

MELMED LAW GROUP P.C.

Jonathan Melmed (SBN 290218)

jm@melmedlaw.com

Laura Supanich (SBN 314805)

lms@melmedlaw.com

Maria Burciaga (SBN 334545)

mb@melmedlaw.com

1801 Century Park East, Suite 850

Los Angeles, California 90067

Phone: (310) 824-3828

Fax: (310) 862-6851

Attorneys for Plaintiff, the Putative Class, and the Aggrieved Employees

Additional Counsel Listed on Next Page

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JUAN BARRERA, an individual, on behalf of
himself, the State of California, as a private
attorney general, and on behalf of all others
similarly situated,

Plaintiff,

v.

SPENCER AEROSPACE MANUFACTURING,
LLC, a California limited liability company; and
DOES 1 TO 50,

Defendants.

Case Number: 21STCV05109

**SETTLEMENT AGREEMENT AND
RELEASE OF CLASS ACTION AND
REPRESENTATIVE ACTION**

Beth A. Kahn, Esq., SBN 134158
Ryan C. McKim, Esq., SBN 265941

CLARK HILL LLP

555 South Flower Street, 24th Floor

Los Angeles, CA 90071

Telephone: (213) 891-9100

Facsimile: (213) 488-1178

BKahn@ClarkHill.com

RMckim@ClarkHill.com

Attorneys for Defendant,
SPENCER AEROSPACE MANUFACTURING, LLC

**SETTLEMENT AGREEMENT AND RELEASE OF CLASS ACTION AND
REPRESENTATIVE ACTION**

This Settlement Agreement and Release of Class Action and Representative Action (“Settlement Agreement”) is made and entered into by: **(1)** Plaintiff Juan Barrera (“Plaintiff”), individually and in his representative capacity on behalf of the Settlement Class, as defined below, and as a private attorney general on behalf of the State of California; and **(2)** Defendant Spencer Aerospace Manufacturing, LLC (“Defendant”). Plaintiff and Defendant are collectively referred to herein as the “Parties.” This Settlement Agreement is subject to the approval of the Court, pursuant to California Rules of Court, rule 3.769, subdivisions (c), (d), and (e), and is made for the purpose of attempting to consummate settlement of the Action, as defined below, on a class-wide basis subject to the following terms and conditions. As detailed below, in the event the Court does not enter an order granting final approval of this Settlement Agreement or the conditions precedent are not met for any reason, this Settlement Agreement is void and of no force or effect whatsoever.

1. DEFINITIONS

As used in this Settlement Agreement, the following terms shall have the meanings specified below. To the extent terms or phrases used in this Settlement Agreement are not specifically defined below, but are defined elsewhere in this Settlement Agreement, they are incorporated by reference into this definition section.

1.1. ACTION

“Action” shall mean the following civil lawsuit: *Juan Barrera v. Spencer Aerospace Manufacturing, LLC*, case number 21STCV05109, filed on February 8, 2021, in the Superior Court of California for the County of Los Angeles, and the First Amended Complaint filed on April 14, 2021.

1.2. ADMINISTRATIVE EXPENSES

“Administrative Expenses” shall mean all costs and expenses associated with and paid to the third-party settlement administrator, which are estimated not to exceed \$15,000.00.

1.3. APPLICABLE WAGE ORDER

“Applicable Wage Order” shall mean the California Industrial Welfare Commission (“IWC”) Wage Order applicable to the facts of this case, including IWC Wage Order 1-2001 and others that

1 may be applicable. (Cal. Code of Regs., tit. 8, § 11010.)

2 **1.4. CLAIMS**

3 “Claims” shall mean the claims and causes of actions asserted in the Action.

4 **1.5. CLASS ATTORNEY FEES AND EXPENSES**

5 “Class Attorney Fees and Expenses” shall mean the portion of the Gross Settlement Amount
6 attributable to attorney fees and litigation costs and expenses. The Parties agree that the fee portion of
7 the Class Attorney Fees and Expenses shall be up to one-third of the Gross Settlement Amount (i.e.,
8 \$92,708.33), as approved by the Court, and the award of costs and expenses shall be up to an additional
9 \$15,000.00.

10 **1.6. CLASS COUNSEL**

11 “Class Counsel” shall mean Jonathan Melmed, Laura Supanich, and Krikor Kouyoumdjian of
12 Melmed Law Group P.C.

13 **1.7. CLASS MEMBER**

14 “Class Member” shall mean any person who is a member of the Settlement Class.

15 **1.8. CLASS NOTICE**

16 “Class Notice” shall mean the *Notice of Proposed Class Action Settlement*, as set forth in the
17 form of **Exhibit 1** attached hereto, or as otherwise approved by the Court, which is to be mailed to each
18 Class Member along with the Share Form.

19 **1.9. CLASS PARTICIPANTS**

20 “Class Participants” shall mean all Class Members who do not timely request exclusion from
21 the Class Settlement.

22 **1.10. CLASS PERIOD**

23 “Class Period” shall mean the period from February 8, 2017, through November 1, 2021.

24 **1.11. CLASS REPRESENTATIVE**

25 “Class Representative” shall mean Plaintiff Juan Barrera.

26 **1.12. CLASS SETTLEMENT**

27 “Class Settlement” shall mean the settlement embodied in this Settlement Agreement, which is
28 subject to Court approval.

1 **1.13. COMPLAINT**

2 “Complaint” shall mean the currently-operative complaint in the Action.

3 **1.14. COURT**

4 “Court” shall mean the Superior Court of the County of Los Angeles.

5 **1.15. DEFENDANT**

6 “Defendant” shall mean Defendant Spencer Aerospace Manufacturing, LLC.

7 **1.16. DEFENSE COUNSEL**

8 “Defense Counsel” shall mean Beth A. Kahn and Ryan C. McKim of Clark Hill LLP.

9 **1.17. EFFECTIVE DATE**

10 “Effective Date” shall mean the date when all of the following events have occurred: **(a)** this
11 Settlement Agreement has been executed by all Parties and by Class Counsel and Defense Counsel;
12 **(b)** the Court has given preliminary approval to the Class Settlement; **(c)** notice has been given to the
13 Settlement Class providing them with an opportunity to request exclusion from the Class Settlement;
14 **(d)** the Court has held a Final Approval and Fairness Hearing and entered a final order and judgment
15 certifying the Settlement Class and approving this Settlement Agreement; and **(e)** the later of the
16 following events: **(i)** the expiration of the period for filing any appeal, writ, or other appellate
17 proceeding opposing the Class Settlement has elapsed without any appeal, writ, or other appellate
18 proceeding having been filed; **(ii)** the dismissal of any appeal, writ, or other appellate proceeding
19 opposing the Class Settlement with no right to pursue further remedies or relief; or **(iii)** any appeal,
20 writ, or the issuance of such other final appellate order upholding the Court’s final order with no right
21 to pursue further remedies or relief. In the event no objections are filed, the Effective Date shall be
22 after steps (a) through (d) are completed (i.e., the date that the court has entered a final order and
23 judgment certifying the Settlement Class and approving this Settlement Agreement).

24 **1.18. EMPLOYEE’S TAXES AND REQUIRED WITHHOLDING**

25 “Employee’s Taxes and Required Withholding” shall mean the employee’s share of any and all
26 applicable federal, state, or local payroll taxes, including those collected under authority of the Federal
27 Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and/or the State
28 Unemployment Tax Act (SUTA) on the portion of any Class Participant’s Individual Settlement

1 Amount that constitutes wages. The Employee's Taxes and Required Withholdings will be withheld
2 from and paid out of the Net Settlement Amount.

3 **1.19. EMPLOYER'S TAXES**

4 "Employer's Taxes" shall mean Defendant's share of payroll taxes (e.g., Unemployment
5 Insurance, Employment Training Tax, Social Security, and Medicare taxes) that is owed on the portion
6 of any Class Participant's Individual Settlement Amount that constitutes wages. The Employer's Taxes
7 shall be separately paid by Defendant and shall not be paid from the Gross Settlement Amount or Net
8 Settlement Amount.

9 **1.20. FINAL APPROVAL AND FAIRNESS HEARING**

10 "Final Approval and Fairness Hearing" shall mean the final hearing held to (a) ascertain the
11 fairness, reasonableness, and adequacy of the Class Settlement pursuant to class action procedures and
12 requirements, (b) determine the good faith of the Settlement Agreement and Class Settlement, and (c)
13 enter the order finally certifying the Class for settlement purposes and finally approving this Settlement
14 Agreement and Class Settlement and entering judgment, substantially in the form attached hereto as
15 **Exhibit 3**, which shall constitute approval pursuant to rule 3.769(a) of the California Rules of Court
16 and be a judgment for purposes of rule 3.771(a) of the California Rules of Court. This hearing is
17 intended to be the settlement hearing or final approval hearing required under rule 3.769(a) of the
18 California Rules of Court.

19 **1.21. GROSS SETTLEMENT AMOUNT**

20 "Gross Settlement Amount" shall mean the agreed upon non-reversionary settlement amount
21 totaling \$278,125.00 to be paid by Defendant in full settlement of the Released Claims and Action,
22 inclusive of the Administrative Expenses, the Employee's Taxes and Required Withholdings, the Class
23 Attorney Fees and Expenses, and PAGA Payment. Defendant shall separately pay its share of the
24 Employer's Taxes in addition to the Gross Settlement Amount on the portion of each Individual
25 Settlement Amount allocated as wages.

26 **1.22. HEARING ON PRELIMINARY APPROVAL**

27 "Hearing on Preliminary Approval" shall mean the hearing held on the motion for preliminary approval
28 of the Class Settlement.

1 **1.23. INDIVIDUAL SETTLEMENT AMOUNT**

2 “Individual Settlement Amount” shall mean the amount which is distributed to each Class
3 Participant, less any Employee’s Taxes and Required Withholdings. The Individual Settlement Amount
4 does not include any portion of the PAGA Payment.

5 **1.24. NET SETTLEMENT AMOUNT**

6 “Net Settlement Amount” shall mean the portion of the Gross Settlement Amount that is
7 available for distribution to Class Members.

8 **1.25. PAGA PAYMENT**

9 “PAGA Payment” shall mean the penalties pursuant to PAGA that the Parties have agreed is a
10 reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is
11 \$25,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699
12 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$18,750.00) to the California Labor
13 and Workforce Development Agency (“LWDA”) and twenty-five percent (25%) (i.e., \$6,250.00) to
14 the PAGA Settlement Class. Class Counsel shall give timely notice of this Settlement Agreement to
15 the LWDA pursuant to Labor Code section 2699, subdivision (l)(2).

16 **1.26. PAGA PERIOD**

17 “PAGA Period” shall mean the period from February 8, 2020, through November 1, 2021.

18 **1.27. PAGA SETTLEMENT CLASS**

19 “PAGA Settlement Class” shall mean all current and former hourly or non-exempt employees
20 of Defendant in California, at any time from February 8, 2020 through November 1, 2021. Defendant
21 represents that the PAGA Settlement Class consists of approximately 61 employees that worked a total
22 of approximately 1,801 pay periods during the PAGA Period.

23 **1.28. PARTIES**

24 “Parties” shall mean Plaintiff and Defendant.

25 **1.29. PLAINTIFF**

26 “Plaintiff” shall mean Plaintiff Juan Barrera.

27 **1.30. PRELIMINARY APPROVAL DATE**

28 “Preliminary Approval Date” shall mean the date upon which the Court enters an order

1 preliminarily approving this Settlement Agreement.

2 **1.31. RELEASED CLAIMS**

3 “Released Claims” shall mean any and all federal and California state law wage-and-hour
4 claims, rights, demands, liabilities, and/or causes of action of every nature and description arising from
5 any and all claims that were alleged or could have been alleged in the Complaint based on the facts
6 contained therein, arising during the Class Period, including without limitation, statutory,
7 constitutional, contractual, and/or common law claims for wages, reimbursement, damages, unpaid
8 costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs,
9 restitution, or equitable relief, including without limitation, California Labor Code sections 201- 204,
10 210, 216, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197,
11 1197.1, 1198, 1198.5, 1199, 2084, 2802, 2804, all of their implementing regulations and interpretive
12 guidelines, and any federal counterparts, any IWC Wage Order, Code of Civil Procedure section
13 1021.5, Civil Code sections 3287 and 3289, California Business and Professions Code sections 17200
14 through 17210, and any claims or cause of action for (i) failure to pay all minimum wages, (ii) failure
15 to pay all overtime wages, (iii) failure to provide rest periods and pay missed rest period premiums,
16 (iv) failure to provide meal periods and paid missed meal period premiums, (v) failure to maintain
17 accurate employment records, (vi) failure to pay wages timely during employment, (vii) failure to pay
18 all wages earned and unpaid at separation, (viii) failure to indemnify all necessary business expenditures,
19 (ix) failure to furnish accurate itemized wage statements, (x) violations of California’s Unfair
20 Competition Law (Bus. & Prof. Code §§ 17200-17210), and (xi) penalties pursuant to Labor Code
21 Private Attorneys’ General Act of 2004.

22 This Settlement Agreement will not release any person, party, or entity from claims, if any, by
23 Class Members for workers compensation, unemployment, or disability benefits of any nature. Nor
24 does it release any claims, actions, or causes of action which may be possessed by Class Members
25 under state or federal discrimination statutes, including, without limitation, the California Fair
26 Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code,
27 § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, et seq.);
28 the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement Income

1 Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and
2 interpretive guidelines.

3 **1.32. RELEASED PARTIES**

4 “Released Parties” shall mean Defendant, and all of its respective current and former parents,
5 subsidiaries, predecessors and successors, and their affiliated entities, and each of their respective
6 owners, officers, managing agent (as defined in subdivision (b) of Section 3294 of the Civil Code),
7 directors, partners, members, employees, shareholders, and agents, and any other successors, heirs, or
8 assigns, or legal representatives, any attorneys, insurers, and claims representatives.

9 **1.33. RELEASING PARTIES**

10 “Releasing Parties” shall mean every Class Participant and all persons purporting to act on their
11 behalf or purporting to assert a claim under or through them, including, but not limited to, their
12 dependents, heirs, assigns, beneficiaries, devisees, legatees, executors, administrators, agents, trustees,
13 conservators, guardians, personal representatives, and successors-in-interest, whether individual, class,
14 representative, legal, equitable, direct or indirect, or any other type or in any other capacity.

15 **1.34. RESPONSE DEADLINE**

16 “Response Deadline” shall mean the date forty-five (45) days following the date on which the
17 Settlement Administrator first mails Class Notice to the Class Members and the last day on which Class
18 Members may submit a request for exclusion and/or objection to Class Settlement.

19 **1.35. SETTLEMENT ADMINISTRATOR**

20 “Settlement Administrator” shall mean Rust Consulting, Inc. (or other administrator agreed on
21 by the Parties) which the Parties have agreed will be responsible for administration of the Class
22 Settlement and related matters.

23 **1.36. SETTLEMENT CLASS**

24 “Settlement Class” shall mean all current and former hourly or non-exempt employees of
25 Defendant in California, at any time from February 8, 2017 to November 1, 2021. Defendant represents
26 that the Settlement Class consists of approximately 85 Class Members that worked a total of
27 approximately 11,525 workweeks during the Class Period.
28

1 **1.37. SHARE FORM**

2 “Share Form” shall mean the *Class Action Settlement Share Form*, as set forth in the form of
3 **Exhibit 2** attached hereto, or as otherwise approved by the Court, which is to be mailed to each Class
4 Member along with the Class Notice.

5 **2. FACTUAL AND PROCEDURAL BACKGROUND**

6 **2.1. PLAINTIFF’S CLAIMS**

7 Plaintiff, individually and in his representative capacity on behalf of the Settlement Class, and
8 as a private attorney general on behalf of the State of California, has alleged the following violations:
9 **(1)** failure to pay minimum wage for all hours worked; **(2)** failure to pay proper overtime; **(3)** failure to
10 provide compliant rest periods and pay missed rest break premiums; **(4)** failure to provide compliant
11 meal periods and pay missed meal period premiums; **(5)** failure to maintain accurate employment
12 records; **(6)** failure to pay timely wages during employment; **(7)** failure to pay all wages due and owing
13 at separation; **(8)** failure to reimburse business expenses; **(9)** failure to provide complete and accurate
14 wage statements; **(10)** deceptive, fraudulent, or otherwise unlawful business practices based on the
15 foregoing in violation of California’s Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210);
16 and **(11)** statutory penalties based on the foregoing pursuant to PAGA (Lab. Code, §§ 2698-2699.6).

17 **2.2. DISCOVERY, INVESTIGATION, RESEARCH, AND MEDIATION**

18 Class Counsel has conducted significant informal discovery during the prosecution of the
19 Action. This discovery, investigation, and prosecution has included, among other things, **(a)** over a
20 dozen telephonic conferences with Plaintiff; **(b)** inspection and analysis of hundreds of pages of
21 documents and other information produced by Plaintiff and Defendant; **(c)** analysis of employment
22 data from a sample of Class Members; **(d)** an analysis of the legal positions taken by Defendant;
23 **(e)** investigation into the viability of class treatment of the claims asserted in the Action; **(f)** analysis of
24 potential class-wide damages, including information sufficient to understand Defendant’s potential
25 defenses to Plaintiff’s claims; **(g)** research of the applicable law with respect to the claims asserted in
26 the Complaint and the potential defenses thereto; and **(h)** assembling and analyzing of data for
27 calculating damages.

28 Class Counsel and the Class Representative have vigorously prosecuted this case, and

1 Defendant has vigorously contested it. The Parties have engaged in sufficient investigation and
2 discovery to assess the relative merits of the claims of the Class Representative and of the defenses to
3 them. After such discovery, investigation, and prosecution, the Parties attended a full-day mediation
4 with an experienced employment law mediator, which culminated in a settlement in principle, the terms
5 of which are elaborated in this Settlement Agreement.

6 **2.3. ALLEGATIONS OF THE CLASS REPRESENTATIVE AND BENEFITS OF** 7 **CLASS SETTLEMENT**

8 The document and data exchange in this matter, as well as discussions between counsel, have
9 been adequate to give the Class Representative and Class Counsel a sound understanding of the merits
10 of their positions and to evaluate the value of the claims of the Settlement Class. The informal discovery
11 conducted in this Action and the information exchanged by the Parties through pre-mediation
12 discussions are sufficient to reliably assess the merits of the Parties' respective positions and to
13 compromise the issues on a fair and equitable basis.

14 The Class Representative and Class Counsel believe that the claims, causes of action,
15 allegations, and contentions asserted in the Action have merit. However, the Class Representative and
16 Class Counsel recognize and acknowledge the expense and delay of continued lengthy proceedings
17 necessary to prosecute the Action against Defendant through trial and through appeals. Class Counsel
18 has taken into account the uncertain outcome of the litigation, the risk of continued litigation in complex
19 actions such as this, as well as the difficulties and delays inherent in such litigation, and the potential
20 difficulty of obtaining certification of the Settlement Class as well as trying the claims of the class.
21 Class Counsel is mindful of the potential problems of proof under, and possible defenses to, the claims
22 alleged in the Action.

23 The Class Representative and Class Counsel believe that the settlement set forth in this
24 Settlement Agreement confers substantial benefits upon Plaintiff and the Settlement Class and that an
25 independent review of this Settlement Agreement by the Court in the approval process will confirm
26 this conclusion. Based on their own independent investigation and evaluation, Class Counsel has
27 determined that the settlement set forth in this Settlement Agreement is in the best interests of Plaintiff
28 and the Class Members.

1 **2.4. DEFENDANT’S DENIALS OF WRONGDOING AND LIABILITY**

2 Defendant has denied and continues to deny each and all of the allegations, claims, and
3 contentions alleged by Plaintiff in the Action. Defendant has expressly denied and continues to deny
4 all charges of wrongdoing or liability against it arising out of any of the conduct, statements, acts, or
5 omissions alleged in the Action. Defendant contends that it complied with California and federal wage
6 and hour laws and has dealt legally and fairly with Plaintiff and the Class Members. Defendant
7 contends that it appropriately paid its employees at all times, that it always provided employees with
8 the opportunity to take timely and compliant meal and rest breaks, that it was compliant with all
9 applicable wage-and-hour laws, and all other laws, at all times, and that, if this matter were to be further
10 litigated, it would have strong defenses on the merits and as to class certification.

11 Defendant further denies that, for any purpose other than settling this Action, these claims are
12 appropriate for class or representative treatment. Nonetheless, Defendant has concluded that further
13 proceedings in the Action would be protracted and expensive and that it is desirable that the Action be
14 fully and finally settled in the manner and upon the terms and conditions set forth in this Settlement
15 Agreement to dispose of burdensome and protracted litigation, to permit the operation of Defendant’s
16 business without further expensive litigation and the distraction and diversion of its personnel with
17 respect to matters at issue in the Action. Defendant has also taken into account the uncertainty and risks
18 inherent in any litigation, especially in complex cases such as the Action. Defendant has, therefore,
19 determined that it is desirable and beneficial to it that the Action be settled in the manner and upon the
20 terms and conditions set forth in this Settlement Agreement.

21 Defendant does not waive, but rather expressly reserves, all rights to challenge all such claims
22 and allegations in the Action upon all procedural and factual grounds, including without limitation the
23 ability to challenge class treatment or representative adjudication on any grounds or to assert any and
24 all defenses or privileges if this Settlement Agreement is deemed void and does not take effect.

25 **2.5. INTENT OF THE CLASS SETTLEMENT**

26 The Class Settlement set forth herein intends to achieve the following: **(1)** entry of an order
27 approving the Class Settlement; **(2)** entry of judgment of the Action; **(3)** discharge of the Released
28 Parties from liability for any and all of the Released Claims; **(4)** discharge of Defendant from liability

1 for any and all claims arising out of the Action; and (5) release by the Class Representative.

2 **3. CONDITIONAL CERTIFICATION OF THE SETTLEMENT CLASS**

3 For the purposes of this Settlement Agreement and the Class Settlement of this Action only, the
4 Parties agree to conditional class certification of the Settlement Class. Class Counsel believes this
5 conditional certification is appropriate because the Released Claims are being compromised without
6 need to establish the elements of those claims on which liability turns. The certification of the
7 Settlement Class shall not constitute, in this or any other proceeding, an admission of any kind by
8 Defendant, including without limitation, that certification of a class for trial purposes is or would be
9 warranted, appropriate or proper; or that Plaintiff could establish any of the requisite elements for class
10 treatment of any of the claims in the Action.

11 In the event that the Settlement Agreement is not finally approved by the Court, a Final
12 Effective Date is not achieved, or the Class Settlement is rejected, terminated, or otherwise rendered
13 null and void as set forth herein, then certification of the Settlement Class shall be automatically
14 vacated, shall be void *ab initio*, of no force or effect, and shall not constitute evidence or a binding
15 determination that the requirements for certification of a class for trial purposes in this Action or in any
16 other action which have been, are or can be, satisfied. Further, if the Agreement does not reach a Final
17 Effective Date, Plaintiff agrees that Plaintiff will not argue, claim, reference, or otherwise raise any
18 preliminary approval of the Settlement Class in connection with any later proceeding before the Court.

19 **4. APPOINTMENT OF CLASS COUNSEL**

20 For purposes of this Settlement Agreement and subject to the Court's approval, the Parties agree
21 to the appointment of Class Counsel as counsel for the Settlement Class solely to effectuate the Class
22 Settlement pursuant to this Settlement Agreement.

23 **5. CONSIDERATION**

24 **5.1. SETTLEMENT AMOUNT**

25 The Parties agree to settle this Action for the Gross Settlement Amount of \$278,125.00. There
26 shall be no reversion to Defendant. Defendant shall pay the Gross Settlement Amount in full. The Gross
27 Settlement Amount and other actions and forbearances taken by Defendant shall constitute adequate
28 consideration for the Class Settlement and will be made in full and final settlement of: the Released

1 Claims, the Class Attorney Fees and Expenses, Administrative Expenses, the PAGA Payment (and any
2 payments to individual PAGA Class Members resulting from the PAGA Payment), and any other
3 obligation of Defendant under this Settlement Agreement (other than the Employer's Taxes on the
4 portion of the Net Settlement Amount allocated to the payment of wages).

5 **5.2. PAYMENT TO CLASS PARTICIPANTS**

6 The Individual Settlement Amount for each Class Participant shall be calculated in accordance
7 with Section 8.2. Each Class Participant, including Plaintiff, shall be responsible for the payment of
8 the Employee's Taxes and Required Withholding with respect to his or her Individual Settlement
9 Amount and shall hold Defendant harmless from any and all liability with regard thereto.

10 **5.3. PAYMENT TO PAGA SETTLEMENT CLASS**

11 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
12 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
13 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
14 is \$25,000.00. The PAGA Payment must be approved by the Court pursuant to Labor Code section
15 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$18,750.00) to the LWDA
16 and twenty-five percent (25%) (i.e., \$6,250.00) to the PAGA Settlement Class. The portion of the
17 PAGA Payment allocated to the PAGA Settlement Class shall be distributed to the PAGA Settlement
18 Class based on the pro rata number of pay periods worked by each particular PAGA Settlement Class
19 member during the PAGA Period as a proportion of all pay periods worked by all members of the
20 PAGA Settlement Class.

21 A request to Opt Out of the Class Settlement shall not serve to exclude the Class Member from
22 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
23 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
24 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

25 **5.4. TAX TREATMENT AND PAYMENT**

26 For the purpose of calculating Employee's Taxes and Required Withholding for the Individual
27 Settlement Amounts for Class Participants (including any payments to the Class Representative), the
28 Parties agree that 15% of each Individual Settlement Amount shall constitute payment in the form of

1 wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her),
2 and 85% of each Individual Settlement Amount shall constitute penalties and interest (and each Class
3 Participant will be issued an IRS Form 1099 for such payment to him or her). Prior to final distribution,
4 the Settlement Administrator shall calculate the total Employee's Taxes and Required Withholding due
5 as a result of the wage portion of Class Participants' anticipated Individual Settlement Amounts and
6 such actual amount will be deducted from the Net Settlement Amount. Additionally, prior to the
7 funding of the Gross Settlement Amount and final distribution, the Settlement Administrator shall
8 calculate the total Employer's Taxes due on the wage portion of the Class Participants' Individual
9 Settlement Amounts and issue instructions to Defendant to separately fund these tax
10 obligations/withholdings. The Parties understand that Plaintiff and the Class Participants who receive
11 any payment pursuant to this Settlement Agreement shall be solely responsible for all other individual
12 tax obligations.

13 With respect to the PAGA Payment and any payments made to individual members of the
14 PAGA Settlement Class, all such payments shall be treated as payments owing for penalties and interest
15 thereon and shall not be considered wages. The Settlement Administrator shall issue to members of the
16 PAGA Settlement Class an IRS Form 1099 reflecting such payment. Members of the PAGA Settlement
17 Class shall be solely responsible for the payment of all taxes with respect to any PAGA payments made
18 to them.

19 The Class Representative agrees to defend, indemnify and hold Defendant harmless for and
20 against any damage or tax penalty Defendant incurs as a result of the failure by the Class Representative
21 to pay all taxes due by his receipt of payments pursuant to this Settlement Agreement. Class Counsel
22 agrees to defend, indemnify and hold Defendant harmless for and against any damage or tax penalty
23 Defendant incurs as a result of the failure by Class Counsel to pay all taxes due as a result of Class
24 Counsel's receipt of payments pursuant to this Settlement Agreement. Defendant shall have no
25 responsibility for deciding the validity of the Individual Settlement Amounts or any other payments
26 made pursuant to this Settlement Agreement, shall have no involvement in or responsibility for the
27 determination or payment of the Class Participant's taxes and required withholdings, and shall have no
28 liability for any errors made with respect to such taxes and required withholdings. Although the

1 Settlement Administrator will calculate and pay the standard applicable taxes and required
2 withholdings, if any, on the portion of the Individual Settlement Amounts constituting wages on the
3 behalf of the Class Participants, Plaintiff and Settlement Class Members shall be solely responsible for
4 any and all employee's share of tax obligation associated with their respective Individual Settlement
5 Amounts.

6 The Parties agree (and the Settlement Administrator shall warrant) that the settlement shall be
7 administered as a qualifying, designated settlement fund pursuant to Section 468B of the Internal
8 Revenue Code. The Settlement Administrator shall be responsible for issuing all settlement payments
9 and handling all required state and federal tax withholding and reporting related thereto.

10 **5.5. NO EFFECT ON EMPLOYEE BENEFIT PLANS**

11 Neither the Class Settlement nor any amounts paid under the Class Settlement will modify any
12 previously credited hours, days, or weeks of service under any employee benefit plan, policy or bonus
13 program sponsored by Defendant. Such amounts will not form the basis for additional contributions to,
14 benefits under, or any other monetary entitlement under Defendant's sponsored benefit plans, policies,
15 or bonus programs. The payments made under the terms of this Settlement Agreement 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 any of Defendant's benefit plan, policy, or bonus program.
18 Defendant retains the right to modify the language of its benefits plans, policies, and bonus programs
19 to reflect this intent and to make clear that any amounts paid pursuant to this Settlement Agreement are
20 not for "weeks worked," "weeks paid," "weeks of service," or any similar measuring term as defined
21 by 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 Agreement. Defendant does not consider the Class Settlement payments "compensation" for purposes
24 of determining eligibility for, or benefit accrual within, any benefit plans, policies, or bonus programs,
25 or any other plan sponsored by Defendant.

26 **5.6. CLASS ATTORNEY FEES AND EXPENSES**

27 As part of the motion for final approval of the Class Settlement, Class Counsel may apply for
28 an award of Class Attorney Fees and Expenses with the fee portion not to exceed one-third of the Gross

1 Settlement Amount (i.e., \$92,708.33) and the award of costs and expenses up to an additional
2 \$15,000.00. Defendant agrees to not object to any such fee, cost, or expense application in those
3 amounts, or lesser amounts.

4 As a condition of this Class Settlement, Class Counsel has agreed to pursue fees only in the
5 manner reflected by this subsection. Any Class Attorney Fees and Expenses awarded by the Court shall
6 be paid from the Gross Settlement Amount prior to arriving at the Net Settlement Amount and shall
7 not constitute payment to any Class Members. If Class Counsel voluntarily reduces the request for
8 Class Attorney Fees and Expenses or the Court's award of Class Attorney Fees and Expenses is less
9 than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class
10 Attorney Fees and Expenses awarded.

11 The Class Attorney Fees and Expenses approved by the Court shall encompass: **(a)** all work
12 performed and costs and expenses incurred by, or at the direction of, any attorney purporting to
13 represent the Settlement Class through the date of this Settlement Agreement; **(b)** all work to be
14 performed and costs to be incurred in connection with approval by the Court of the Class Settlement;
15 and **(c)** all work to be performed and costs and expenses, if any, incurred in connection with
16 administering the Class Settlement through the Effective Date and dismissal of the Action with
17 prejudice.

18 **6. SETTLEMENT ADMINISTRATION**

19 **6.1. COSTS AND EXPENSES**

20 All costs and expenses due to the Settlement Administrator in connection with its administration
21 of the Class Settlement, including, but not limited to, providing the Class Notice, locating Class
22 Members, processing Opt Out requests and objections, distributing the portion of the PAGA Payment
23 payable to the LWDA, distributing the portion of the PAGA Payment payable to the members of the
24 PAGA Settlement Class, and calculating, administering and distributing Individual Settlement
25 Amounts to the Class Participants and related tax forms, shall be paid from the Gross Settlement
26 Amount, and is not expected to exceed \$15,000.00.

27 **6.2. PAYMENT BY DEFENDANT**

28 Defendant shall deposit the Gross Settlement Amount in a lump sum payment plus the

1 employer-side payroll taxes to the Settlement Administrator within thirty (30) days of the Effective
2 Date. In no event shall Defendant be obligated to pay or deposit with the Settlement Administrator
3 more than \$278,125.00 plus the Employer's Taxes, except where the Escalator Provision is triggered.

4 **7. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION PROCESS**

5 **7.1. THE SETTLEMENT ADMINISTRATOR**

6 The Settlement Administrator will be responsible for: mailing the Class Notice and Share Form
7 (**Exhibit 1** and **Exhibit 2**, respectively) to Class Members; providing the necessary translations for the
8 Class Notice and Share Form (Spanish and Vietnamese); handling inquiries from Class Members
9 concerning the Class Notice; determining Individual Settlement Amounts; determining individual
10 payments to members of the PAGA Settlement Class; maintaining the settlement funds in an
11 appropriate interest-bearing account; preparing, administering, and distributing Individual Settlement
12 Amounts to Class Participants; preparing, administering, and distributing individual payments to
13 members of the PAGA Settlement Class; distributing the portion of the PAGA Payment payable to the
14 LWDA; issuing a final report and performing such other duties as the Parties may direct. Additionally,
15 the Settlement Administrator will handle all tax document preparation and reporting, including state
16 and federal tax forms, if any.

17 On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and
18 Defense Counsel with summary information updating them as to the number of validated and timely
19 objections and Opt Out requests. The Settlement Administrator will serve on Class Counsel and
20 Defense Counsel via e-mail date-stamped copies of the original Opt Out requests and objections no
21 later than seven (7) days after their receipt. The Settlement Administrator will provide Class Counsel
22 with proof of mailing of the Class Notice, without listing individual Class Member names which the
23 Settlement Administrator will file with the Court at the time Class Counsel files its motion in support
24 of the Court's Final Approval and Fairness Hearing.

25 No later than fourteen (14) days prior to the Final Approval and Fairness Hearing, the
26 Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a report with
27 summary information regarding: **(a)** the total amount of final Individual Settlement Amounts of each
28 Class Participant, without any identifying personal information; **(b)** the number of Class Participants

1 to receive such payments, and (c) the final number of Opt-Outs and objections, without any identifying
2 personal information.

3 Administrative Expenses are not anticipated to exceed \$15,000.00. Prior to the calculation and
4 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the
5 total Administrative Expenses through the conclusion of their services and such actual amount will be
6 deducted from the Gross Settlement Amount prior to the final calculation of the Individual Settlement
7 Amounts. Under no circumstances will Settlement Administrator disclose Class Member names and/or
8 contact information to Class Counsel or the Court without prior written authorization from Defendant
9 or subject to legal process.

10 **7.2. NOTICE TO CLASS MEMBERS**

11 Defendant shall prepare a list, in an electronically usable format, for the Settlement
12 Administrator containing for each Class Member, to the extent Defendant has such information, the
13 following: the first, last, and middle name; last known address; last known phone number; and social
14 security numbers; start and end dates of employment ("Class List"). By approving this Settlement
15 Agreement, the Court will be deemed to have authorized Defendant to provide the Settlement
16 Administrator with the Class List, including the social security numbers of the Class Members.
17 Defendant shall provide this list to the Settlement Administrator within fifteen (15) calendar days of
18 the Preliminary Approval Date. The list, and any other data provided by Defendant to the Settlement
19 Administrator shall be treated as confidential and not subject to disclosure by the Settlement
20 Administrator, except as necessary to address disputes regarding Workweeks, to respond to a specific
21 inquiry from a Class Member, and/or as otherwise necessary for the Settlement Administrator to
22 perform the Settlement Administrator's obligations described in this Settlement Agreement. Further,
23 the Settlement Administrator shall use commercially reasonable efforts to secure the data provided by
24 Defendant at all times so as to avoid inadvertent or unauthorized disclosure or use of such data other
25 than as permitted by this Settlement Agreement, and shall destroy the data (and all copies of it) in a
26 complete and secure manner when such data is no longer required for purposes of this Settlement
27 Agreement. At no time during the settlement process will any Class Member's address, telephone
28 number or social security number be filed with the Court. The Settlement Administrator shall ensure

1 that the notices and any other communications to Class Members shall not include the Class Members’
2 social security number, except for the last four digits. The Class List shall be marked “Confidential –
3 Settlement Administrator’s Eyes Only.” Class Counsel shall not receive a copy of the Class List; under
4 no circumstances will Settlement Administrator disclose Class List to Class Counsel. Prior to mailing
5 the Class Notice, the Settlement Administrator shall undertake a National Change of Address check to
6 ascertain the accuracy of the last known address of the Class Members. To the extent this process yields
7 an updated address, the updated address shall replace the last known address and be treated as the new
8 last known address for purposes of this Settlement Agreement, for Class Notice, and mailing of
9 settlement checks. If a Class Member is known to be deceased, the Class Notice for the deceased Class
10 Member shall be mailed to the last known address or updated address of the legal representative of the
11 deceased Class Member’s estate, to the extent known.

12 Unless the Settlement Administrator receives a Class Notice returned from the United States
13 Postal Service for reasons discussed below in this paragraph, that Class Notice shall be deemed mailed
14 and received by the Class Member to whom it was sent five (5) calendar days after mailing. In the
15 event that subsequent to the first mailing of a Class Notice and prior to the Response Deadline, that
16 Class Notice is returned to the Settlement Administrator by the United States Postal Service as
17 undeliverable, without a forwarding address, the Settlement Administrator shall undertake an Experian
18 Skip Tracing with respect to the Class Member to attempt to ascertain the current address of the
19 particular Class Member in question and, if such an address is ascertained, the Settlement Administrator
20 will re-send the Class Notice to the newly-found address within three (3) business days of receipt of
21 the returned Class Notice. In the event that subsequent to the first mailing of a Class Notice and prior
22 to the Response Deadline that Class Notice is returned to the Settlement Administrator by the United
23 States Postal Service with a forwarding address for the recipient, the Settlement Administrator shall re-
24 mail the notice to that address within three (3) business days of receipt of the returned Class Notice,
25 and the forwarding address shall be deemed the Updated Address for that Class Member. In either
26 event, the Class Notice shall be deemed received once it is mailed for the second time. In the event that
27 subsequent to the first mailing of a Class Notice it is returned to the Settlement Administrator by the
28 United States Postal Service as undeliverable, after the Response Deadline, the Settlement

1 Administrator shall be required to take no further action with respect to that Class Notice and it shall
2 be deemed to have been delivered. In the event the Settlement Administrator must re-mail any Class
3 Notice pursuant to the provisions of this Paragraph due to being returned, the Response Deadline shall
4 be extended by ten (10) calendar days from the date of the re-mailing of the Class Notice, for those
5 mailings. The Settlement Administrator shall include a cover letter with any re-mailing informing the
6 Class Member of the re-mailing of the Class Notice and extended Response Deadline. Compliance
7 with the procedures described in this paragraph shall constitute due and sufficient notice to Class
8 Members of the Settlement and of the Final Approval Hearing, and shall satisfy the requirements of
9 due process. Nothing else shall be required of or done by the Parties, Class Counsel, counsel for
10 Defendant, or the Settlement Administrator to provide notice of the Settlement and the Final Approval
11 Hearing.

12 Within twenty-eight (28) days following the Preliminary Approval Date, the Settlement
13 Administrator shall determine the number of workweeks worked by each Class Member
14 (“Workweeks”), estimated amount of the Individual Settlement Amount the Class Member can expect
15 to receive once the Class Settlement becomes effective on the Effective Date, populate the data for
16 each Class Member accordingly, and send each Class Member the Class Notice and Share Form via
17 first-class, United States mail. The Class Notice shall also contain an easily-understood statement
18 alerting the Class Members that, unless they elect to Opt Out of the Class Settlement, the Class Member
19 is releasing and waiving all Released Claims against the Released Parties.

20 The Class Notice will inform Class Members of their estimated share of the settlement and the
21 number of workweeks they worked during the Class Period. Class Members may dispute their
22 workweeks if they believe they worked more weeks in the Class Period than Defendant’s records show
23 by submitting information to the Settlement Administrator no later than forty-five (45) days after being
24 mailed the Class Notice and Share Form by the Settlement Administrator, which is the defined
25 Response Deadline. The Settlement Administrator will jointly work with Plaintiff and Defendant to
26 resolve the dispute in good faith. If Plaintiff and Defendant cannot agree over the Workweeks to be
27 credited, the Settlement Administrator shall make the final decision based on the information presented
28 by the Class Member and Defendant.

1 It will be presumed that, if an envelope containing the Class Notice has not been returned within
2 twenty-eight (28) days of the mailing, the Class Member received the Class Notice.

3 At least seven (7) days prior to the Final Approval and Fairness Hearing, the Settlement
4 Administrator shall provide Class Counsel and Defense Counsel with a Declaration of Due Diligence
5 and Proof of Mailing with regard to the mailing of the Class Notice and its attempts to locate Class
6 Members. The declaration shall specify the number of Class Members to whom the Class Notice was
7 sent and the number of Class Members to whom the Class Notice was not delivered, as well as
8 information relating to the number of Opt-Outs and objectors. Class Counsel shall file this declaration
9 with the Court.

10 **7.3. OPT OUT PROCEDURE**

11 Class Members who do not timely Opt Out of the Class Settlement will be deemed to participate
12 in the Class Settlement and shall become Class Participants without having to submit a claim form or
13 take any other action. To Opt Out of the Class Settlement, the Class Member must submit a letter or
14 postcard to the Settlement Administrator by the Response Deadline. The Opt Out request must state
15 the Class Member's first name and last name, and include the Class Member's signature. The Opt Out
16 request must indicate that the Class Member wishes to be excluded from the Class Settlement and
17 should, but is not required to, state something to the effect of:

18 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *JUAN*
19 *BARRERA V. SPENCER AEROSPACE MANUFACTURING, LLC* LAWSUIT. I
20 UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT
21 CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT
22 OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT
23 HAVE."

24 Any Opt Out request that is not postmarked by the Response Deadline will be invalid.

25 If the Settlement Administrator determines that an Opt Out request returned by a Class Member
26 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency
27 letter to that Class Member identifying the problem. If a Class Member submits both a dispute and an
28

1 Opt Out request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt
2 Out request were deficient. If the Class Member fails to cure the deficiency, the Opt Out request shall
3 be disregarded and the claim will be paid, and the Class Member will become bound by the judgment.

4 Class Participants will be bound by the Release of Released Claims set forth in the definition
5 of “Released Claims” provided in this Settlement Agreement.

6 A request to Opt Out of the Class Settlement shall *not* serve to exclude the Class Member from
7 participation in the PAGA Settlement Class. Opt-Outs shall still be entitled to their share of the PAGA
8 Payment. Class Members who are also members of the PAGA Settlement Class shall have no right or
9 ability to opt out of the portion of this Settlement Agreement releasing PAGA claims.

10 **7.4. OBJECTION PROCEDURE**

11 The Class Notice shall inform the Class Members of their right to object to the Class Settlement.
12 Any Class Member who wishes to object to the Class Settlement may submit a written objection to the
13 Settlement Administrator no later than the Response Deadline. Only Class Participants may object to
14 the Settlement. The objection must identify the case by name and/or case number, and state the Class
15 Participant’s first name and last name. Further, the objection must set forth, in clear and concise terms,
16 a statement of the reasons why the objector believes that the Court should find that the proposed Class
17 Settlement is not in the best interest of the Settlement Class and the reasons why the Class Settlement
18 should not be approved, including the legal and factual arguments supporting the objection.
19 Alternatively, Class Members who wish to object may appear and ask to speak regarding his or her
20 objection at the Final Approval and Fairness Hearing, either in person or through a lawyer retained at
21 their own expense, regardless of whether they submitted a written objection. The Settlement
22 Administrator will promptly serve copies of any objection or notice of intention to appear on Class
23 Counsel and Defense Counsel. Class Members wishing to make an objection may appear at the Final
24 Approval and Fairness Hearing, either in person or through a lawyer retained at their own expense.

25 **7.5. NOTICE OF FINAL JUDGMENT**

26 Within ten (10) days after the Court has held a Final and Fairness Approval Hearing and entered
27 a final order certifying the Class for settlement purposes only and approving the Class Settlement, the
28 Settlement Administrator will give notice of judgment to Class Members pursuant to rule 3.771(b) of

the California Rules of Court, by posting a copy of said order and final judgment on its website at a web address to be included in the Class Notice.

8. CLASS SETTLEMENT FUNDING AND DISTRIBUTION

8.1. ALLOCATION OF THE GROSS SETTLEMENT AMOUNT

The claims of all Class Members are settled for the Gross Settlement Amount of \$278,125.00, which will be allocated as follows:

1. The Administrative Expenses, estimated not to exceed \$15,000.00;
2. Class Counsel's attorney fees not to exceed \$92,708.33;
3. Class Counsel's litigation costs and expenses not to exceed \$15,000.00; and
4. PAGA Payment to LWDA of \$18,750.00.

Prior to final distribution, the Settlement Administrator shall recalculate the final Net Settlement Amount based on the actual values of the amounts in each category.

8.2. CALCULATION OF THE INDIVIDUAL SETTLEMENT AMOUNTS FOR CLASS PARTICIPANTS

Individual Settlement Amounts to be paid to Class Participants shall be paid from the Net Settlement Amount. The portion of the Net Settlement Amount shall be distributed pro rata based on the proportional number of weeks worked by each Class Member during the Class Period.

The portion of the Net Settlement Amount payable to each of the Class Participants will be calculated as follows:

(a) The Settlement Administrator will determine the total "Workweeks" for each of the Class Member. Workweeks are to be calculated by determining the number of days between the Class member's start and end dates of employment during the Class Period and then dividing by seven (7). If a Class Member was hired prior to February 8, 2017, then his or her start date will be February 8, 2017. If a Class Member's employment ended after November 1, 2021 or has not ended, then his or her end date will be November 1, 2021.

(b) The Settlement Administrator shall divide the Net Settlement Amount by the total number of Workweeks of all Class Participants, in order to determine the amount that each of the Class Participants is entitled to for each Workweek (the "Weekly Amount").

1 (c) The Settlement Administrator will multiply the Weekly Amount by the total number of
2 Workweeks that each of the Class Participants is credited with to arrive at his or her Individual
3 Settlement Amount.

4 (d) Each of the Class Participants will be issued payment of his or her Individual Settlement
5 Amount subject to reduction for Employee's Taxes and Required Withholdings, and the net payment
6 is referred to as an "Individual Settlement Payment."

7 Defendant will provide the Settlement Administrator with any information that is in the
8 Defendant's possession reasonably necessary to perform the calculation of number of Workweeks for
9 each Class Member, and any other reasonably required information the Settlement Administrator
10 requests to perform the calculations required under this Settlement Agreement. Defendant shall have
11 no responsibility for deciding the validity of the Individual Settlement Amounts or any other payments
12 made pursuant to this Settlement Agreement, shall have no responsibility for the determination or
13 payment of Employee's Taxes and Required Withholding, and shall have no liability for any errors
14 made with respect to such Employee's Taxes and Required Withholding. Although the Settlement
15 Administrator will calculate and pay the standard Employee's Taxes and Required Withholding on the
16 portion of the Individual Settlement Amounts constituting wages on their behalf, Plaintiff and Class
17 Participants represent and understand that they shall be solely responsible for any and all tax obligation
18 associated with their respective Individual Settlement Amounts.

19 **8.3. CALCULATION OF THE PAYMENTS FOR INDIVIDUAL MEMBERS OF** 20 **THE PAGA SETTLEMENT CLASS**

21 Each member of the PAGA Settlement Class shall be entitled to receive a portion of the PAGA
22 Payment. The PAGA Payment shall consist of the penalties pursuant to PAGA that the Parties have
23 agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which
24 is \$25,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section
25 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$18,750.00) to the LWDA
26 and twenty-five percent (25%) (i.e., \$6,250.00) to the PAGA Settlement Class.

27 The portion of the PAGA Payment allocated to the PAGA Settlement Class shall be distributed
28 to the PAGA Settlement Class based on the pro rata number of pay periods worked by each particular

1 PAGA Settlement Class member during the PAGA Period as a proportion of all pay periods worked
2 by all PAGA Settlement Class members during the PAGA Period. Each member of the PAGA
3 Settlement Class, including Plaintiff, shall be responsible for the payment of the Employee's Taxes and
4 Required Withholding with respect to their share of the PAGA Payment and shall hold Defendant
5 harmless from any and all liability with regard thereto.

6 Defendant will provide the Settlement Administrator with any information that is in the
7 Defendant's possession reasonably necessary to perform the calculation of number of pay periods
8 worked for each PAGA Settlement Class member, and any other reasonably required information the
9 Settlement Administrator requests to perform the calculations required under this Settlement
10 Agreement. Defendant shall have no responsibility for deciding the validity of the individual payment
11 amounts allocated to each member of the PAGA Settlement Class or any other payments made pursuant
12 to this Settlement Agreement, shall have no responsibility for the determination or payment of
13 Employee's Taxes and Required Withholding, and shall have no liability for any errors made with
14 respect to such Employee's Taxes and Required Withholding.

15 The members of the PAGA Settlement Class shall be solely responsible for any and all tax
16 obligation associated with their respective shares of the PAGA Payment.

17 **8.4. TIME FOR PAYMENT OF ATTORNEY FEES AND EXPENSES**

18 The Settlement Administrator shall distribute to Class Counsel any attorney fees and expenses
19 approved by the Court no later than thirty (30) days after the Effective Date.

20 **8.5. TIME FOR PAYMENT OF PAGA PAYMENT TO THE LWDA**

21 The Settlement Administrator shall distribute to the LWDA the portion of the PAGA Payment
22 due to it and approved by the Court no later than twenty (20) days after the Effective Date.

23 **8.6. TIME FOR PAYMENT OF TAXES AND REQUIRED WITHHOLDING AND** 24 **INDIVIDUAL SETTLEMENT AMOUNTS**

25 The Settlement Administrator shall make every effort to pay the Employee's Taxes and
26 Required Withholding associated with each Class Participant's Individual Settlement Amount and mail
27 the Individual Settlement Amount to each Class Participant, by first-class United States mail, to the
28 last-known address no later than twenty (20) days after the Effective Date. If the Settlement

1 Administrator is not able to do so within the time period set forth above, it shall so inform Class Counsel
2 and Defense Counsel and provide an approximate date by which the Employee's Taxes and Required
3 Withholding shall be paid and the Individual Settlement Amounts will be mailed. Under no
4 circumstances shall the Settlement Administrator distribute checks to Class Participants until all
5 Individual Settlement Amounts have been considered, calculated, and accounted for, and all of the
6 remaining monetary obligations have been calculated and accounted for.

7 Within one hundred twenty (120) days of mailing the Individual Settlement Amounts to Class
8 Participants, the Settlement Administrator shall file with the Court and provide to Class Counsel a
9 declaration of payment. In the event that any Class Participant is deceased, payment shall be made
10 payable to the estate of that Class Member and delivered to the executor or administrator of that estate,
11 unless the Settlement Administrator has received an affidavit or declaration pursuant to California
12 Probate Code section 13101, in which case payment shall be made to the affiant(s) or declarant(s).

13 **8.7. NON-CASHED SETTLEMENT CHECKS**

14 Any funds associated with checks that have not been cashed within one hundred eighty (180)
15 days, will become void and the Individual Settlement Amount associated with the uncashed check will
16 be remitted pursuant to Code of Civil Procedure section 384 to the California State Controller for
17 deposit in the Unclaimed Property Fund in the name of the individual whose check was uncashed.

18 **8.8. DISPUTES REGARDING CLASS MEMBER WORKWEEKS DATA OR** 19 **PAYMENT OF INDIVIDUAL SETTLEMENT SHARES**

20 Class Member Workweeks and the corresponding Individual Settlement Amount shall be
21 calculated using the employment and payroll records of Defendant, which presumptively shall be
22 deemed to be full, complete, and accurate for purposes of this Settlement Agreement. To overcome
23 that presumption, any Class Member objecting to the accuracy of the number of Workweeks or amount
24 of the Individual Settlement Amount must submit documentary evidence, such as pay stubs or other
25 written employment records, to the Settlement Administrator. Each Class Member may dispute the
26 number of Workweeks or their estimated Individual Settlement Amount contained on their Class
27 Notice ("Workweeks Dispute"). Any such Workweeks Dispute must be mailed or faxed to the
28 Settlement Administrator by the Class Member, postmarked or fax-stamped on or before the Response

1 Deadline. The Settlement Administrator shall immediately provide copies of all disputes to counsel for
2 Defendant, shall inform Class Counsel of the dispute without disclosing the identity of the Class
3 Member making the dispute, and shall immediately attempt to resolve all such disputes directly with
4 relevant Class Members with the assistance of Defendant and Defense Counsel. If the dispute cannot
5 be resolved, it shall be submitted to the Settlement Administrator for its final, non-appealable decision.
6 The Settlement Administrator shall use its best efforts to resolve all such disputes prior to the Effective
7 Date. If, however, a dispute arises or is not resolved until after the Settlement Amount has been
8 distributed, the initial calculation shall stand. Defendant shall be under no obligation to pay any
9 amounts in excess of the Gross Settlement Amount under this Settlement Agreement.

10 **9. NULLIFICATION OF THIS SETTLEMENT AGREEMENT**

11 **9.1. NON-APPROVAL OF THIS SETTLEMENT AGREEMENT**

12 The Class Settlement and conditional class certification shall be considered null and void, and
13 neither the Class Settlement, conditional class certification, nor any of the related negotiations or
14 proceedings, shall be of any force or effect, and all Parties to the Class Settlement shall stand in the
15 same position, without prejudice, as if the Class Settlement had been neither entered into nor filed with
16 the Court, if any of the following occur: **(a)** the Court should for any reason fail to approve this
17 Settlement Agreement in the form agreed to by the Parties; **(b)** the Court should for any reason fail to
18 enter a judgment with prejudice of the Action, or **(c)** the approval of the Class Settlement and judgment
19 is reversed, modified, or declared or rendered void. Notwithstanding the foregoing, the Parties may
20 attempt in good faith to cure any perceived defects in this Settlement Agreement to facilitate approval.

21 **9.2. PARTIES' RIGHTS TO VOID CLASS SETTLEMENT; ESCALATOR** 22 **PROVISION**

23 Defendant has represented the following: (i) There are 85 Class Members, 31 of whom are
24 current employees and 54 of whom are former employees; (ii) the Class Members worked a total of
25 11,525 workweeks during the Class Period; (iii) there are 61 Aggrieved Employees, 31 of whom are
26 current employees and 30 of whom are former employees; and (iv) the Aggrieved Employees worked
27 a total of 3,601 workweeks during the PAGA Period. If the number of either (i) workweeks worked by
28 the Class Members or the Aggrieved Employees or (ii) the number of Class Members or Aggrieved

1 Employees is greater than 10% more than was represented by Defendant, as described, then the Gross
2 Settlement Amount shall be increased proportionately for each additional workweek worked or person.

3 If eight percent (8%) or more of the Class Members submit timely and valid Opt-Outs,
4 Defendant shall have the option, in its sole discretion, to rescind this Settlement Agreement, whereupon
5 the Settlement and Settlement Agreement shall be null and void for any and all purposes and may not
6 be used or introduced in the Action or any other proceeding. The Parties will be restored to their
7 respective positions in the Action as if this Settlement Agreement was never negotiated, drafted, or
8 agreed upon. The Settlement Administrator shall notify Class Counsel and Counsel for Defendant of
9 the total number of timely and valid Opt-Outs and the individual settlement value for each such Class
10 Members had they not opted out by no later than fourteen (14) days after the Response Deadline.
11 Unless otherwise ordered by the Court, in the event the Settlement Agreement shall be terminated,
12 cancelled, declared void, or fails to become effective in accordance with its terms, within ten (10)
13 business days after written notification of such event, Defense Counsel and Class Counsel shall notify
14 each other of this event in writing.

15 **9.3. INVALIDATION**

16 Invalidation of any material portion of this Settlement Agreement shall invalidate the Class
17 Settlement in its entirety, unless the Parties subsequently agree in writing that the remaining provisions
18 of the Class Settlement are to remain in full force and effect.

19 **9.4. STAY ON APPEAL**

20 In the event of a timely appeal from the approval of the Class Settlement and judgment, the
21 judgment shall be stayed, and Defendant shall not be obligated to fund the Gross Settlement Amount
22 or take any other actions required by this Settlement Agreement until all appeal rights have been
23 exhausted by operation of law.

24 **10. MOTIONS FOR COURT APPROVAL**

25 **10.1. PRELIMINARY APPROVAL**

26 As soon as practicable after execution of this Settlement Agreement, Class Counsel will submit
27 this Settlement Agreement to the Court along with a Motion for Preliminary Approval of the Class
28 Settlement. Each party shall cooperate to present the Class Settlement to the Court for preliminary

1 approval in a timely fashion. Defense Counsel shall be given a chance to review the motion for
2 preliminary approval and the motion for final approval prior to filing. Defendant reserves its right to
3 object to facts and assertions made in the moving papers.

4 **10.2. FINAL APPROVAL**

5 The Final Approval and Fairness Hearing shall be held before the Court. At the Final Approval
6 and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order certifying the
7 Settlement Class for settlement purposes only and approving the Class Settlement as being fair,
8 reasonable, and adequate to the Class Participants within the meaning of California Rules of Court,
9 Rule 3.769, subdivisions (c), (d) and (e), and for the entry of a final judgment of the Action consistent
10 with the terms of the Class Settlement and rule 3.769, subdivision (h), of the California Rules of Court.
11 Should the Court require Class Counsel and/or Defense Counsel to submit any pleadings and/or
12 evidence for the Court's determination, the Parties will comply to the extent reasonable.

13 Pursuant to California Rule of Court 3.769(h) and any other applicable rules, if the Court
14 approves this Settlement after the Final Approval Hearing, the Court must make and enter Judgment.
15 This Judgment shall be a judgment for purposes of California Rule of Court 3.771(a).

16 **11. RELEASES AND WAIVERS**

17 **11.1. RELEASE OF CLAIMS BY THE SETTLEMENT CLASS**

18 Upon the Effective Date, the Releasing Parties shall be deemed to each release, discharge, and
19 agree to hold harmless the Released Parties, and each of them, of and from any and all Released Claims
20 arising during the Class Period. It is the desire of the Parties and the Releasing Parties to fully, finally,
21 and forever settle, compromise, and discharge the Released Claims. Each of the Releasing Parties,
22 including each Class Participant, will be bound by the release of Released Claims as a result of the
23 Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

24 Class Participants will be deemed to have acknowledged and agreed that their claims for wages
25 and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes
26 payment of all sums allegedly due to them. Class Participants will be deemed to have acknowledged
27 and agreed that California Labor Code section 206.5 is not applicable to the Individual Settlement
28 Amount. That section provides in pertinent part as follows:

1 “An employer shall not require the execution of a release of a claim or right on account
2 of wages due, or to become due, or made as an advance on wages to be earned, unless
3 payment of those wages has been made.”

4 **12. DUTIES OF THE PARTIES**

5 **12.1. MUTUAL FULL COOPERATION**

6 The Parties agree to cooperate fully with one another to accomplish and implement the terms
7 of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such
8 other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms
9 of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated
10 by this Settlement Agreement and any other efforts that may become necessary by court order or
11 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable
12 after execution of this Settlement Agreement, Class Counsel, with the cooperation of Defendant and
13 Defense Counsel, shall take all necessary and reasonable steps to secure the Court’s final approval of
14 this Settlement Agreement.

15 **12.2. DUTY TO SUPPORT AND DEFEND THE CLASS SETTLEMENT**

16 The Parties agree to abide by all of the terms of this Settlement Agreement in good faith and to
17 support the Class Settlement fully and to use their best efforts to defend this Class Settlement from any
18 legal challenge, whether by appeal or collateral attack.

19 **12.3. DUTIES PRIOR TO COURT APPROVAL**

20 Class Counsel shall promptly submit this Settlement Agreement to the Court for preliminary
21 approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly
22 upon execution of this Settlement Agreement, Class Counsel shall apply to the Court for the entry of a
23 preliminary order scheduling a hearing on the question of whether the proposed Class Settlement
24 should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form
25 and content the proposed Class Notice and Share Form attached hereto as **Exhibit 1** and **Exhibit 2**,
26 respectively, and directing the mailing of the Class Notice to Class Members. While Defendant can
27 reserve its right to object to facts or assertions made in the moving papers, Defense Counsel shall file
28 a notice of non-opposition to the granting of the motion for preliminary approval or join in the motion.

1 **13. MISCELLANEOUS PROVISIONS**

2 **13.1. VOIDING THIS SETTLEMENT AGREEMENT**

3 Pending Court approval and other than as provided herein, if any of the conditions set forth in
4 this Settlement Agreement are not met and satisfied, this Settlement Agreement shall, at the option of
5 either Plaintiff or Defendant, be ineffective, void, and of no further force and effect, and shall not be
6 used or be admissible in any subsequent proceeding, either in this Court or in any other court or forum.
7 If either Party decides to void the Settlement Agreement, then the Settlement Agreement and
8 conditional class certification shall be considered void, and neither the Settlement Agreement,
9 conditional class certification, nor any of the related negotiations or proceedings, shall be of any force
10 or effect, and the Parties shall stand in the same position, without prejudice, as if this Settlement
11 Agreement had been neither entered into nor filed with the Court. Should either Party choose to void
12 the Class Settlement under this subsection, such Party shall be responsible for all Settlement
13 Administrator fees and costs actually incurred up to the time such Party sought to void the Settlement
14 not to exceed the cap of \$15,000.00. If both Plaintiff and Defendant choose to void this Settlement
15 Agreement under this subsection, each shall be responsible for his or its proportion share of the
16 Administration fees actually incurred not to exceed the collective cap of \$15,000.00.

17 **13.2. DIFFERENT FACTS**

18 The Parties acknowledge that, except for matters expressly represented herein, the facts in
19 relation to the dispute and all claims released by the terms of this Settlement Agreement may turn out
20 to be different from the facts now known by each party and/or its counsel, or believed by such Party or
21 counsel to be true, and each Party therefore expressly assumes the risk of the existence of different or
22 presently unknown facts, and agrees that this Settlement Agreement shall be in all respects effective
23 and binding despite such difference.

24 **13.3. NO PRIOR ASSIGNMENTS**

25 The Parties represent, covenant, and warrant that they have not directly or indirectly assigned,
26 transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any
27 portion of any liability, claim, demand, action, cause of action, or right herein released and discharged
28 except as set forth herein.

1 **13.4. NON-ADMISSION**

2 Nothing in this Settlement Agreement shall be construed as or deemed to be an admission by
3 any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or any other
4 person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing
5 toward each other or any other person. Each of the Parties has entered into this Settlement Agreement
6 with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
7 and contingencies. Nothing herein shall constitute any admission by Released Parties of wrongdoing
8 or liability, or of the truth of any factual allegations in the Action. Nothing herein shall constitute any
9 admission by Released Parties regarding the merits of the Claims in this Action, including but not
10 limited to claims for unpaid wages or other compensation, benefits or penalties under California and/or
11 federal law. Nothing herein shall constitute an admission by Released Parties that the Action was
12 properly brought as a class or representative action other than for settlement purposes. To the contrary,
13 Released Parties have denied and continues to deny each and every material factual allegation and all
14 Claims. To this end, the Class Settlement of the Action, the negotiation and execution of this Settlement
15 Agreement, and all acts performed or documents executed pursuant to or in furtherance of this
16 Settlement Agreement or the Class Settlement are not, shall not be deemed to be, and may not be used
17 as, an admission or evidence of any wrongdoing or liability on the part of Released Parties or of the
18 truth of any of the factual allegations in the Complaint in the Action; and are not, shall not be deemed
19 to be, and may not be used as, an admission or evidence of any fault or omission on the part of Released
20 Parties or of the truth of any of the factual allegations in the Complaint in the Action; and are not, shall
21 not be deemed to be, and may not be used as, an admission or evidence of any fault or omission on the
22 part of the Released Parties in any civil, criminal or administrative proceeding in any civil, criminal,
23 or administrative proceeding in any court, administrative agency, or other tribunal.

24 **13.5. NON-EVIDENTIARY USE**

25 Neither this Agreement nor any of its terms, nor any statements or conduct in the negotiation
26 or drafting of it, shall be offered or used as evidence by Plaintiff, any Class Member (including any
27 individual who requested to be excluded from the Settlement Class), Defendant, or its, her, his, or their
28 respective counsel, in the Action, except as is reasonably necessary to effectuate the Settlement

1 Agreement's purpose and terms. This Settlement Agreement may, however, be used by Defendant and
2 the Released Parties to prove or defend against any claim released herein by any Class Member in any
3 judicial, quasi-judicial, administrative, or governmental proceeding.

4 **13.6. MEDIA OR PRESS**

5 Plaintiff and Defendant, and their respective counsel, recognize, accept, and agree that the
6 Parties to this Settlement Agreement desire that the terms of this Settlement Agreement, the fact of the
7 Class Settlement embodied in this Settlement Agreement, the disposition of the Action, the Action, and
8 all matters relating to the litigation of the Action, including discovery proceedings therein, and evidence
9 obtained during the course of the Action, shall be provided to the Class Members by way of the Court-
10 approved Class Notice and public access to Court records in the Action, and that this information shall
11 not otherwise be discussed with or presented to the media or press, and shall not be discussed or
12 mentioned in any of Class Counsel's internal or external advertising or marketing materials, including
13 but not limited to any website(s) maintained by Class Counsel.

14 Further, Plaintiff and his counsel agree that they will not issue any press releases, initiate any
15 contact with the press, respond to any press inquiry, post on any internet websites, or have any
16 communication with the press about the Action, and/or the fact, amount or terms of the Settlement.
17 Before the date of the filing of the motion for preliminary approval of the Settlement, Plaintiff and his
18 counsel will not initiate any contact with Class Members or anyone else about the Settlement, except
19 that: (a) Class Counsel, if contacted by a Class Member, may respond that a settlement has been reached
20 and that the details will be communicated in a forthcoming Court-approved notice; and (b) the Plaintiff,
21 if contacted by a Class Member, may respond only that the Class Member should contact Class
22 Counsel.

23 **13.7. NON-RETALIATION**

24 Defendant understands and acknowledges that it has a legal obligation to not retaliate against
25 any Class Member who elects to participate in the Class Settlement or elects to Opt Out of the Class
26 Settlement. Defendant will refer any inquiries regarding this Class Settlement to the Settlement
27 Administrator or Class Counsel and will not discourage Class Members who are employees, directly
28 or indirectly, from making claims, opting out, or objecting to the Class Settlement.

1 **13.8. CONSTRUCTION**

2 The Parties agree that the terms and conditions of this Settlement Agreement are the result of
3 lengthy, intensive, arms-length, non-collusive negotiations between the Parties and that this Settlement
4 Agreement is not to be construed in favor of or against any party by reason of the extent to which any
5 party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in this
6 Settlement Agreement fall on a weekend, bank or court holiday, the time to act shall be extended to the
7 next business day. Except that should the Response Deadline (or extension(s) thereof specified in the
8 Settlement Agreement relating to a deficiency notice or a re-mailing) fall on a Saturday and regular
9 U.S. Mail service is in operation that day, then no further extension pursuant to this paragraph shall
10 apply to these specific deadlines. The language of all parts of this Settlement Agreement shall in all
11 cases be construed as a whole, according to its fair meaning, and not strictly for or against either Party.
12 No Party shall be deemed the drafter of this Settlement Agreement. The Parties acknowledge that the
13 terms of the Settlement Agreement are contractual and are the product of negotiations between the
14 Parties and their counsel. Each Party and his/its counsel cooperated in the drafting and preparation of
15 the Settlement Agreement. In any construction to be made of the Settlement Agreement, the Settlement
16 Agreement shall not be construed against any Party and the canon of contract interpretation set forth in
17 California Civil Code section 1654 shall not be applied.

18 **13.9. GOVERNING LAW**

19 This Settlement Agreement and the exhibits hereto shall be considered to have been negotiated,
20 executed, and delivered, and to have been wholly performed, in the State of California, and the rights
21 and obligations of the Parties to the Stipulation shall be construed and enforced in accordance with,
22 and governed by, the internal, substantive laws of the State of California, without regard to conflict of
23 law principles, in all respects, including execution, interpretation, performance, and enforcement.

24 **13.10. NOTICES**

25 Except for Class Member notices required to be made by the Settlement Administrator, all
26 notices or other communications required or permitted under this Settlement Agreement shall be in
27 writing and shall be sufficiently given if delivered in person to the party or their counsel by U.S.
28 certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of the

1 party appearing in this Settlement Agreement.

2 **13.11. CAPTIONS AND INTERPRETATIONS**

3 Section titles or captions contained herein are inserted as a matter of convenience and for
4 reference only and in no way define, limit, extend, or describe the scope of this Settlement Agreement
5 or any provision thereof.

6 **13.12. MODIFICATION**

7 This Settlement Agreement may not be changed, altered, or modified, except in writing signed
8 by the Parties or the Parties' counsel on their behalf. If preliminary or final approval of this Settlement
9 Agreement has been granted by the Court, then any such amendments or modifications to this
10 Settlement Agreement shall be approved by the Court. This Settlement Agreement may not be
11 discharged except by performance in accordance with its terms or by a writing signed by the Parties.

12 **13.13. INTEGRATION CLAUSE**

13 This Settlement Agreement contains the entire agreement between the Parties relating to the
14 Class Settlement of the Action and the transactions contemplated thereby, and all prior or
15 contemporaneous agreements, understandings, representations, and statements, whether oral or written,
16 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this
17 Settlement Agreement may be waived except in writing as provided above.

18 **13.14. SUCCESSORS AND ASSIGNS**

19 This Settlement Agreement shall be binding on and inure to the benefit of the Parties and Class
20 Members (excluding only persons who timely Opt Out) and their respective present and former heirs,
21 trustees, executors, administrators, representatives, officers, directors, shareholders, agents, employees,
22 insurers, attorneys, accountants, auditors, advisors, consultants, pension plans, welfare benefit plans,
23 fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint ventures, predecessors,
24 successors, and assigns.

25 **13.15. CORPORATE SIGNATORIES**

26 Any person executing this Settlement Agreement or any such related document on behalf of a
27 corporate signatory or on behalf of a partnership hereby warrants and promises, for the benefit of all
28 Parties hereto, that such person has been duly authorized by such corporation or partnership to execute

1 this Settlement Agreement or any such related document.

2 **13.16. EXECUTION IN COUNTERPARTS**

3 This Settlement Agreement shall become effective upon its execution by all of the undersigned.
4 The Parties may execute this Settlement Agreement in counterparts, and execution of counterparts shall
5 have the same force and effect as if all Settling Parties had signed the same instrument.

6 **13.17. ATTORNEY FEES, COSTS, AND EXPENSES**

7 Except as otherwise specifically provided for herein, each party shall bear his or its own
8 attorney fees, costs, and expenses, taxable or otherwise, incurred by them in or arising out of the Action
9 and shall not seek reimbursement thereof from any other party to this Settlement Agreement.

10 **13.18. ACTION TO ENFORCE AGREEMENT**

11 In any suit or court action to enforce the terms of this Agreement, the prevailing party shall be
12 entitled to recover her or its attorney fees and costs.

13 **13.19. NO THIRD PARTY BENEFICIARIES**

14 The Settlement Agreement shall be binding upon, and inure to the benefit of, the successors
15 and assigns of the Parties hereto; however, this Settlement Agreement is not designed to and does not
16 create any third party beneficiaries unless otherwise specifically provided herein.

17 **13.20. NO COOPERATION WITH OTHER CLAIMS**

18 The Class Representative shall not cooperate with, help, bring, counsel, aid, or in any manner
19 assist any person or entity in filing or pursuing a claim, complaint, class action, collective action,
20 representative action, action, debt, promise, demand, grievance, cause of action, obligation, damage,
21 liability, or charge against Defendant, except as required by law or regulation.

22 **14. EXECUTION**

23 The Parties and their counsel have executed this Settlement Agreement on the date below their
24 signatures or the signature of their representatives. The date of this Settlement Agreement shall be the
25 date of the latest signature.

26 **APPROVAL AND EXECUTION BY PARTIES**

27 **THIS STIPULATION HAS BEEN READ AND AGREED TO INDIVIDUALLY AND ON**
28 **BEHALF OF THE PROPOSED CLASS:**

Juan Barrera

DE17EC79CDDC45A

9/21/2022
Dated: _____

Juan Barrera

Plaintiff and Class Representative

DEFENDANT:

Dated: _____

Spencer Aerospace Manufacturing, LLC

By: _____

Title: _____

1 Dated: _____

Juan Barrera
Plaintiff and Class Representative

2
3
4 **DEFENDANT:**

5 Dated: 9.20.22

Spencer Aerospace Manufacturing, LLC

7
8 
9 By: STEVEN SPENSER
Title: PRESIDENT

EXHIBIT 1

Notice of Proposed Class Action Settlement

1
2
3 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
4 **FOR THE COUNTY OF LOS ANGELES**

5 JUAN BARRERA, an individual, on behalf of
6 himself, the State of California, as a private
7 attorney general, and on behalf of all others
8 similarly situated,

9 Plaintiff,

10 v.

11 SPENCER AEROSPACE MANUFACTURING,
12 LLC, a California limited liability company; and
13 DOES 1 TO 50,

14 Defendants.

Case Number: 21STCV05109

**NOTICE OF PROPOSED CLASS
ACTION SETTLEMENT**

15
16 *A court authorized this notice. This is not a solicitation from a lawyer.*

17 **THIS NOTICE MAY AFFECT YOUR RIGHTS. PLEASE READ IT CAREFULLY.**
18
19
20
21
22
23
24
25
26
27
28

1 **NOTICE OF PROPOSED CLASS ACTION SETTLEMENT**

2 *You may be eligible to receive a settlement payment. Please read this notice carefully.*

3 A proposed class action settlement agreement (the “Settlement”) has been reached between:
4 **(1)** Plaintiff Juan Barrera (“Plaintiff”), individually and in his representative capacity on behalf of a
5 group of prospective class members defined below, and as a private attorney general on behalf of the
6 State of California; and **(2)** Defendant Spencer Aerospace Manufacturing, LLC (“Defendant”). The
7 Settlement resolves disputed claims against Defendant arising out of its wage and hour practices during
8 the period from February 8, 2017, through November 1, 2021 (the “Class Period”) as applied to all
9 current and former hourly or non-exempt employees of Defendant in California, at any time from
10 February 8, 2017 to November 1, 2021 (“Class Members”).

11 The Court has granted preliminary approval of the Settlement and ordered this notice to be sent
12 to you because you may be entitled to money under the Settlement and because the Settlement affects
13 your legal rights.

14 **NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE**
15 **SETTLEMENT:** If you are a Class Member (as defined above) and received this notice, you are
16 automatically included in the Settlement and do not need to take any further action to receive a
17 payment. If you do not opt out, as discussed below, you will release the claims described below.

18 The recitations herein do not constitute the findings of the Court. Defendant adamantly denies
19 any and all liability. This Notice should not be understood to be an expression of the Court's views on
20 the merits of any claim or defense raised by the Parties.

21 **1. DESCRIPTION OF THE LAWSUIT**

22 On February 8, 2021, Plaintiff, individually and in his representative capacity on behalf of the
23 Class Members, and as a private attorney general on behalf of the State of California, filed a complaint
24 against Defendant in the Superior Court of California for the County of Los Angeles in the matter of
25 ***Juan Barrera v. Spencer Aerospace Manufacturing, LLC***, case number **21STCV05109** and on April
26 14, 2021, Plaintiff filed a first amended complaint (the “Action”). The Action sought recovery for
27 Defendant’s alleged: **(1)** failure to all pay minimum wage; **(2)** failure to pay all overtime wages;
28 **(3)** failure to provide rest periods and pay missed rest break premiums; **(4)** failure to provide meal

1 periods and pay missed meal period premiums; **(5)** failure to maintain accurate employment records;
2 **(6)** failure to pay timely wages during employment; **(7)** failure to pay all wages earned and unpaid at
3 separation; **(8)** failure to indemnify all necessary business expenses; **(9)** failure to provide accurate
4 itemized wage statements; **(10)** violation of California’s Unfair Competition Law (Bus. & Prof Code
5 §§ 17200-17210); and **(11)** penalties pursuant to the California Labor Code Private Attorneys General
6 Act of 2004 (“PAGA”) and other provisions of the Labor Code.

7 Through this Settlement, neither Defendant nor any of its employees has admitted any liability
8 or wrongdoing and, in fact Defendant expressly denies any wrongdoing. The Court did not decide in
9 favor of Plaintiff or Defendant. Defendant adamantly denies each, every, and all of the allegations of
10 the Action, and maintains that it complied with all California wage and hour laws, such that the Plaintiff
11 / Class Representative cannot properly recover any damages including but not limited to civil penalties
12 under California law.

13 Although Defendant adamantly denies Plaintiff’s allegations, Defendant has chosen to resolve
14 the matter based upon the terms and conditions set forth in the Settlement Agreement and Release of
15 Class Action and Representative Action ("Settlement Agreement" or "Settlement"). The Court will
16 determine whether or not to grant final approval of this Settlement.

17 A full copy of the Settlement Agreement, embodied in the Settlement Agreement as
18 preliminarily approved by the Court, as well as other public documents filed in this case, can be
19 inspected in the Office of the Court Clerk located at **[ADDRESS]**.

20 The Court has not ruled on the merits in the Action. By approving the Settlement and issuing
21 this notice, the Court is *not* suggesting which side would win or lose the case if it went to trial or
22 whether the claims are suitable for class certification. To avoid the additional expense, inconvenience,
23 and risk of continued litigation, however, Plaintiff and Defendant (the “Parties”) have concluded that
24 it is in their respective best interests and the interests of the Class Members to settle the Action on the
25 terms summarized in this notice. The Settlement was reached after Defendant provided extensive
26 information and documents to Plaintiff’s counsel, and after lengthy arms-length non-collusive
27 negotiations between the Parties, including mediation with an experienced and well-respected mediator
28 in California. In these negotiations, both sides recognized the substantial risk of the Court deciding

1 against them at trial and determined that the Settlement was a fair, reasonable, and adequate way to
2 resolve the disputed claims.

3 Plaintiff and Plaintiff's counsel, Jonathan Melmed, Laura Supanich, and Krikor Kouyoumdjian
4 of Melmed Law Group P.C. ("Class Counsel"), support the Settlement. Among the reasons for support
5 are the defenses to liability potentially available to Defendant, the risk of denial of class certification,
6 the inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.
7 Plaintiff and Class Counsel believe that the settlement described in this notice is fair, adequate,
8 reasonable, and in the best interests of Plaintiff and the Class Members.

9 Under the Settlement, the following settlement class will be certified under California law: All
10 current and former hourly or non-exempt employees of Defendant in California, at any time from
11 February 8, 2017 to November 1, 2021. The "Class Period" is defined as the period from February 8,
12 2017, through November 1, 2021. The Settlement provides for a gross settlement amount of
13 \$278,125.00, a share of which is to be distributed to the Class Members based on the pro rata number
14 of weeks worked by you during the Class Period as a proportion of all weeks worked by all Class
15 Members. All participating Class Members will be deemed to have released Defendant from liability
16 on the terms described in this notice.

17 On [date of preliminary approval], the Court preliminarily approved the Settlement and
18 conditionally certified the settlement class. This notice is being sent to you because Defendant's records
19 indicate that you worked for Defendant during the Class Period and that you meet the definition
20 required to be treated as a Class Member.

21 **2. IF YOU ARE STILL EMPLOYED BY DEFENDANT, THIS SETTLEMENT WILL**
22 **NOT AFFECT YOUR EMPLOYMENT.**

23 Defendant will not take any adverse employment action against you because you participate in
24 the Settlement, opt out of the Settlement, or object to the Settlement.

25 **3. TERMS OF THE SETTLEMENT**

26 Defendant has agreed to pay \$278,125.00 (the "Gross Settlement Amount") to resolve the
27 claims in the Action. The Parties agreed to the following payments from the Gross Settlement Amount:

- 28 1. **Settlement Administration Costs.** The Court has approved Rust Consulting, Inc. to act

as the “Settlement Administrator,” who is sending this notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$15,000.00 will be paid from the Gross Settlement Amount to pay the Settlement Administration Costs.

2. **Attorneys’ Fees and Expenses.** To date, the Parties have aggressively litigated many aspects of the case including investigation, settlement efforts, and a full-day mediation session. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of one-third of the Gross Settlement Amount (i.e., \$92,708.33) as reasonable compensation for the work Class Counsel performed and will continue to perform in the Action. Class Counsel also will ask for reimbursement of up to \$15,000.00 for the costs Class Counsel incurred in connection with the Action.

3. **PAGA Payment.** The Parties have agreed on a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$25,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (i.e., \$18,750.00) to the LWDA and twenty-five percent (25%) (i.e., \$6,250.00) to the individuals who come within the definition of an “aggrieved employee” for the purposes of the Settlement (i.e., all current and former hourly or non-exempt employees of Defendant in California, at any time from February 8, 2020 through November 1, 2021). The “PAGA Period” is defined for these purposes to mean the period from February 8, 2020, through November 1, 2021.

After deducting the amounts above, the balance of the settlement amount will form the “Net Settlement Amount” for distribution to the Class Members.

4. **DISTRIBUTION OF THE SETTLEMENT TO THE CLASS MEMBERS**

Each eligible Class Member who does not request exclusion from the Settlement will be deemed a “Class Participant” and will receive a share from the Net Settlement Amount which will be distributed pro rata based on the proportional number of weeks worked by each Class Member during the Class

1 Period (the “Individual Settlement Amount”). If any Class Member requests exclusion from the
2 Settlement, his or her share will be distributed to the remaining Class Participants.

3 Fifteen percent (15%) of each Individual Settlement Amount will constitute payment in the
4 form of wages (and each Class Participant will be issued an IRS Form W-2 for such payment to him
5 or her), and Eighty-Five percent (85%) of each Individual Settlement Amount will constitute penalties
6 and interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or
7 her).

8 Defendant, or its proxies, shall take all usual and customary deductions from the Individual
9 Settlement Amount payments that are distributed as wages, including, but not limited to, state and
10 federal tax withholding, disability premiums, and unemployment insurance premiums. There will be
11 no deduction taken from the interest or penalty distribution—it will, however, be reported on IRS Form
12 1099 as income. Class Participants are responsible for the proper income tax treatment of their
13 Individual Settlement Amount. The Settlement Administrator, Defendant and its counsel, and Class
14 Counsel cannot provide tax advice. Accordingly, Class Members should consult with their tax advisors
15 concerning the tax consequences and treatment of payments they receive under the Settlement.

16 The workweeks you worked for Defendant during the Class Period will be calculated based on
17 Defendant’s records. If you feel that you were not credited with the correct number of workweeks
18 worked during the Class Period, you may submit evidence to the Settlement Administrator on or before
19 [Response Deadline] with documentation to establish the number of workweeks you claim to have
20 actually worked during the Class Period. **Documentation sent to the Settlement Administrator will**
21 **not be returned or preserved, so do not send originals.** The Parties and the Settlement Administrator
22 will promptly evaluate the evidence submitted and discuss in good faith how many workweeks should
23 be credited. The Settlement Administrator will make the final decision as to how many weeks are
24 credited and report the outcome to the Class Participant. If you are unsatisfied with the decision, you
25 may submit an objection, which is explained below.

26 Settlement checks will be mailed to all Class Participants after the Court grants final approval
27 of the Settlement and judgment is entered.

28 **5. THE RELEASE OF CLAIMS**

1 If the Court approves the Settlement, the Court will enter judgment and the Settlement will bind
2 all Class Participants. The Class Participants will then be barred from bringing any “Released Claims”
3 against the “Released Parties” as those terms are defined below.

4 The “Released Parties” shall mean Defendant Spencer Aerospace Manufacturing, LLC and all
5 of its respective current and former parents, subsidiaries, predecessors and successors, and their
6 affiliated entities, and each of their respective owners, officers, managing agent (as defined in
7 subdivision (b) of Section 3294 of the Civil Code), directors, partners, members, employees,
8 shareholders, and agents, and any other successors, heirs, or assigns, or legal representatives, any
9 attorneys, insurers, and claims representatives.

10 The “Released Claims” shall mean any and all federal and California state law wage-and-hour
11 claims, rights, demands, liabilities, and/or causes of action of every nature and description arising from
12 any and all claims that were alleged or could have been alleged in the Complaint based on the facts
13 contained therein, arising during the Class Period, including without limitation, statutory,
14 constitutional, contractual, and/or common law claims for wages, reimbursement, damages, unpaid
15 costs, penalties, liquidated damages, punitive damages, interest, attorneys’ fees, litigation costs,
16 restitution, or equitable relief, including without limitation, California Labor Code sections 201- 204,
17 210, 216, 218, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197,
18 1197.1, 1198, 1198.5, 1199, 2084, 2802, 2804, all of their implementing regulations and interpretive
19 guidelines, and any federal counterparts, any IWC Wage Order, Code of Civil Procedure section
20 1021.5, Civil Code sections 3287 and 3289, California Business and Professions Code sections 17200
21 through 17210, and any claims or cause of action for (i) failure to pay all minimum wages, (ii) failure
22 to pay all overtime wages, (iii) failure to provide rest periods and pay missed rest period premiums,
23 (iv) failure to provide meal periods and paid missed meal period premiums, (v) failure to maintain
24 accurate employment records, (vi) failure to pay wages timely during employment, (vii) failure to pay
25 all wages earned and unpaid at separation, (viii) failure to indemnify all necessary business expenditures,
26 (ix) failure to furnish accurate itemized wage statements, (x) violations of California’s Unfair
27 Competition Law (Bus. & Prof. Code §§ 17200-17210), and (xi) penalties pursuant to Labor Code
28 Private Attorneys’ General Act of 2004.

1 The Settlement does *not* release Defendant or any person, party, or entity from claims, if any,
2 by Class Members for workers compensation, unemployment, or disability benefits of any nature. Nor
3 does it release any claims, actions, or causes of action which may be possessed by Class Members
4 under state or federal discrimination statutes, including, without limitation, the California Fair
5 Employment and Housing Act (Gov. Code, §§ 12900–12996); the Unruh Civil Rights Act (Civ. Code,
6 § 51); the California Constitution; Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000, et seq.);
7 the Americans with Disabilities Act (42 U.S.C. § 12101, et seq.); the Employee Retirement Income
8 Security Act of 1974 (29 U.S.C. § 1001 et seq.); and all of their implementing regulations and
9 interpretive guidelines.

10 Class Members who do not request exclusion from the Settlement will be deemed to have
11 acknowledged and agreed that their claims for wages and penalties in the Action are disputed, and that
12 the Settlement payments constitute payment of all sums allegedly due to them. Class Members will be
13 deemed to have acknowledged and agreed that California Labor Code section 206.5 is not applicable
14 to the Settlement payments. That section provides in pertinent part as follows:

15 “An employer shall not require the execution of a release of a claim or right on account
16 of wages due, or to become due, or made as an advance on wages to be earned, unless
17 payment of those wages has been made.”
18

19 **6. YOUR OPTIONS**

20 **6.1. DO NOTHING AND RECEIVE YOUR PORTION OF THE SETTLEMENT**

21 If you do nothing, you will be automatically included as a Class Participant in the Settlement,
22 receive a settlement payment, and be bound by the Judgment and be issued payment under the
23 Settlement. You do *not* have to take any further action to receive your settlement payment. It is,
24 however, the responsibility of all Class Members to ensure that the Settlement Administrator has your
25 current address on file, or you may not receive important information or a settlement payment. The
26 estimated amount of your settlement payment if you do nothing is included on the attached *Class Action*
27 *Settlement Share Form*.
28

6.2. REQUEST EXCLUSION FROM THE CLASS AND THE SETTLEMENT

If you do **not** wish to take part in the class action portion of the Settlement (the “Class Settlement”), you may exclude yourself (i.e., opt out of the Class Settlement) by sending the Settlement Administrator a letter or card postmarked no later than [Response Deadline] that specifically requests exclusion from the Class Settlement in this case. The request for exclusion must include your first name, last name, and signature. The request for exclusion must indicate that you wish to be excluded from the Class Settlement and it should, but is not required to, state something to the effect of:

“I wish to be excluded from the settlement class in the case of *Juan Barrera v. Spencer Aerospace Manufacturing, LLC*. I understand that if I ask to be excluded from the settlement class, I will not receive any money from the settlement of this lawsuit and will not be releasing any claims I might have.”

Send the request for exclusion directly to the Settlement Administrator at the following address by no later than [Response Deadline]:

Rust Consulting, Inc.
[Address]

Any person who submits a timely request for exclusion from the Class Settlement shall, upon receipt, no longer be a Class Member, shall be barred from participating in the Class Settlement, and shall receive no benefits from the class action portion of the Settlement. If you want confirmation of receipt of your request for exclusion, please send it by United States certified mail, return receipt requested, or contact the Settlement Administrator.

Importantly, Class Members who timely and validly request exclusion from the Class Settlement will *not* be excluded from their share of the PAGA Payment. Requesting exclusion from the Class Settlement applies solely to the Class Members' entitlement to the class action portion of the Settlement and not their entitlement to the PAGA Payment. If you request exclusion from the Class Settlement you will still be entitled to your share, if any, of the PAGA Payment. All current and former hourly or non-exempt employees of Defendant in California, at any time from February 8, 2020 through November 1, 2021, have no right or ability to opt out of the portion of this Settlement Agreement

1 releasing PAGA claims.

2 **6.3. OBJECT TO THE SETTLEMENT**

3 You have the right to object to the terms of the Settlement if you do not request exclusion. If,
4 however, the Court rejects your objection, you will still be bound by the terms of the Settlement. If you
5 wish to object to the Settlement, or any portion of it, you may file with the Settlement Administrator
6 and the Court a written objection stating your first name, last name, address, the case name and/or case
7 number, and each specific reason in support of your objection, any legal support for each objection,
8 and the name and contact information for counsel representing you, if any. Objections in writing must
9 be mailed to the Settlement Administrator, Rust Consulting, Inc., [Address], by no later than [Response
10 Deadline] to be considered. **Objections that do not include all required information, or that are
11 not timely submitted, might not be considered by the court.**

12 Alternatively, Class Members who wish to object may appear and ask to speak regarding his or
13 her objection at the Final Approval and Fairness Hearing, either in person or through a lawyer retained
14 at their own expense, regardless of whether they submitted a written objection. The Final Approval and
15 Fairness Hearing is scheduled for [Final Approval Hearing Date], at [Final Approval Hearing Time] in
16 Department [Court Department] of the Superior Court of California for the County of Los Angeles,
17 located at [Court Location]. You have the right to appear either in person or through your own attorney
18 at this hearing. You may also appear by audio or video at the Final Approval and Fairness Hearing.
19 Please see the Court's website (<https://www.lacourt.org/>) for directions.

20 If you object to the Settlement, you will remain a Class Member, and if the Court approves the
21 Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as
22 Class Members who do not object. Any Class Member who does not object in the manner provided
23 above shall have waived any objection to the Settlement, whether by appeal or otherwise.

24 The Court may, at the time of the final approval and fairness hearing, have certain social
25 distancing requirements or procedures for attendance at hearings. If you wish to object to the Settlement
26 by speaking at the final approval and fairness hearing, you may review the court's website
27 (<https://www.lacourt.org/>) for more information about the Court's current social distancing procedures,
28 if any.

1 **7. HOW TO UPDATE OR CHANGE YOUR ADDRESS**

2 If you move after receiving this notice or if it was misaddressed, please contact the Settlement
3 Administrator, Rust Consulting, Inc., at [Phone Number] or by email at [Email Address], as soon as
4 possible. **This is important to ensure that future notices and/or the Settlement payment reach**
5 **you.**

6 **8. NOTICE OF FINAL JUDGMENT IF THE SETTLEMENT IS APPROVED**

7 Within ten (10) days after the Court has held a final fairness approval hearing and entered a
8 final order approving the Settlement, if it chooses to do so, the Settlement Administrator will post a
9 copy of that order and final judgment on its website at the following website address:

10 [Case-Specific Settlement URL (to be added by Settlement Administrator)]

11
12 **9. IF THE SETTLEMENT IS NOT APPROVED**

13 If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the
14 Settlement may be voided, in which case no money will be paid, and the case will return to litigation.
15 If that happens, there is no assurance: **(1)** that the class will be certified by the Court; **(2)** that any
16 decision at trial would be in favor of Class Members; **(3)** that a trial decision, if any, would be as
17 favorable to the Class Members as the Settlement; or **(4)** that any favorable trial decision would be
18 upheld if an appeal was filed.

19 **10. QUESTIONS**

20 **PLEASE DO NOT CALL OR CONTACT THE COURT.** If you have any questions about
21 the settlement, you may contact the Settlement Administrator at: [Phone Number] or by e-mail at
22 [Email Address]. You may also contact Class Counsel at the addresses or phone numbers listed below.

23
24 **Lawyers Representing Plaintiff and the Class Members**

25 **MELMED LAW GROUP P.C.**

26 Jonathan Melmed

26 jm@melmedlaw.com

27 Laura Supanich

27 lms@melmedlaw.com

28 Krikor Kouyoumdjian

krikor@melmedlaw.com
1801 Century Park East, Suite 850
Los Angeles, California 90067
Phone: (310) 824-3828
Fax: (310) 862-6851

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 2

Class Action Settlement Share Form

PROPOSED CLASS ACTION SETTLEMENT SHARE FORM

Juan Barrera v. Spencer Aerospace Manufacturing, LLC

Case Number 21STCV05109

Superior Court of California for the County of Los Angeles

The proposed class action settlement agreement (the “Settlement”) described in the accompanying *Notice of Proposed Class Action Settlement* resolves disputed claims against Defendant Spencer Aerospace Manufacturing, LLC (“Defendant”) arising out of its wage and hour practices during the period from February 8, 2017, through November 1, 2021 (the “Class Period”) as applied to All current and former hourly or non-exempt employees of Defendant in California, at any time from February 8, 2017 to November 1, 2021 (“Class Members”).

You are receiving this form because you are believed to be a Class Member. **According to Defendant’s records, you worked [REDACTED] workweeks for Defendant during the Class Period. Accordingly, your share of the Settlement is currently estimated to be \$[REDACTED]**, which is an estimate of your allocated portion of the Net Settlement Amount, as that term is defined in the accompanying *Notice of Proposed Class Action Settlement*. Your estimated share of the Settlement may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement.

You do not need to do anything to receive money under the Settlement.

If you believe the information provided above as to the number of your workweeks is incorrect and wish to dispute it, please contact the Settlement Administrator no later than **[Response Deadline]** at:

Rust Consulting, Inc.

[Email Address]

[Phone Number]

[Address]

If you dispute the information stated above, the information Defendant provided to the Settlement Administrator will control unless you are able to provide documentation that establishes otherwise. Any disputes, along with supporting documentation, must be postmarked no later than **[Response Deadline]**. The Settlement Administrator will jointly work with Plaintiff and Defendant to resolve the dispute in good faith. If Plaintiff and Defendant cannot agree over the workweeks to be credited, the Settlement Administrator shall make the final decision based on the information presented by you and Defendant.

Do not send originals; documentation sent to the claims administrator will not be returned or preserved.