Action via this Agreement, but to the extent this Agreement is deemed void or the Effective Date does not occur, Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Action upon

1 all procedural, merit, and factual grounds, including, without limitation, the ability to challenge
2 class treatment on any grounds, as well as asserting any and all other privileges and potential
3 defenses. Plaintiff agrees not to argue or present any argument, and hereby waives any argument
4 that, based on this Agreement, Defendant cannot contest class certification on any grounds
5 whatsoever, or assert any and all other privileges or potential defenses if this Action were to
6 proceed. Similarly, to the extent this Agreement is deemed void or the Effective Date does not
7 occur, Plaintiff does not waive, but rather expressly reserves, all rights to move and argue for class
8 certification and all merits determinations in her favor, in favor of the class, aggrieved employees
9 and the State of California. To the extent this Agreement is deemed void or the Effective Date does
10 not occur, Defendant agrees not to argue or present any argument, and hereby waives any argument
11 that, based on this Agreement, Plaintiff cannot seek certification or assert any arguments in support
12 of the merits of the claims alleged in this Action.

13 **II. DEFINITIONS**

14 The following terms, when used in this Stipulation of Class Action and PAGA Settlement
15 shall have the following meanings:

16 1. “Action” means the action styled as *Elliot Morales, an individual, on behalf of*
17 *himself, and all others similarly situated v. Smiths Interconnect, Inc., et al.*, pending before the
18 Superior Court of the State of California for the County of Ventura, Case No. 56-2021-00549907-
19 CU-OE-VTA.

20 2. “Applicable Workweeks” shall mean any weeks worked by a Class Member for
21 Smiths Interconnect between January 28, 2017, and the Preliminary Approval Date, as reflected in
22 the companies’ internal records.

23 3. “Applicable Pay Periods” shall mean any pay periods worked by a PAGA Employee
24 employed by Smiths Interconnect between January 28, 2020 and the Preliminary Approval Date.
25 Applicable Pay Periods are calculated by taking the number of full pay periods that each PAGA
26 Employee worked during the PAGA Period. 75% of the PAGA Allocation shall be paid to the
27 LWDA and 25% shall be paid to PAGA Employees.

1 4. “Claims Administrator” means CPT Group, Inc.

2 5. “Claims Administration Expenses” are those expenses to be paid to the Claims
3 Administrator for its fees and costs in connection with administering the Stipulation of Settlement.

4 6. “Class” and “Settlement Class” includes the Class Representative and all putative
5 class members covered by the First Amended Complaint, which shall be defined as follows: All
6 current and former non-exempt employees in the State of California employed by Smiths
7 Interconnect or its predecessors from January 28, 2017 through the Preliminary Approval Date.

8 7. “Class Counsel” means the attorneys representing Plaintiff in this Action: Martin
9 Sullivan and Sullivan Employment Law PC.

10 8. “Class Member” means each person eligible to participate in this Settlement who is
11 a member of the Settlement Class defined herein.

12 9. “Class Member Released Claims,” as to each member of the Settlement Class, shall
13 mean any and all claims against Releasees that were or could have been pled based on the facts
14 alleged in the First Amended Complaint, as described in Paragraph 55 of this Stipulation of
15 Settlement.

16 10. “Class Notice” shall mean the document attached hereto as **Exhibit A**.

17 11. “Class Period” shall mean the time period from January 28, 2017 through
18 Preliminary Approval Date.

19 12. “Class Representative shall mean Plaintiff Elliot Morales.

20 13. “Class Representative Released Claims” means those claims described in Paragraph
21 56 of this Stipulation of Settlement.

22 14. “Court” shall mean the Ventura County Superior Court.

23 15. “Deficient Opt-Out Form” means a Request for Exclusion that is not signed by the
24 Class Member submitting the Request for Exclusion or cannot be verified by the Claims
25 Administrator as being an authentic submission by the Class Member.

26 16. “Deficient Opt-Out” means a Class Member who has submitted a Deficient Opt-Out
27 Form and has failed to cure its deficiencies within the time required by this agreement.
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1 17. “Defense Counsel” means Morgan, Lewis & Bockius LLP.

2 18. “Effective Date” means the later of: (a) the date of Final Approval if no objections
3 are filed, or if any objections which were filed are withdrawn before the Final Approval date; (b) if
4 one or more objections are filed and not subsequently withdrawn, the Effective Date is the date five
5 calendar days after the deadline to file an appeal, unless an appeal is filed, in which case the
6 Effective Date is the date five calendar days after an appeal is dismissed or the Final Approval
7 order is affirmed on appeal.

8 19. “Fairness Hearing” means the hearing on the Motion for Judgment and Final
9 Approval.

10 20. “Final Individual Settlement Amount” means the final gross amount sent to any
11 Qualified Claimant under this Agreement.

12 21. “First Amended Complaint” shall mean the First Amended Complaint filed in this
13 Action in Ventura County Superior Court, Case No. 56-2021-00549907-CU-OE-VTA, on April
14 14, 2021.

15 22. “Gross Settlement Amount” is the sum of \$422,500.00 which represents the amount
16 payable in this Settlement by Defendant, which includes, without limitation, attorneys’ fees and
17 costs, costs of settlement administration by the Settlement Administrator, Service Payment to the
18 Class Representative, payment to the LWDA for its share of PAGA penalties, and the amounts
19 payable to Participating Class Members

20 23. “Individual Settlement Amount” means the amount allocated to each Class Member
21 pursuant to this Agreement.

22 24. “Late Opt-Out Form” means a Request for Exclusion that is submitted to the Claims
23 Administrator after the end of the Opt-Out Period.

24 25. “Late Opt-Out” means a Class Member who has submitted a Late Opt-Out Form.

25 26. “LWDA” means the California Labor & Workforce Development Agency.
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1 27. “Net Settlement Amount” means the Gross Settlement Amount less attorneys’ fees
2 and costs, costs of settlement administration by the Settlement Administrator, Service Payment to
3 the Class Representative, and payment to the LWDA for its share of PAGA penalties.

4 28. “PAGA Employees” are non-exempt employees in the State of California who
5 worked for Smiths Interconnect or its predecessors from January 28, 2020 to the Preliminary
6 Approval Date.

7 29. “PAGA Period” shall mean the time period from January 28, 2020 to the Preliminary
8 Approval Date.

9 30. “PAGA Released Claims” shall mean any and all claims against Releasees that were
10 or could have been pled based on the facts alleged in the First Amended Complaint, as described
11 in Paragraph 57 of this Stipulation of Settlement

12 31. “Participating Class Member” means a Class Member who does not submit a signed,
13 valid and timely Opt-Out Request to be excluded from the Settlement.

14 32. “Parties” means collectively Defendant and Plaintiff.

15 33. “Preliminary Approval Date” means the date the Court enters the Preliminary
16 Approval Order.

17 34. “Preliminary Approval Order” means an order of the Court preliminarily approving
18 the Agreement and the exhibits thereto, and providing for notice to the Class, an opportunity to opt
19 out of the Class, an opportunity to submit timely objections to the settlement, and setting a hearing
20 on the final fairness of the terms of settlement, including approval of the Service Payment and
21 attorneys’ fees and costs.

22 35. “Qualified Settlement Fund” means a qualified settlement fund under Section 468B
23 of the Internal Revenue Code established by the Settlement Administrator for the purpose of
24 administering this Settlement.

25 36. “Releasees” mean Defendant and its parents, subsidiaries, affiliates, owners,
26 predecessors, successors, and associated organizations, past and present, and each of their
27 respective trustees, directors, officers, agents, joint employers, attorneys, managing agents,
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employees, contractors, insurers, representatives, assigns, all persons acting by, through, under, or in concert with any of them, and/or all persons acting on behalf of them.

37. “Qualified Claimant” means a Class Member who does not submit a timely and valid Request for Exclusion from the Settlement to the Claims Administrator.

38. “Request for Exclusion” and “Opt-Out Form” means a written request from a Class Member to be excluded from this Stipulation of Settlement, pursuant to Paragraph 74.

39. “Service Enhancement” means the amount approved by the Court to be paid to the Class Representative in recognition of the Class Representative’s efforts in coming forward as Class Representative and participating in the Action.

40. “Settlement Class” shall mean all Class Members who do not timely send a signed valid Opt-Out Request that is received by the Settlement Administrator.

41. “Stipulation of Settlement” shall mean this Stipulation of Class and PAGA Action Settlement.

III. DESCRIPTION OF THE LITIGATION AND POSITION OF THE PARTIES

42. On January 28, 2021, Plaintiff filed a Complaint in the Ventura County Superior Court alleging nine causes of action on behalf of himself and a putative class against Smiths Interconnect, Inc., Smiths Interconnect Americas, Inc., TRAK Microwave Corporation, and TECOM Industries, Incorporated for: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) failure to provide rest periods and pay missed rest period premiums; (4) failure to provide meal periods and pay missed meal period premiums; (5) failure to maintain accurate employment records; (6) failure to pay wages timely during employment; (7) failure to indemnify all necessary business expenditures; (8) failure to furnish accurate itemized wages statements; and (9) violations of California’s Unfair Competition Law (Business & Professions Code §§ 17200, *et seq.*). On April 14, 2021, Plaintiff filed a First Amended Complaint, which added claims for (10) failure to pay all wages earned and unpaid at separation and (11) civil penalties under the Private Attorneys General Act (“PAGA”) (Labor Code §§ 2698, *et seq.*).

1 43. Defendant denies Plaintiff's claims, and asserts that, for any purpose other than
2 settlement, the Action is not appropriate for class action treatment pursuant to the California Code
3 of Civil Procedure or representative treatment under PAGA. Defendant further contends that it has
4 complied with all state wage and hour laws. Consequently, Defendant does not believe that any
5 liability to Plaintiff, Class Members or PAGA Employees exists, or that Plaintiff, Class Members
6 or PAGA Employees are entitled to any recovery.

7 44. The Parties exchanged information and documents concerning the claims, defenses,
8 and alleged damages at issue in the Action, including Plaintiff's wage statements and personnel file
9 and relevant policy documents.

10 45. Discussions between counsel for the Parties, informal discovery, as well as the
11 investigation and evaluation of the claims of Plaintiff by the Parties, have permitted each side to
12 assess the relative merits of the claims and the defenses to those claims. The Parties agree that the
13 above-described investigation and evaluation, as well as the information exchanged during
14 litigation and settlement negotiations, are more than sufficient to assess the merits of the respective
15 Parties' positions and to compromise the issues on a fair and equitable basis. Based on their own
16 independent investigations and evaluations, Class Counsel is of the opinion that the Settlement with
17 Defendant for the consideration and terms set forth below, considering the class claims, and the
18 risk of loss, is fair, reasonable, and adequate in light of all known facts and circumstances, and is
19 in the best interests of the Class. Class Counsel is also of the opinion that the total consideration
20 and payment set forth in this Stipulation of Settlement is adequate in light of the uncertainties
21 surrounding the risk of further litigation, the possible defenses that Defendant has asserted and
22 could assert, and trial.

23 **IV. BENEFITS OF THE SETTLEMENT TO THE PROPOSED CLASS, PAGA**
24 **EMPLOYEES AND DEFENDANTS**

25 46. Class Counsel recognizes the substantial monetary benefit to the Class and the
26 PAGA Employees and the expenses and length of continued proceedings necessary to prosecute
27 the Action against Defendant through trial and possible appeals. Class Counsel has also taken into
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1 account the uncertain outcome and risk of any litigation, especially in complex actions such as class
2 actions, as well as the difficulties and delay inherent in such litigation. In light of these risks, Class
3 Counsel has determined that the settlement set forth in this Stipulation of Settlement is in the best
4 interest of the Class and the PAGA Employees.

5 47. Defendant and its counsel have similarly concluded that it is desirable that the
6 Action be settled in the manner and upon such terms and conditions set forth herein in order to
7 avoid further expense, inconvenience and distraction of further legal proceedings, and the risk of
8 the outcome of the Action. Therefore, Defendant has determined that it is desirable and beneficial
9 to put to rest the claims in the Action.

10 **V. JURISDICTION AND VENUE**

11 48. This Court has jurisdiction over the Parties and the subject matter of this Action.
12 This Court will have continuing jurisdiction over the terms and conditions of this Stipulation of
13 Settlement, until all payments and obligations provided for herein have been fully executed.

14 **VI. OPERATIVE TERMS OF SETTLEMENT**

15 The Parties to this Action agree as follows:

16 49. Non-Admission. Nothing in this Stipulation of Settlement, or any
17 communications, papers, or orders related to this Stipulation of Settlement, shall be construed to be
18 or deemed an admission by Defendant of any liability, culpability, negligence, or wrongdoing
19 toward the Class Representative, the Class Members, the PAGA Employees, or any other person,
20 and Defendant specifically disclaims any liability, culpability, negligence, or wrongdoing toward
21 the Class Representative, the Class Members, the PAGA Employees or any other person, or that
22 class action certification or a representative action is appropriate in this or any other matter. Each
23 of the Parties has entered into this Stipulation of Settlement with the intention to avoid further
24 disputes and litigation with the attendant inconvenience, expenses, and contingencies. This
25 Stipulation of Settlement and any communications, papers, or orders related to the Stipulation of
26 Settlement may not be cited or otherwise admitted as evidence of liability or that class action
27 certification is appropriate. There has been no final determination by any Court as to the merits of
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1 the claims asserted by Plaintiff against Defendant, other than for settlement purposes only. It is the
2 desire of the Parties to fully, finally, and forever settle, compromise, and discharge all disputes and
3 claims against Defendant arising from or related to the Action. It is the intention of the Parties that
4 this Stipulation of Settlement shall constitute a full and complete settlement and release of the
5 claims averred in the Action.

6 50. Conditional Certification of the Settlement Class. The Parties conditionally
7 stipulate to class certification of the Class for purposes of the Settlement only. As set forth herein,
8 this provision is void and all terms of this Settlement are void if this Settlement is not approved by
9 the Court. The Parties further stipulate, for settlement purposes only, that Class Counsel may be
10 appointed and approved as Class Counsel for the Settlement Class, and that Plaintiff may be
11 appointed Class Representative for the Settlement Class. Defendant's stipulation to this Settlement
12 Class shall not be construed as an admission or acknowledgement of wrongdoing of any kind or
13 that any class should be certified or that the Court's order certifying a class is correct. The
14 Settlement Class may be provisionally certified as a class action pursuant to the California Code of
15 Civil Procedure for the purposes of the monetary relief provided in this Stipulation of Settlement.

16 51. Non-Approval by the Court. In the event that this Stipulation of Settlement is not
17 approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the
18 Court:

19 A. The Stipulation of Settlement shall have no force or effect, other than the
20 confidentiality and non-disclosure provisions herein, and the non-admission provisions herein.

21 B. The Stipulation of Settlement shall not be admissible in any judicial,
22 administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or
23 procedural, except to enforce the terms of this Paragraph;

24 C. The preliminary and conditional certification of the class shall become null
25 and void, and Defendant shall retain the right to dispute the appropriateness of class certification;
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1 D. None of the Parties to this Stipulation of Settlement will be deemed to have
2 waived any claims, objections, defenses or arguments with respect to the issue of class certification
3 or the merits of Plaintiff's claims.

4 52. Gross Settlement Amount. Defendant shall pay the amount of Four Hundred,
5 Twenty-Two Thousand and Five Hundred U.S. Dollars (\$422,500.00) ("Settlement Amount") plus
6 the employer's share of the payroll taxes, to resolve the Action, inclusive of all settlement payments
7 to Qualified Claimants and PAGA Employees, Class Counsel's Court-approved attorneys' fees and
8 out-of-pocket litigation expenses, the Court-approved Service Enhancement to the Class
9 Representative, Claims Administration Expenses, interest and the LWDA's share of PAGA
10 penalties. This settlement is based on the assumption that there are approximately 12,515
11 workweeks during the Class Period being settled. If, the number of work weeks during the Class
12 Period is actually higher by more than ten percent (10%), Defendant will have the sole discretion
13 to contribute an amount per workweek on a proportional basis based on this settlement for the
14 number of workweeks between 12,515 work weeks and the final number of workweeks (in addition
15 to the Settlement Amount) or, in the alternative, Defendant may shorten the Class and PAGA
16 Periods to end on April 30, 2022. Further, this settlement is based on the assumption that there are
17 approximately 2,469 pay periods being settled for PAGA Employees. If the number of pay periods
18 is actually higher by more than ten percent (10%), Defendant will have the sole discretion to
19 contribute an amount per pay period on a proportional basis based on this settlement for the number
20 of pay periods between 2,469 and the final number of pay periods (in addition to the Settlement
21 Amount) or, in the alternative, Defendant may shorten the Class and PAGA Periods to end on April
22 30, 2022.

23 53. Allocations to be Paid from the Settlement Amount. The Parties agree to the
24 following allocations to be paid from the Settlement Amount, subject to Court approval:

25 A. From the Settlement Amount, Class Counsel may seek approval from the
26 Court of a maximum of \$140,833.33 in attorneys' fees (33 1/3% or one third of the
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1 Settlement Amount), and a maximum of \$10,000 in actual litigation costs, for serving as
2 Class Counsel, both of which Defendant will not oppose.

3 B. From the Settlement Amount, the Class Representatives may seek approval
4 from the Court of a Service Enhancement payment to Plaintiff of up to \$10,000 for a general
5 release of his claims and for serving as a Class Representative, which Defendant will not
6 oppose.

7 C. From the Settlement Amount, Claims Administration Expenses in a
8 reasonable amount, which are estimated to be approximately \$11,000, which Defendant will
9 not oppose.

10 D. From the Settlement Amount, \$50,000.00 shall be allocated to PAGA
11 penalties, from which \$22,500 (75%) shall be payable to the LWDA, representing the
12 LWDA's share of PAGA penalties ("PAGA Allocation") and \$7,500 (25%) to the PAGA
13 Employees. If the Court changes the amount of the PAGA Allocation, such amount will be
14 taken from the Settlement Amount and no additional funds will be required from Defendant.

15 E. The portion of the Settlement Amount remaining after subtracting the
16 Claims Administration Expenses, Court-approved attorneys' fees and litigation costs,
17 Court-approved Service Enhancement, and the portion of PAGA penalties payable to the
18 LWDA, shall be designated the Net Settlement Amount eligible for distribution to Qualified
19 Claimants and PAGA Employees on a pro rata basis consistent with the allocation formulas
20 set forth in Paragraph 60. The Net Settlement Amount is estimated to be at least
21 \$228,166.66.

22 F. If the Court approves a lesser amount of attorneys' fees, litigation costs, or
23 Service Enhancement than those sought by the Class Representative and Class Counsel, any
24 amount disallowed by the Court shall be included in the Net Settlement Amount and the
25 Parties agree that the settlement shall remain binding with such modification(s) and its terms
26 will be otherwise unchanged.

1 54. Tax Treatment.

2 A. All settlement payments to Qualified Claimants shall be allocated as follows:
3 1/3 of each Individual Settlement Amount to unpaid wages, subject to withholding and reported on
4 a W-2 form, and 2/3 to non-wage compensation which shall be reported on an IRS 1099 without
5 withholdings.

6 B. The payments to the PAGA Employees will be allocated to non-wage
7 compensation and shall be reported on an IRS 1099 without withholdings.

8 C. The Service Enhancements to the Class Representative will be allocated as
9 wage compensation, subject to withholding, and reported on a W-2 form.

10 D. Class Representative, Qualified Claimants and PAGA Employees must pay
11 their own portion of payroll and income taxes on the payments they receive and shall be exclusively
12 liable for any and all taxes due on such amounts.

13 E. All Parties represent that they have not received, and shall not rely on, advice
14 or representations from Class Counsel, Defense Counsel, other Parties or their agents or attorneys
15 regarding the tax treatment of payments under federal, state, or local law.

16 55. Class Member Released Claims. The claims released by the Class Members shall
17 be the following: All federal, state and local law claims or causes of action against Releasees
18 related or pertaining to those pled in or could have been pled in the Action by members of the
19 Settlement Class while employed during the Settlement Class period by Defendant based on the
20 factual allegations contained in the First Amended Complaint, including but not limited to (a) all
21 claims of any kind related to alleged unpaid compensation, including without limitation all claims
22 for wages, overtime, meal and rest period premiums, failure to pay premium pay for unprovided
23 meal and rest periods, minimum wage, failure to timely pay wages, reporting time pay, failure to
24 pay final wages upon termination, damages, unpaid costs, penalties (including civil and statutory
25 penalties), liquidated damages, punitive damages, interest, attorneys' fees, litigation expenses,
26 restitution, or equitable relief, whether known or unknown; (b) all claims for inaccurate or deficient
27 wage statements under Labor Code section 226 and any other applicable sections; (c) "waiting
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time” penalties for late paid or unpaid wages under California Labor Code section 203 and any other applicable sections; (d) failure to maintain accurate employment records under California Labor Code section 1174(d); (e) failure to indemnify all necessary business expenditures under California Labor Code sections 2800 and 2802; (f) claims based on (a) through (e) above, as a predicate for alleged violations of the California Unfair Competition Act, and in particular, California Business & Professions Code § 17200 *et seq.*; (g) claims based on (a) through (e) above, as a predicate for alleged violations of California’s Private Attorneys General Act (“PAGA”); (h) all claims under the Fair Labor Standards Act (“FLSA”), 29 U.S.C. Sections 216 *et seq.*, and any premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting based on the alleged claims (each, and collectively, the “Released Claims”). The Released Claims specifically include any and all claims arising under the California Labor Code, including, without limitation, §§ 201, 202, 203, 204, 204b, 210, 215, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 510, 512, 558, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198 and 2698-2699.5, 2802, and the California Business & Professions Code §§ 17200 *et seq.*; and any and all claims arising under any applicable California Industrial Welfare Commission Wage Order(s).

56. PAGA Released Claims. The claims released by the PAGA Employees shall be the following: all claims against Releasees during the PAGA Period seeking civil penalties under PAGA that Plaintiff in his capacity as proxy for the State of California, the LWDA, and as a private attorney general acting on behalf of himself and the PAGA Employees, asserted or could reasonably have asserted based on the facts alleged in the Action and/or LWDA letters. This release shall bar all PAGA Released Claims by or on behalf of Plaintiff and all PAGA Employees regardless of whether Plaintiff and/or a PAGA Employee negotiates his/her settlement checks.

57. Class Representative Released Claims. Plaintiff, as the Class Representative, shall separately release the following: any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against Releasees, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown,

1 and whether anticipated or unanticipated, including all unknown claims covered by California Civil
2 Code § 1542, by the Class Representative, arising at any time up to and including the date on which
3 the Court enters the Order of Final Approval, for any type of relief, including without limitation
4 claims for wages, premium and other forms of pay, unpaid/unreimbursed costs, penalties (including
5 waiting time penalties and wage statement penalties), general damages, compensatory damages,
6 liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses,
7 restitution, and equitable and declaratory relief. The Class Representative's Released Claims
8 include, but are not limited to, the Released Claims as well as any other claims under any provision
9 of the FLSA, the California Labor Code, any applicable California Industrial Welfare Commission
10 Wage Orders, any city or county Living Wage Ordinances, and claims under state or federal
11 discrimination statutes, including, without limitation, the California Government Code; the Unruh
12 Civil Rights Act, California Civil Code; the California Constitution; the California Business and
13 Professions Code, including but not limited to §§ 17200 *et seq.*; the United States Constitution; the
14 Age Discrimination in Employment Act ("ADEA") and the Older Workers Benefit Protection Act;
15 the Uniformed Services Employment and Reemployment Rights Act, Title VII of the Civil Rights
16 Act of 1964, 42 U.S.C. § 2000 *et seq.*; the Family and Medical Leave Act, to the extent not
17 prohibited by law; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; and the
18 Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; and all of their
19 implementing regulations and interpretive guidelines.
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21 58. Section 1542 of the California Civil Code provides as follows:

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

28 Plaintiff's general release provided herein is made with an express waiver and
relinquishment of any claim, right, or benefit under California Civil Code § 1542. Plaintiff warrants

1 that he has read this Agreement, including this waiver of California Civil Code § 1542, and that he
2 has consulted with or had the opportunity to consult with his counsel about this agreement and
3 specifically about the waiver of § 1542, and that he understands this Agreement and the § 1542
4 waiver, and so he freely and knowingly enters into this Agreement. Plaintiff further acknowledges
5 that Plaintiff later may discover facts different from or in addition to those Plaintiff now knows or
6 believes to be true regarding the matters released or described in this agreement, and even so
7 Plaintiff agrees that the releases and agreements contained in this Agreement shall remain effective
8 in all respects notwithstanding any later discovery of any different or additional facts.

9 59. Funding and Allocation of Settlement Amount. Class Members and PAGA
10 Employees shall not be required to submit a claim in order to receive a share of the settlement, and
11 no portion of the Settlement Amount shall revert to Defendant or result in an unpaid residue.

12 60. Calculation of Settlement Amounts.

13 A. The portion of the Net Settlement Amount allocated to Class Members will
14 be based on the number of Applicable Workweeks they worked during the Class Period. The
15 portion of the Net Settlement Amount allocated to PAGA Employees will be based on the number
16 of Applicable Pay Periods they worked during the PAGA Period. Defendant shall provide the
17 Settlement Administrator with the total Applicable Workweeks and Applicable Pay Periods worked
18 by each Class Member and PAGA Employee. The Claims Administrator will calculate Individual
19 Settlement Amounts for the Class Members based on each Class Member's Applicable Workweeks
20 and the amount to be paid to each PAGA Employee based on the PAGA Employee's Applicable
21 Pay Periods as reflected on Smiths Interconnect's internal records. Class Member distributions shall
22 be divided among all Class Members on a pro rata basis, based on the ratio of the number of weeks
23 worked by each Class Member during the Class Period, to the total number of weeks worked by all
24 Class Members during the Class Period. The PAGA Allocation will be divided among PAGA
25 Employees on a pro rata basis based on the ratio of the number of pay periods worked by each
26 PAGA Employee during the PAGA Period, to the total number of pay periods worked by all PAGA
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1 Employees during the PAGA Period. 75% of the PAGA Allocation shall be paid to the LWDA
2 and 25% shall be paid to PAGA Employees.

3 61. Eligibility for Individual Settlement Amount. Only Qualified Claimants will be
4 eligible to receive an Individual Settlement Amount.

5 62. Distribution of Settlement Payments. When and if the Court grants Final
6 Approval of the Settlement, and the Effective Date as defined herein has passed, the Claims
7 Administrator shall then prepare a final list of all Qualified Claimants and PAGA Employees along
8 with a final breakdown of all disbursements under this Settlement that are required to be funded by
9 Defendant, including Defendant's share of applicable payroll taxes. Defendant shall then provide
10 the total amount required to be funded by Defendant to the Claims Administrator within fifteen
11 (15) calendar days of the Effective Date. After transfer of the amount required to fund the
12 settlement to the Claims Administrator Defendant shall not be responsible for any losses with
13 respect thereto due to any action or inaction on the part of the Claims Administrator. The Claims
14 Administrator shall then pay the Qualified Claimants, PAGA Employees, the LWDA, the Class
15 Representative Service Enhancements, Class Counsel's attorney fees and litigation costs, and its
16 own Claims Administration Expenses, in the amounts awarded by the Court, within ten (10)
17 calendar days thereafter.

18 63. Court Approval of the Settlement. Subject to Defendant's review and approval,
19 Class Counsel shall be responsible for preparing and filing the Motion for Preliminary Approval of
20 the Settlement, the Motion for Final Approval of the Settlement, and a Motion for approval of the
21 PAGA settlement and dismissal of the PAGA claims in accordance with the requirements of Labor
22 Code Section 2699(l), including submission of the Stipulation of Settlement and the Order
23 approving the Settlement to the LWDA. Class Counsel will provide to Defense Counsel for review
24 and comment draft Motions for Preliminary and Final Approval and the Motion for approval of the
25 PAGA settlement at least five (5) days before filing the motions. Prior to the Final Approval
26 hearing by the Court, the Parties will mutually prepare and submit a proposed Final Order(s):
27 (i) certifying the Class for settlement purposes only; (ii) approving the payments to PAGA
28

1 Employees (iii) finding the settlement fair, reasonable, and in the best interests of the Class
2 Members and PAGA Employees; (iv) approving the payment to the LWDA; (v) approving Class
3 Counsel's application for an award of attorneys' fees and litigation costs; (vi) approving the Class
4 Representative's application for a Service Enhancement; and (vii) approving payment of Claims
5 Administration Expenses. The Order for Final Approval of Settlement shall include the names of
6 all Class Members who submitted timely and valid opt-out requests.

7 64. Right to Revoke and Reservation of Rights. Defendant has the right to withdraw
8 from the Settlement at any time prior to final approval if: (a) the Settlement is construed in such a
9 fashion that Defendant is required to pay more than the Settlement Amount, plus employer's share
10 of payroll taxes; (b) more than 10% of the Class Members affirmatively opt-out of the settlement.
11 Each of the Parties has the right to withdraw from the Settlement at any time prior to final approval
12 if: (c) the Court does not certify the Settlement, or does not certify a class action releasing the
13 claims set forth above, or otherwise makes an order materially inconsistent with any of the terms
14 of this Settlement or the documents prepared to effectuate the Settlement; or (d) the Court denies
15 either preliminary or final approval of the Settlement. Plaintiff does not have the right to withdraw
16 from the settlement if the Court does not award or reduces the amount of attorneys' fees or Service
17 Enhancement payment sought in the Motions for Preliminary or Final Approval. Defendant
18 represents and warrants that it is not aware of any currently filed state law claims against Defendant
19 by the Class Members. In the event Defendant withdraws from the Settlement prior to Final
20 Approval pursuant to (a), (b), (c) or (d) above, Defendant shall be responsible for all administrative
21 costs incurred by the Claims Administrator to the date of such withdrawal. If for any reason the
22 Settlement is not approved by the Court, or if Defendant withdraws from the Settlement pursuant
23 to this paragraph, this Stipulation of Settlement and any related settlement documents, shall be null
24 and void, except for the provisions concerning Confidentiality and No Admission of Liability, and
25 any class certified for settlement purposes will be vacated. In such an event, neither the Stipulation
26 of Settlement, nor the settlement documents, nor the negotiations leading to the Settlement, may be
27 used as evidence for any purpose, and Defendant shall retain the right to challenge all claims and
28

1 allegations in the action, to assert all applicable defenses, and to dispute the propriety of class
2 certification on all applicable grounds.

3 65. Notice To Governmental Agencies. Upon filing of the Motion for Preliminary
4 Approval, Class Counsel will file a copy of this Stipulation for Settlement and the Motion for
5 Preliminary Approval with the LWDA pursuant to the requirements specified in Labor Code §§
6 2699(l)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy
7 of the Judgment entered by the Court to the LWDA, as required by California Labor Code §
8 2699(l)(3).

9 66. Termination of Stipulation of Settlement. If the conditions of the Settlement set
10 forth in this Stipulation of Settlement are not satisfied, or if Settling Defendant voids the Settlement
11 under Paragraph 64 above, or if appellate review is sought and on such review the Court's decision
12 is materially modified or reversed, or, if one or more of the terms of the Stipulation of Settlement
13 is not approved or the Stipulation with respect to one or more such terms is materially modified or
14 reversed, then this Stipulation shall be canceled, terminated, and shall have no force or effect. If
15 Final Approval does not occur, or if this Stipulation of Settlement is terminated, revoked, or
16 canceled pursuant to its terms, the Parties to this Stipulation of Settlement shall be deemed to have
17 reverted to their respective status as of the date and time immediately prior to the execution of this
18 Stipulation of Settlement.

19 **VII. CLAIMS ADMINISTRATION**

20 67. Selection and Compensation of Claims Administrator. The Claims Administrator
21 shall calculate and provide its Claims Administration Expenses and costs to the Parties and the
22 Court prior to the Final Approval hearing, and the proposed Final Approval Order shall request
23 approval of the Claims Administration Expenses to be paid out of the Settlement Amount. If the
24 Settlement is not given final approval by the Court, the Parties shall bear Claims Administration
25 Expenses equally. All costs associated with claims administration shall come out of the Settlement
26 Amount.

1 68. Responsibilities of Claims Administrator. The Claims Administrator shall be
2 responsible for, and the Claims Administration Expenses shall cover: (a) calculating each Class
3 Member's potential Individual Settlement Amount from the Net Settlement Amount; (b) preparing
4 and mailing Settlement Documents to the Class Members; (c) taking appropriate steps to trace,
5 update and locate any individual Class Member whose address or contact information as provided
6 to the Claims Administrator is inaccurate or outdated; (d) receiving and providing to Class Counsel
7 and Defense Counsel, and the Court, Requests for Exclusion and copies of written objections;
8 (e) providing to Class Counsel and Defense Counsel a weekly report of activity; (f) maintaining
9 prior to disbursement all settlement funds in an interest-bearing account at a federally insured
10 banking institution; (g) calculating and paying the Individual Settlement Amounts or, if applicable,
11 Final Individual Settlement Amounts, due to be paid to Qualified Claimants after calculation of the
12 Net Settlement Amount for Class Members who opt out of the settlement; (h) calculating and
13 paying the amount owed to the PAGA Employees; (i) reporting to Class Counsel, Defense Counsel,
14 and the Court regarding the completion of the tasks identified in this paragraph; and (j) calculating
15 Defendant's share of payroll taxes, including, FICA and FUTA, on the portion of each Individual
16 Settlement Amount allocated to unpaid wages. At least 30 days prior to the Final Approval and
17 Fairness Hearing, the Settlement Administrator shall provide Class Counsel and Defense Counsel
18 with a Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Class
19 Notice and its attempts to locate Settlement Class Members. The declaration shall specify the
20 number of Settlement Class Members to whom Class Notices were sent and the number of
21 Settlement Class Members to whom Class Notices were not delivered, as well as information
22 relating to the number of Opt-Outs and objectors. Class Counsel shall file this declaration with the
23 Court.

24 69. Class Data. Defendant will provide the name, last known address, social security
25 number, and the total Applicable Workweeks worked by each Settlement Class Member and
26 Applicable Pay Periods worked by the PAGA Employees to the Claims Administrator only.
27 ("Class Data"). Data shall be provided in a format to be determined by the Claims Administrator
28

1 and Defendant. Defendant will provide the Class Data to the Claims Administrator no later than
2 fifteen (15) calendar days after the Court grants Preliminary Approval of the Settlement. Class
3 Data shall only be used by the Claims Administrator for the purpose of calculating Individual
4 Settlement Amounts and the payments to the PAGA Employees and the LWDA, and preparing and
5 mailing Settlement Documents to the Class Members, and locating Class Members whose
6 Settlement Documents are returned as undeliverable. Class Data shall not be disclosed to Class
7 Counsel, the Class Representative, or any other Class Members without the written consent of
8 Defendant. The Claims Administrator shall run the Class Data through the National Change of
9 Address database, and will use the most recent address for each Class Member— either from
10 Defendant’s records or the National Change of Address database – when mailing the Class Notice.
11 The Claims Administrator shall mail the Settlement Documents to Class Members by First Class
12 Mail. It will be conclusively presumed that if an envelope so mailed has not been returned within
13 thirty (30) calendar days of the mailing that the Class Member received the Settlement Documents.
14 With respect to any returned envelopes, the Claims Administrator shall take all reasonable steps to
15 locate any Class Member whose Class Notice is returned as undeliverable, such as a skip trace
16 procedure or other independent research, to obtain a current address and, if an updated address is
17 located, then re-mail the envelope to such address within five (5) business days of obtaining an
18 updated address. If the Claims Administrator remains unable to locate the Class Member, the
19 Claims Administrator will not send a check to that Class Member but will instead send it to the
20 State Controller’s Unclaimed Property Fund pursuant to Code of Civil Procedure section 384.

21 70. Class Notice. Within fifteen (15) calendar days from the date the Claims
22 Administrator receives the Class Data, and after obtaining the Parties’ approval of the formatted
23 Settlement Documents and estimated settlement amounts, or as soon as practically and
24 economically feasible as determined by the Claims Administrator, the Claims Administrator shall
25 mail Settlement Documents to the Class Members described herein. All costs associated with
26 notice shall be paid from the Settlement Amount.
27
28

1 71. Opt-Out Period. Class Members shall have forty-five (45) calendar days from the
2 date of mailing of the Settlement Documents to return a valid Request for Exclusion from the
3 Settlement (the “Opt-Out Period”) to the Claims Administrator. If the 45th day falls on a Sunday
4 or holiday, the deadline to return Claims Forms will be the next business day that is not a Sunday
5 or holiday. Qualified Claimants will receive their Individual Settlement Amount or if applicable,
6 Final Individual Settlement Amount, from the Net Settlement Amount pursuant to this Agreement
7 as calculated by the Claims Administrator.

8 72. Challenges to Class Member’s Employment Data. In calculating the amount of
9 each Class Member’s and PAGA Employee’s payment, Defendant’s records regarding Applicable
10 Workweeks and Applicable Pay Periods shall be presumed to be correct. Class Members who
11 challenge Defendant’s records must submit a challenge in writing to the Claims Administrator and
12 will bear the burden of proof, *i.e.*, a Class Member who fails to provide written proof establishing
13 the correctness of his or her challenge will have his or her challenge denied. All such challenges
14 must be sent within the 45-day Opt-Out Period in which Class Members must submit Requests for
15 Exclusion from the Settlement or objections to the settlement. The Claims Administrator will
16 inform Plaintiff’s Counsel and Defense Counsel in writing of any timely filed challenges. The
17 Claims Administrator will investigate the challenge, including by consulting with Defendant and
18 Defense Counsel, and shall make the final, non-appealable decision whether any additional amount
19 is owed to the Class Member making the challenge. In no case will a challenge result in a payment
20 by Defendant in excess of the Settlement Amount.

21 73. Opt-Outs/Requests for Exclusion from the Settlement. Class Members who wish
22 to “opt-out” of and be excluded from the Settlement Class must submit a written Request for
23 Exclusion from the Settlement bearing a post-mark with a date within the Opt-Out Period. If a
24 Class Member submits a deficient opt-out, the Claims Administrator shall notify the Class Member
25 of the deficiency within five (5) business days of receipt. The Class Member shall have until the
26 end of the Opt-Out Period, or an additional ten (10) calendar days if notice of the deficiency is
27 provided not more than five (5) calendar days before the end of the Claim Period, to cure said
28

1 deficiencies, at which point his or her Request for Exclusion will be rejected if not received. Class
2 Members submitting Late Opt-Out Forms or Deficient Opt-Out Forms shall be bound by the
3 Settlement and its releases but will not be considered Qualified Claimants. A Class Member who
4 opts out shall still release the PAGA Released Claims and receive payment for his or her PAGA
5 Released Claims, to the extent the Class Member worked for Defendant during the PAGA Period.

6 74. Objections and Final Approval of Settlement. Only Class Members who do not
7 opt-out of the Settlement may object to the Settlement. Objections may be filed with the Court and
8 served upon all counsel of record within than forty-five (45) calendar days after the mailing of the
9 Class Notice. Class Members also have the right to appear at the Fairness Hearing in order to have
10 their objections heard by the Court. Any Class Member or purported Class Member who fails to
11 object in this manner shall be deemed to have waived any objections and shall be foreclosed from
12 filing any appeal from any Final Approval Order issued by the Court. The Parties may file
13 responses to any objections submitted by objecting Class Members at or prior to the hearing for
14 Final Approval of the Settlement. Class Counsel shall file and serve their motion for approval of
15 attorneys' fees, litigation costs, and Service Enhancement, along with all supporting evidence, at
16 least fourteen (14) calendar days before the deadline for objecting to the settlement in order to allow
17 Class Members a reasonable opportunity to object to said motions within the deadline for filing
18 objections.

19 **VIII. MISCELLANEOUS PROVISIONS**

20 1. Covenants and Representations by the Class Representative. The Class
21 Representative covenants and represents as follows:

22 A. Within five business days of the date of Final Approval, the Class
23 Representative shall dismiss Defendant SMITHS INTERCONNECT AMERICAS, INC.
24 with prejudice.

25 B. Upon Final Approval of the Settlement, Class Representative covenants
26 that he will not participate in any other pending or future legal actions against Defendant or
27 the Releasees that brings claims covered by the Class Representative Released Claims.
28

1 C. Class Representative certifies that he has returned all of Defendant's
2 property in his possession or control, including without limitation, equipment, telephones,
3 credit cards, keys, pagers, tangible proprietary information, documents, computers and
4 computer discs, personal data assistants, files and data, which he prepared or obtained
5 during the course of his employment.

6 2. Drafting. The Parties hereto agree that the terms and conditions of this Stipulation
7 of Settlement are the result of lengthy, intensive, arm's-length negotiations between the Parties and
8 that neither Party shall be considered the "drafter" of this Stipulation of Settlement for purposes of
9 having terms construed against that Party. Paragraph titles are inserted as a matter of convenience
10 and for reference, and in no way define, limit, extend, or describe the scope of this Stipulation of
11 Settlement or any of its provisions.

12 3. Class Data Confidential. Class Data shall be kept strictly confidential by the
13 Claims Administrator, who will not release such information to Class Counsel and if any Class
14 Data needs to be filed to effectuate the settlement, it will be filed under seal. Class Counsel agrees
15 that any information they receive or have received in connection with this Settlement may be used
16 for this Action only, and may not be used for any purpose or in any other action or proceeding.

17 4. Non-Disclosure. Class Representative and Class Counsel agree not to disclose the
18 terms of this settlement except in court papers, communications with the LWDA, or if required by
19 legal process. Defendant and Defense Counsel acknowledge that this non-disclosure shall not serve
20 to interfere with the duties or obligations of Class Counsel to represent, or otherwise to respond to
21 questions or inquiries of, Class Members or PAGA Employees about the terms of the settlement.
22 Nevertheless, Class Representative and Class Counsel agree they will not issue a press release or
23 hold a press conference to, publish information about the settlement on any website in a way that
24 connects the settlement to Defendant, or otherwise publicize the settlement. Class Representative
25 and Class Counsel will refer press inquiries or reporters to the papers filed with the Court. Defense
26 counsel shall not violate this provision by listing the anticipated Court's approval of them as class
27 counsel in this case for purposes of demonstrating adequacy as class counsel in future matters.
28

1 5. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to
2 Qualified Claimants and PAGA Employees shall be negotiable for at least 180 calendar days. Those
3 funds represented by settlement checks returned as undeliverable and those settlement checks
4 remaining un-cashed for more than 180 calendar days after issuance shall be tendered to the
5 California State Controller's Office Unclaimed Property Fund under the procedures provided for
6 by Code of Civil Procedure section 1300, *et seq.*

7 6. Returns and/or Destruction of Confidential Settlement Materials. Class
8 Representative and Class Counsel agree to return and/or destroy all documents produced to them
9 for settlement purposes in this Action. If the Class Representative and Class Counsel elect to
10 destroy said documents, they shall timely provide an affidavit of destruction to Defense Counsel.

11 7. Cooperation. The Parties agree to cooperate fully with one another to accomplish
12 and implement the terms of this Settlement. Such cooperation shall include, but not be limited to,
13 execution of such other documents and the taking of such other action as may reasonably be
14 necessary to fulfill the terms of this Stipulation of Settlement. The Parties to this Stipulation of
15 Settlement shall use their best efforts, including all efforts contemplated by this Stipulation of
16 Settlement and any other efforts that may become necessary by Court order, or otherwise, to
17 effectuate this Stipulation of Settlement and the terms set forth herein.

18 8. Extensions of Time. If a party cannot reasonably comply with an obligation under
19 this Stipulation of Settlement by the deadline set forth herein applicable to that obligation, that party
20 may apply to the Court for a reasonable extension of time to fulfill that obligation. Consent to such
21 a request for an extension will not be unreasonably withheld by the other party.

22 9. No Impact on Benefit Plans. Neither the Settlement nor any amounts paid under
23 the Settlement will modify any previously credited hours or service under any employee benefit
24 plan, policy, or bonus program sponsored by Defendant. Such amounts will not form the basis for
25 additional contributions to, benefits under, or any other monetary entitlement under Defendant's
26 sponsored benefit plans, policies, or bonus programs. The payments made under the terms of this
27 Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary,
28

1 earnings, wages, or any other form of compensation for the purposes of any Defendant's benefit
 2 plan, policy, or bonus program. Defendant retains the right to modify the language of its benefit
 3 plans, policies and bonus programs to effect this intent, and to make clear that any amounts paid
 4 pursuant to this Settlement are not for "hours worked," "hours paid," "hours of service," or any
 5 similar measuring term as defined by applicable plans, policies and bonus programs for purposes
 6 of eligibility, vesting, benefit accrual, or any other purpose, and that additional contributions or
 7 benefits are not required by this Stipulation of Settlement.

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

12 To the Plaintiff Class:

13 SULLIVAN EMPLOYMENT LAW PC
 14 Martin Sullivan, State Bar No. 274279
 15 martin@sullivanlawgrp.com
 16 1801 Century Park East, Suite 850
 17 Los Angeles, California 90067
 18 Telephone: +1.323.645.5470

19 To the Defendant:

20 MORGAN, LEWIS & BOCKIUS LLP
 21 Melinda S. Riechert, Bar No. 65504
 22 1400 Page Mill Road
 23 Palo Alto, CA 94304
 24 Tel: +1.650.843.4000
 25 Fax: +1.650.843.4001
 26 melinda.rieichert@morganlewis.com

27 11. Integration and Modification. This Stipulation contains the entire agreement
 28 between the Parties relating to any and all matters addressed in the Stipulation of Settlement, and
 all prior or contemporaneous agreements, understandings, representations, and statements, whether
 oral or written and whether by a Party or such Party's legal counsel, with respect to such matters
 are extinguished. This Stipulation may not be changed, altered, or modified, except in writing
 signed by counsel for the Parties hereto and approved by the Court. This Stipulation shall be

1 binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees,
 2 executors, administrators, successors, and assigns. The releases contained within this Stipulation
 3 of Settlement shall be in addition to and cumulative with any other release by an individual Class
 4 Member. However, this Stipulation shall not supersede any prior or current arbitration agreements
 5 and/or release agreements concerning a Class Member. The releases contained within this
 6 Stipulation shall be in addition to and cumulative with any other release by an individual Class
 7 Member.

8 12. Governing Law. The rights and obligations of the Parties hereunder shall be
 9 construed and enforced in accordance with, and shall be governed by, the laws of the State of
 10 California, and of the United States, without regard to principles of conflict of laws.

11 13. Counterparts. Because the members of the proposed Class are so numerous, the
 12 Parties agree that it is impossible or impractical to have each Class Member sign this Stipulation of
 13 Settlement. It is agreed that, for purposes of seeking Court approval of the Settlement, this
 14 Stipulation of Settlement may be executed on behalf of the proposed Class by Class Counsel. This
 15 Stipulation of Settlement shall become effective upon its execution by all of the undersigned. The
 16 Settling Parties may execute this Stipulation of Settlement in any number of counterparts, and a
 17 facsimile signature shall have the same force and effect as an original.

18 IN WITNESS WHEREOF, each of the undersigned has agreed to and accepted the
 19 foregoing terms and conditions by executing this Stipulation as of the date indicated below.

20 9/21/2022

21 Dated: September __, 2022

22 27/09/2022

23 Dated: September __, 2022

22 By: 
 23 Elliot Morales, Plaintiff

24 By: 
 25 Smiths Interconnect, Inc., Defendant

9/21/2022

Dated: September __, 2022

By: Martin Sullivan
Martin Sullivan

SULLIVAN EMPLOYMENT LAW PC
Martin Sullivan, State Bar No. 274279
martin@sullivanlawgrp.com
1801 Century Park East, Suite 850
Los Angeles, California 90067
Telephone: +1.323.645.5470

Attorneys for Plaintiff
ELLIOT MORALES and CLASS
MEMBERS

10/04/2022

Dated: September __, 2022

By: Melinda Riechert
Melinda Riechert

MORGAN, LEWIS & BOCKIUS LLP
Melinda S. Riechert, Bar No. 65504
1400 Page Mill Road
Palo Alto, CA 94304
Tel: +1.650.843.4000
Fax: +1.650.843.4001
melinda.rieichert@morganlewis.com

Attorneys for Defendant
SMITHS INTERCONNECT, INC.

Exhibit A

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT*Elliot Morales v. Smiths Interconnect, Inc., et al.*

Superior Court of the State of California for the County of Ventura, Case No. 56-2021-00549907-CU-OE-VTA

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

IF YOU ARE OR WERE EMPLOYED BY SMITHS INTERCONNECT, INC. OR ANY OF ITS PREDECESSORS INCLUDING TRAK MICROWAVE CORPORATION AND TECOM INDUSTRIES, INC. (“DEFENDANT”) AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY TIME FROM JANUARY 28, 2017 THROUGH [REDACTED] THIS CLASS ACTION AND PAGA SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (“Settlement”) has been reached in a class action lawsuit entitled *Elliot Morales, an individual, on behalf of himself, and all others similarly situated v. Smiths Interconnect, Inc., et al.*, Superior Court of the State of California for the County of Ventura, Case No. 56-2021-00549907-CU-OE-VTA (the “Action”). The purpose of this Notice of Class Action and PAGA Settlement (“Notice”) is to describe briefly the case, and to inform you of your rights and options in connection with the Action and the Settlement. The Settlement will resolve all claims in the Action. A final approval hearing concerning the Settlement will be held before the Hon. Benjamin Coats on [REDACTED] at [REDACTED] in Department 43 of the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura CA 93009 to determine whether the Settlement is fair, adequate, and reasonable.

YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will receive an individual settlement payment and will give up your right to pursue a separate legal action against Defendant for the claims alleged in this Action.
EXCLUDE YOURSELF FROM THE SETTLEMENT	You have the option to pursue separate legal action against Defendant about the claims in this lawsuit. If you choose to do so, you must exclude yourself, in writing, from the settlement of the Class Action. As a result, you will not receive any benefits under the Class Action Settlement. However, because there is no right under California law to request exclusion from the claims for PAGA civil penalties, you will still be bound by the PAGA Released Claims and will receive a pro-rata share of the amount allocated to each PAGA Employee based on the eligible pay periods during the PAGA Period.
OBJECT	To object to the Settlement, you must write to the Court about why you don’t like the Settlement. This option is available only if you do not exclude yourself from the Settlement.

Who is affected by this proposed Settlement?

The class action settlement includes all current and former non-exempt employees in the State of California employed by Smiths Interconnect, Inc. or its predecessors between January 28, 2017 and [REDACTED].

The PAGA settlement all current and former non-exempt employees in the State of California employed by Smiths Interconnect, Inc. or its predecessors between January 28, 2020 and [REDACTED].

What is this case about?

In the Action, Plaintiff Elliot Morales (“Plaintiff”) alleges on behalf of himself and current and former non-exempt employees in the State of California the following claims against Smiths Interconnect, Inc, TRAK Microwave Corporation, and TECOM Industries, Inc.: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) failure to provide rest periods and pay missed rest period premiums; (4) failure to provide meal periods and pay missed meal period premiums; (5) failure to maintain accurate employment records; (6) failure to pay wages timely during employment; (7) failure to indemnify all necessary business expenditures; (8) failure to furnish accurate itemized wages statements; (9) violations of California’s Unfair Competition Law (Business & Professions Code §§ 17200, et seq.); (10) failure to pay all wages earned and unpaid at separation; and (11) civil penalties under the Private Attorneys General Act (“PAGA”) (Labor Code §§ 2698, et seq.). In the Action, Plaintiff seeks unpaid wages, statutory penalties, civil penalties under PAGA, interest, attorneys’ fees, and costs.

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

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff’s counsel also believes this Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

SULLIVAN EMPLOYMENT LAW PC
Martin Sullivan, State Bar No. 274279
martin@sullivanlawgrp.com
1801 Century Park East, Suite 850
Los Angeles, California 90067
Telephone: +1.323.645/5470

Defense Counsel

MORGAN, LEWIS & BOCKIUS LLP
Melinda S. Riechert, State Bar No. 65504
melinda.rieichert@morganlewis.com
1400 Page Mill Road
Palo Alto, CA 94304
Tel: +1.650.843.4000
Fax: +1.650.843.4001

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$422,500.00 (“Settlement Amount”) for: (a) individual settlement payments to Class Members; (b) the Court-approved Service Enhancement to Plaintiff; (c) the Court-approved attorneys’ fees and costs to Class Counsel; (d) the costs of administering the Settlement; and (e) payment of PAGA penalties.

Out of the Settlement Amount, Class Counsel will ask the Court to award attorneys’ fees up to \$140,833.33 (approx. 33 1/3% of the Settlement Amount) and reimbursement of reasonable costs incurred in the Action not to exceed \$10,000.00. In addition, Class Counsel will ask the Court to authorize a Service Enhancement payment of up to \$10,000 for Plaintiff for his efforts in prosecuting the case on behalf of the Class. A payment of \$50,000 will also be made to the California Labor and Workforce Development Agency (“LWDA”) and aggrieved employees for PAGA penalties. Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount and will be distributed to Class Members. From this Net Settlement Amount, each Class Member who does not opt out of the Settlement will receive an individual settlement payment based on the number of workweeks they worked during the time period from January 28, 2017 through [REDACTED] for Smiths Interconnect, Inc. or its current or former subsidiaries (the “Class Period”).

In addition, non-exempt employees of Defendant in California from January 28, 2020 to [REDACTED] will receive a payment of their share of the settlement of the PAGA penalties.

Settlement checks will be sent with a “State Date” that is at least 180 days after the date the checks are issued. Any amounts from settlement checks that remain uncashed and otherwise unclaimed after 180 day period shall be tendered to the California State Controller’s Office, Unclaimed Property Fund under the procedures provided for by Code of Civil Procedure section 1300, *et seq.* In such event, the Class Member and the PAGA Employees will remain bound by the terms of the Settlement and all Court orders.

The payments to Class Members will be allocated as one-third (1/3) wages, and two-thirds (2/3) as penalties. The wage portion of the individual settlement payments shall be subject to the withholding of applicable local, state, and federal taxes. Smiths Interconnect will pay the employer’s share of the payroll taxes. The payments to the PAGA Employees will be allocated to non-wage compensation and shall be reported on an IRS 1099 without withholdings. None of the Parties or attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members and PAGA Employees should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Class Member or PAGA Employee.

Any amounts paid to Class Members or PAGA Employees will not count as compensation for purposes of any of Defendant’s benefit plans, policies or bonus programs.

According to the records of Smiths Interconnect, Inc., you worked <<CompWorkweeks>> applicable workweeks during the Class Period. **Your estimated individual settlement payment is <<EstSettPayment>>** and includes your share of the PAGA settlement payment if applicable. Please note that this is only an estimate; your actual payment may be greater or smaller than the amount reported above.

If you disagree with the number of applicable workweeks stated above, you must send a letter to the Settlement Administrator stating the reasons why you dispute the number of weeks you worked during the Class Period and provide any supporting documentation that you have (*e.g.*, any paystubs). The information you provide should include the estimated number of weeks you claim you worked during the Class Period.

Any disputes and supporting documentation must be mailed to the Settlement Administrator at the address listed below by First Class U.S. Mail postmarked no later than [Response Deadline].

[ADDRESS]

If you dispute the number of applicable workweeks stated above, the records of Smiths Interconnect will be presumed determinative unless you are able to provide documentation to the Settlement Administrator that establishes otherwise. The Settlement Administrator will evaluate the evidence submitted by you and will make the final decision as to the number of applicable workweeks that should be applied and/or the individual settlement payment to which you may be entitled. Such a determination will be final and binding with no opportunity for further appeal.

What claims are being released by the proposed Settlement?

Upon Final Approval by the Court, the Class Members and PAGA Employees shall be deemed to have fully, finally, and forever released Releasees from all federal, state and local law claims or causes of action against Releasees related or pertaining to those pled in or could have been pled in the Action by members of the Settlement Class while employed during the Settlement Class period by Defendant based on the factual allegations contained in the First Amended Complaint, including but not limited to (a) all claims of any kind related to alleged unpaid compensation, including without limitation all claims for wages, overtime, meal and rest period premiums, failure to pay premium pay, minimum wage, for unprovided meal and rest period premiums, reporting time pay, failure to timely pay wages, failure to pay final wages upon termination, damages, unpaid costs, penalties (including civil and statutory penalties), liquidated damages, punitive damages, interest, attorneys’ fees, litigation expenses, restitution, or equitable relief, whether known or unknown; (b) all claims for inaccurate or deficient wage statements under Labor Code section 226 and any other applicable sections; (c) “waiting time” penalties for late paid or unpaid wages under California Labor Code section 203 and any other applicable sections; (d) failure to maintain accurate

employment records under California Labor Code section 1174(d); (e) failure to indemnify all necessary business expenditures under California Labor Code sections 2800 and 2802; (f) claims based on (a) through (e) above, as a predicate for alleged violations of the California Unfair Competition Act, and in particular, California Business & Professions Code § 17200 *et seq.*; (g) claims based on (a) through (e) above, as a predicate for alleged violations of California's Private Attorneys General Act ("PAGA"); (h) all claims under the Fair Labor Standards Act ("FLSA"), 29 U.S.C. Sections 216 *et seq.*, and any premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting based on the alleged claims (each, and collectively, the "Released Claims"). The Released Claims specifically include any and all claims arising under the California Labor Code, including, without limitation, §§ 201, 202, 203, 204, 204b, 210, 215, 216, 218.5, 218.6, 223, 225.5, 226, 226.3, 226.6, 226.7, 510, 512, 558, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198 and 2698-2699.5, 2802, and the California Business & Professions Code §§ 17200 *et seq.*; and any and all claims arising under any applicable California Industrial Welfare Commission Wage Order(s).

"Releasees" means shall mean Smiths Interconnect, Inc., their past or present affiliates, parents, subsidiaries, predecessors, successors, divisions, joint ventures and assigns, and each of these entities' past or present directors, officers, employees, partners, members, principals, agents, insurers, co-insurers, re-insurers, shareholders, attorneys, and personal or legal representatives.

What are my options in this matter?

You have three options under this Settlement, each of which is further discussed below. You may: (1) remain in the Class and receive an individual settlement payment; or (2) exclude yourself from the Class Action Settlement. If you choose option (1), you may also object to the Settlement, as explained below. If you do not exclude yourself from the Settlement, you will be subject to any Judgment that will be entered in the Action, including the Release of Claims as described above.

OPTION 1. Remain in the Class. If you wish to remain in the Class and be eligible to receive an individual settlement payment under the Settlement, you do not need to take any action. By remaining in the Class and receiving settlement monies, you consent to the Release of Claims as described above.

OPTION 2. If You Do Not Want To Be Bound By The Class Action Settlement. If you do not want to be part of the Settlement, you must submit a written request to be excluded from the Settlement ("Request for Exclusion") to the Settlement Administrator at *Morales v. Smiths Interconnect, Inc., et al.*, [address], postmarked on or before [45 calendar days from the date of mailing]. In order to be valid, your Request for Exclusion must: (1) state your full name, address, and telephone number and the last four digits of your Social Security Number; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Morales v. Smiths Interconnect, Inc., et al.*; and (3) be signed by you. If you do not submit a timely and valid Request for Exclusion, you will be deemed a Class Member, you will receive an individual settlement payment, and you will be bound by the Release of Claims as described above and all other terms of the Settlement, whether favorable or not. If you submit a valid and timely Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefits as a result of the Stipulation of Class Action Settlement and Release and will not be entitled to or permitted to assert an objection to the Settlement. If you request to be excluded from the Settlement, you cannot submit objections as described in the next section. However, because there is no right under California law to request exclusion from the claims for PAGA civil penalties, you will still be bound by the PAGA Released Claims and will receive a pro-rata share of the amount allocated to each PAGA Employee based on the eligible pay periods during the PAGA Period.

OPTION 3. Objecting to the Settlement: You may object, personally or through an attorney, to the Settlement. You may file your objection with the Court and serving all counsel of record no later than [45 calendar days from the date of mailing]. To file your objection with the Court, you must either mail your objection to: Chambers of the Hon. Benjamin Coats, Department 43, Ventura County Superior Court, 800 South Victoria Avenue, Ventura CA 93009, postmarked no later than [45 calendar days from the date of mailing]. Your objection should specify your desire to appear at the final approval hearing (if you intend to do so), describe the nature of your comments or objections and identify the case name and number (*Morales v. Smiths Interconnect, Inc., et al.*, Case No. 56-2021-00549907-CU-OE-VTA). You may also appear at the Fairness Hearing to object even if you did not file a written objection. If you submit an objection to the settlement, you cannot submit a request for exclusion as described in the forgoing paragraph. If you do not timely comply with this procedure, you will not be entitled to appeal from any related orders or judgments of the Court.

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

The Court will hold a Final Approval Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the Service Enhancement to Plaintiff, the settlement administration costs, and the payment to the LWDA for PAGA penalties on [REDACTED] at [REDACTED] in Department 43 of the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura CA 93009.

Due to the COVID-19 pandemic, hearings before the judge overseeing this case are currently being conducted remotely with the assistance of a third-party service provider, CourtCall. If that remains the case at the time of the final fairness hearing, class members who wish to appear at the final fairness hearing should contact class counsel to arrange a telephonic appearance through CourtCall, at least three days before the hearing if possible. Any CourtCall fees for an appearance by an objecting class member shall be paid by class counsel.

The Final Approval Hearing may be continued without further notice to Class Members or PAGA Employees. To confirm that the date has not been changed, you are advised to check the Court docket in this case through the Court's Case Online Case Inquiry at <http://www.ventura.courts.ca.gov/CivilCaseSearch/> or by visiting the office of the Clerk of the Court for the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009, Monday through Friday, excluding Court holidays. You are not required to attend the Final Approval Hearing to receive an individual settlement payment.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are in the Settlement Agreement. You may review the Court's files, which includes the Settlement Agreement, at the Clerk's Office at the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009. You can also request a copy of the Settlement Agreement from Class Counsel at the address and telephone number listed above. If you have questions regarding the Settlement, you may also contact the Settlement Administrator at 1-[REDACTED]-[REDACTED].

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

BY ORDER OF THE VENTURA COUNTY SUPERIOR COURT

Final Settlement Agreement

Final Audit Report

2022-09-27

Created:	2022-09-27
By:	Dionne Holt (dholt@smithsinterconnectinc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAM8a2BrRayVfT-J-_C96F-4S6vOcuZCOY

"Final Settlement Agreement" History

-  Document digitally presigned by DocuSign\, Inc. (enterprisesupport@docusign.com)
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-  Signer dmoorehouse@smithsinterconnectinc.com entered name at signing as David Moorehouse
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-  Document e-signed by David Moorehouse (dmoorehouse@smithsinterconnectinc.com)
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