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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF VENTURA

IVAN OCHOA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

MEGGITT SAFETY SYSTEMS, INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No. 56-2021-00555117-CU-OE-VTA

*[Assigned for all purposes to Hon. Benjamin
Coats, Dept. 43]*

**DECLARATION OF SEAN M. BLAKELY
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: January 10, 2024
Time: 8:30 a.m.
Dept.: 43

Complaint Filed: January 29, 2021
Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

2 1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiffs
3 Ivan Ochoa and Gene Caplinger (“Plaintiffs”) and the proposed Settlement Class in the above-
4 captioned matter. I am a member in good standing of the bar of the State of California and am
5 admitted to practice in this Court. I have personal knowledge of the facts stated in this declaration
6 and could testify competently to them if called upon to do so.

7 2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California
8 State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk
9 for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein &
10 Marias I assisted trial attorneys in employment and personal injury cases. From September 2011
11 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC
12 in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused
13 on representing employees in wage and hour class actions. My work at Mahoney Law Group,
14 APC also included representing employees in individual claims for wrongful termination,
15 harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I
16 performed at Mahoney Law Group, APC included: conducting client intakes; performing pre-
17 filing research and analysis; drafting complaints; attending court hearings; corresponding with
18 opposing counsel; drafting and responding to written discovery; preparing for and taking and
19 defending depositions; analyzing payroll and timekeeping records and employee handbooks;
20 opposing motions for summary judgment, as well as a variety of other motions such as motions
21 for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to
22 quash, and motions for class certification; drafting mediation briefs; attending mediations;
23 drafting long-form settlement agreements; drafting motions for preliminary and final settlement
24 approval; and overseeing the notice process.

25 3. Since November 8, 2016, I have worked at my current firm, Haines Law Group,
26 APC, where, in 2020, I became a Partner. I am currently responsible for managing over forty
27 (40) active wage and hour class and representative actions in both state and federal court.

28 4. The following is a non-exhaustive list of wage and hour class actions in which I

1 have been appointed as class counsel and/or played a significant role in prosecuting the litigation,
2 and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al*, Case
3 No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding
4 (granted final approval of settlement on behalf of employees at rehabilitation facility involving
5 claims for unpaid wages and meal and rest period violations, and other claims, in which I was
6 approved at an hourly rate of \$325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance*
7 *Medical Center, Inc.*, California Superior Court, Los Angeles County, Judge William F.
8 Highberger presiding (granting final approval of settlement on behalf of healthcare workers for
9 unpaid wages, meal and rest period violations, and other claims, in which I was approved at an
10 hourly rate of \$325 for work performed in 2012-2013); *Arteaga v. Command Center Security,*
11 *Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard
12 Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving
13 claims for unpaid overtime, meal and rest period violations, and other claims, in which I was
14 approved at an hourly rate of \$425 for work performed in 2012-2015); *Casadine v. Maxim*
15 *Healthcare Services, Inc.*, Case No. CV 12-10078-DMG (CWx), United States District Court,
16 Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement
17 on behalf of home health care employees involving claims for unpaid wages and other claims, in
18 which I was approved at an hourly rate of \$425 for work performed in 2012-2015); *Guzman v.*
19 *Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los
20 Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf
21 of construction workers involving claims for unpaid wages, meal and rest period violation, and
22 other claims, in which I was approved at an hourly rate of \$425 for work performed in 2014-
23 2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California
24 Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of
25 settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period
26 violations, and other claims, in which I was approved at an hourly rate of \$425 for work performed
27 in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior
28 Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of

1 settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and
2 related violations, approved at hourly rate of \$475 for work performed in 2016 and 2017); *Galvan*
3 *v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California
4 Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of
5 settlement on behalf of non-exempt employees of a chemical manufacturing company involving
6 claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*,
7 Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge
8 Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid
9 overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et*
10 *al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F.
11 Highberger presiding (granting final approval of settlement involving claims for wage statement
12 violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case
13 No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger
14 presiding (granting final approval of settlement on behalf of direct support professionals
15 involving claims for unpaid wages, meal and rest period violations, wage statement violations,
16 and other claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior
17 Court, Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement
18 on behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval*
19 *v. AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County,
20 Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of
21 manufacturing employees involving claims for unpaid wages, meal period violations, rest period
22 violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No.
23 RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding
24 (granting final approval of settlement on behalf of non-exempt employees of a freight railcar
25 manufacturer involving claims for unpaid overtime and minimum wages, meal period violations,
26 and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior
27 Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of
28 settlement involving claims for unpaid overtime and minimum wages, rest period violations,

wage statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf

1 of non-exempt commissioned salespersons and other employees involving claims for unpaid
2 wages, meal and rest period violations, unreimbursed business expenses, and other claims); and
3 *Matthew Tovar, et al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior
4 Court, Los Angeles County, Judge Daniel J. Buckley presiding (granting final approval of
5 settlement on behalf of non-exempt employees involving claims for unpaid overtime, meal and
6 rest break violations, and other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No.
7 CGC-18-566393, California Superior Court, San Francisco County, Judge Ethan P. Schulman
8 presiding (granting final approval of settlement on behalf of sales development representatives
9 involving claims for unpaid overtime, meal and rest period violations, and penalty claims); *Tracy*
10 *Aguilar, et al. v. Aero Port Services, Inc.*, Case No. BC659234, California Superior Court, Los
11 Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf
12 of non-exempt employees involving claims for meal and rest period violations, and other claims);
13 *Carlos Perez, et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California
14 Superior Court, Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of
15 settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid
16 wages, meal and rest period violations, other claims); and *Julio Alfaro v. Orange Automotive*
17 *d/b/a Kia of Orange*, Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court,
18 Orange County, Judge Randall J. Sherman presiding (granting final approval settlement on behalf
19 of non-exempt commissioned employees involving claims for unpaid wages, meal and rest period
20 violations, unreimbursed business expenses, and penalty claims).

21 5. I have also moved to certify and have received an order certifying a class action in
22 *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States
23 District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six
24 classes of employees for rest period violations, wage statement violations, meal period violations,
25 and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No.
26 16-CV-02749-WQH (BLM), United States District Court, Southern District of California,
27 Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes,
28 wage statement class, and waiting time penalty class).

1 6. In 2018, 2019, 2020, 2021, and 2022, Thomson Reuters recognized me as a Top
2 Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This
3 is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of
4 forty in Southern California each year.

5 7. As counsel for Plaintiffs and the proposed Settlement Class, I have been intimately
6 involved in this case and I believe that the proposed Settlement is an excellent result for the
7 Settlement Class.

8 8. In operation for more than sixty years, Defendant Meggitt Safety Systems, Inc.
9 (“Meggitt”) is one of the world’s leading producers of fire protection and safety systems for
10 aircraft, spacecraft, boats, trains, and missiles.

11 9. On January 29, 2021, Plaintiff Ochoa filed a Class Action Complaint against
12 Meggitt in Los Angeles County Superior Court, Case No. 21STCV03610, alleging causes of
13 actions for: (1) failure to pay all overtime wages; (2) meal period violations; (3) rest period
14 violations; (4) wage statement penalties; and (5) unfair competition in violation of California
15 Business & Professions Code § 17200 *et seq.* On February 1, 2021, Plaintiff Ochoa sent his PAGA
16 notice letter to the Labor Workforce Development Agency (“LWDA”). A true and correct copy
17 of the Plaintiff’s Ochoa’s February 1, 2021 PAGA letter is attached as **Exhibit B**. On April 9,
18 2021, Plaintiff Ochoa filed a First Amended Class and Representative Action Complaint (“FAC”)
19 adding a cause of action for civil penalties under the Private Attorneys’ General Act of 2004,
20 Labor Code Section 2698, *et seq.* On May 28, 2021, pursuant to stipulation by the Parties, this
21 matter was transferred to Ventura County Superior Court and assigned case number 56-2021-
22 00555117-CU-OE-VTA. On September 19, 2022, Plaintiff Ochoa filed a Second Amended Class
23 and Representative Action Complaint (“SAC”) to add a cause of action for waiting time penalties.

24 10. As part of the Settlement, the Parties stipulated to the filing of a Third Amended
25 Class and Representative Action Complaint (“TAC”), adding Plaintiff Caplinger as a named
26 Plaintiff and class representative, and adding causes of action for minimum wage violations,
27 failure to issue payment with compliant instrument, and failure to reimburse for all necessary
28 business expenditures, and adding factual allegations. On December 8, 2023, the Parties

submitted a Joint Stipulation for Leave to File Third Amended Class and Representative Action Complaint. As of the date of the filing of this Motion, the Court has not yet signed the Parties' Stipulation.

11. Prior to reaching the Settlement, the Parties engaged in extensive formal discovery. The Parties agreed to attend a mediation with David A. Lowe, a well-respected wage and hour class action mediator. In connection with this first mediation, Meggitt provided Plaintiffs with a sampling of timekeeping and payroll records for the putative class, its relevant wage and hour written policies and procedures, as well as a detailed Class List which included all Settlement Class members' hire date, termination date (if applicable), and rate of pay. Plaintiffs hired a labor economist with a Ph.D. in economics to assist Plaintiffs in conducting a comprehensive analysis and extrapolation of the payroll and timekeeping data produced by Meggitt to calculate class-wide damages for each of Plaintiffs' claims.

12. On January 13, 2022, the Parties participated in a full-day mediation with Mr. Lowe, however, the Parties were not able to reach a settlement. Following the unsuccessful mediation, Plaintiffs propounded multiple sets of written discovery on Meggitt seeking, among other items, contact information for the putative class, timekeeping and payroll records for putative class members, and Meggitt's written policies and procedures. The Parties extensively met and conferred regarding Plaintiffs' discovery and Plaintiffs also engaged in motion practice with respect to their discovery requests, which ultimately was resolved without a ruling from the Court. The Parties participated in a *Belair-West* opt-out notice process, and Plaintiffs were provided with the contact information for those employees who did not opt-out of the *Belair-West* notice process. Thereafter, Plaintiffs' Counsel interviewed dozens of employees regarding their work experiences at Meggitt. In response to Plaintiffs' formal discovery requests, Meggitt also produced timekeeping and payroll records for a sampling of the putative class, its written wage and hour policies/procedures, and its employee handbooks.

13. On March 1, 2023, Plaintiffs took the deposition of Meggitt's Person Most Knowledgeable ("PMK") on a wide array of topics relating to Plaintiffs' claims and Meggitt's wage and hour policies and practices. Additionally, Meggitt served written discovery requests to

1 Plaintiff Ochoa, and Meggitt took a full-day deposition of Plaintiff Ochoa on April 3, 2023.

2 14. After completing this formal discovery, the Parties agreed to attend a second
3 mediation. In connection with this second mediation, Meggitt produced an updated Class List
4 which included employees' hire date and termination date (if applicable). Plaintiffs again hired a
5 labor economist with a Ph.D. in economics to assist Plaintiffs in conducting a comprehensive
6 analysis and extrapolation of the payroll and timekeeping data produced by Meggitt to calculate
7 class-wide damages for each of Plaintiffs' claims. This discovery allowed the Parties to assess the
8 merits and value of Plaintiffs' claims, the chances of certification of Plaintiffs' claims, and
9 Meggitt's potential defenses.

10 15. On May 18, 2023, the Parties participated in a second mediation with Jeffrey A.
11 Ross, Esq., a preeminent wage and hour class action mediator. During mediation, the Parties
12 vigorously debated their opposing legal positions, the likelihood of certification of Plaintiffs'
13 claims, and the legal basis for the claims and defenses. Following the second mediation, Mr. Ross
14 made a mediator's proposal for a classwide settlement, which was ultimately accepted by the
15 Parties in July 2023. During the months that followed, the Parties finalized the terms of the
16 Settlement and executed the long-form Settlement Agreement now before the court. As part of
17 the Settlement, the Parties stipulated to the filing of the TAC, which adds Plaintiff Caplinger as a
18 named Plaintiff and class representative and adds additional causes of action and factual
19 allegations. As part of the Settlement, on December 12, 2023, Plaintiffs served a supplemental
20 letter to the LWDA to include additional factual allegations. A true and correct copy of Plaintiffs'
21 December 12, 2023 letter to the LWDA is attached hereto as **Exhibit C**.

22 16. A true and correct copy of the Stipulation of Settlement is attached hereto as
23 **Exhibit A**. The proposed Class Notice and Notice of Estimated Settlement Award are attached
24 as **Exhibits 1** and **2**, respectively, to the Settlement Agreement.

25 17. The monetary terms of the Settlement are summarized below:

- | | | |
|----|--|----------------|
| 26 | • Gross Settlement Amount: | \$5,000,000.00 |
| 27 | • Minus Court-approved attorneys' fees: | \$1,666,666.66 |
| 28 | • Minus Court-approved verified costs (up to): | \$80,000.00 |
| | • Minus Court-approved Service Awards: | \$22,500.00 |

• Minus amount set aside as PAGA penalties:	\$300,000.00
• <u>Minus estimated Settlement Administration costs:</u>	<u>\$12,000.00</u>
Net Settlement Amount (“NSA”):	\$2,918,833.34
• PLUS 25% “PAGA Amount” to Settlement Class:	\$75,000.00
Total Amount Paid to Settlement Class members:	\$2,993,833.34

18. Based on information from Meggitt, there are approximately 610 Settlement Class members. Therefore, the average Individual Settlement Amount from the NSA is projected to be approximately \$4,784.97. There are approximately 442 “Aggrieved Employees” who worked during the PAGA Period. Therefore, the average payment from the Individual PAGA Amount is estimated to be approximately \$169.68.

19. Plaintiffs allege that due to Meggitt’s scheduling policies/practices, first meal periods were frequently late (commencing after the fifth hour of work) because employees’ first meal periods were scheduled to commence exactly five hours after their scheduled start time, even though Plaintiffs and other employees often clocked in and began working prior to their scheduled start times. Because first meal periods were scheduled to start exactly at the 5-hour mark, and because employees regularly clocked in and began working a few minutes prior to their scheduled start time, Plaintiffs allege that first meal periods were consistently late. Based on Plaintiffs’ expert’s review and extrapolation of Meggitt’s timekeeping records, there were approximately 277,523 non-compliant first meal periods during the Class Period. Plaintiffs further calculated that the average hourly rate of pay for Settlement Class members during the Class Period at approximately \$23.52. Plaintiffs’ analysis further reflected that Meggitt paid approximately 626 meal period premiums during the Class Period. Therefore, Plaintiffs estimated total maximum damages for first meal period violations at approximately \$6,512,617 ([277,523 non-compliant meal periods * \$23.52 average meal period premium] - \$14,724 in meal period premiums paid). Meggitt counters it maintained compliant written meal period policies throughout the Class Period and provided compliant meal periods in line with those policies. Meggitt further contends that it always provides employees the opportunity to take meal periods and is not required to ensure they are taken. Meggitt further argues that employees had the flexibility to take their meal periods when they wanted and were not required to adhere to any

1 rigid schedule pertaining to meal periods. Thus, Meggitt argues that any non-compliant meal
2 periods resulted from lawful employee waiver or choice, rather than any policy and/or practice of
3 Meggitt. Meggitt further argues that any first meal period violations were *de minimis* as first meal
4 periods were only late by a few minutes. Finally, Meggitt maintains Plaintiffs' meal period claim
5 is not suited for class certification since individual inquiries would be needed to assess which
6 employees, if any, took non-compliant or missed meal periods, how many meal periods were non-
7 compliant or missed, and the reasons why a particular employee did not take a meal period on a
8 particular shift. Based on these defenses, Plaintiffs discounted the maximum exposure by 40%
9 for risk of non-certification and an additional 55% for risk of losing on the merits or failing to
10 recover the full amount sought, to arrive at an estimated exposure of approximately \$1,758,406.

11 20. Plaintiffs further allege that Meggitt failed to provide for second meal periods
12 when Settlement Class members worked shifts in excess of 10.0 hours in a workday. Plaintiffs'
13 analysis and extrapolation of the timekeeping data showed that during the Class Period there were
14 approximately 227,997 total shifts of over 10.0 hours that did not reflect a legally compliant
15 second meal period. Therefore, Plaintiffs estimated total maximum damages for second meal
16 period violations at approximately \$5,362,489 (227,997 non-compliant second meal periods *
17 \$23.52 average meal period premium). Meggitt asserts that many employees chose to waive their
18 second meal periods on shifts over 10.0 hours and under 12.0 hours, as they may do under Labor
19 Code § 512(a), so that they do not need to stay at work for an extra unpaid 30 minutes. Meggitt
20 further argues that Plaintiffs' second meal period exposure is grossly inflated as Plaintiffs already
21 seek a meal period premium for first meal period violations on the majority of all shifts, and
22 Plaintiffs cannot recover more than one meal period premium for each workday. In addition, as
23 with first meal periods, Meggitt argues this claim would not be certified as requiring
24 individualized inquiries into both the merits and damages. In light of these risks, Plaintiffs
25 discounted the maximum exposure by 60% for risk of non-certification and an additional 60% for
26 losing on the merits or having exposure reduced to account for Meggitt's waiver arguments, to
27 arrive at an estimated exposure of approximately \$857,998.

28 21. Plaintiffs allege that during a portion of the Class Period, Meggitt failed to

1 authorize and permit compliant off-duty rest periods because Meggitt required employees to
2 remain on company premises during rest periods. Specifically, Plaintiffs allege that in November
3 2019, Meggitt issued a company-wide directive prohibiting non-exempt employees from leaving
4 Meggitt's premises during rest periods. Based on Plaintiffs' expert's analysis of Meggitt's
5 timekeeping records, Plaintiffs estimate there were approximately 229,620 shifts in excess of 3.5
6 hours from November 25, 2019 to May 2022, when Meggitt revised its rest period policies to
7 explicitly allow employees to leave the premises during rest periods. Therefore, Plaintiffs
8 estimate Meggitt's maximum potential exposure for rest period violations at approximately
9 \$5,400,662 (229,620 shifts * \$23.52 average rest period premium). Meggitt argues that it always
10 maintained and enforced lawful rest period practices during the Class Period, and has, in fact,
11 authorized and permitted all required rest periods to Settlement Class members. Meggitt further
12 alleges that the November 2019 directive was not enforced and that employees did in fact take
13 rest periods off premises. Meggitt further contends that, even if it (or individual managers) had
14 required employees to remain on premises, *Augustus* rejected Plaintiffs' "on premises" theory.
15 Meggitt also asserts this claim is not amenable to class treatment as individualized inquiries would
16 be required to determine which employees failed to take a rest period, and the reasons why. These
17 manageability concerns are especially present with respect to rest period claims, Meggitt argues,
18 given that rest periods are not recorded. In light of these defenses, Plaintiffs discounted the
19 maximum exposure by 60% for risk of non-certification and an additional 65% for a risk of being
20 unsuccessful on the merits or of failing to recover the full amount sought, to arrive at an estimated
21 realistic exposure of approximately \$756,093.

22 22. Plaintiffs contend that Meggitt adopted an Alternative Workweek Schedule
23 ("AWS") for certain non-exempt employees whereby Meggitt represented that it would regularly
24 schedule these employees to work four (4) days a week, ten (10) hours per day. However,
25 Plaintiffs contend that many Settlement Class members worked more than the four scheduled
26 days, in contravention of the express terms of the AWS. In addition to requiring AWS employees
27 to consistently work more than four (4) days in a workweek, Plaintiffs claim that Meggitt also
28 failed to pay "short-shift premiums" to AWS employees who only worked between 8.01 – 10.0

1 hours in a workday. Based on Plaintiffs' expert's review of employee timekeeping and payroll
2 records during the Class Period, Plaintiffs estimate that AWS employees were paid for
3 approximately 193,347 hours of overtime hours (i.e., hours worked over 8 in a workday) at
4 straight time rather than time-and-a-half. Plaintiffs therefore calculate Meggitt's maximum
5 exposure for this theory at approximately \$2,273,761 (193,347 hours * \$23.52 avg. rate of pay *
6 0.5 OT premium). Furthermore, Plaintiffs estimate that AWS employees worked approximately
7 296,784 hours between 8.01 and 10.0 hours for which they were only paid straight time, and
8 where Meggitt failed to pay "short-shift" premiums. Therefore, Plaintiffs calculate Meggitt's
9 liability for "short shift" premiums as \$3,490,180 (296,784 hours * \$23.52 avg. rate of pay * 0.5
10 OT premium). In total, Plaintiffs estimate that Meggitt's maximum exposure on their AWS claim
11 is approximately \$5,763,941. In response, Meggitt maintains that it fully complied with the
12 requirements of the Wage Order and adopted and registered a valid AWS. Meggitt further argues
13 that employees working pursuant to the AWS voluntarily worked additional overtime hours
14 beyond ten (10) hours in a workday, and therefore, Meggitt's AWS is lawful and no additional
15 overtime wages are owed. Furthermore, Meggitt asserts that the AWS claim is not suitable for
16 class certification since individual inquiries would be required to determine which employees are
17 owed unpaid overtime due to the AWS. Based on Meggitt's defenses, Plaintiffs discounted the
18 maximum AWS exposure by 55% for risk of non-certification and an additional 60% for risk of
19 losing on the merits or failing to recover the full amount sought, to arrive at an estimated exposure
20 of approximately \$1,037,509.

21 23. Plaintiffs allege that Meggitt failed to pay Settlement Class members all overtime
22 wages owed as a result of its failure to incorporate "President's Bonus" payments, shift
23 differentials, gift cards, and other payments into employees' "regular rate" of pay for purposes of
24 calculating overtime wages. Based on Plaintiffs' expert's analysis and extrapolation of the payroll
25 data, Plaintiffs calculate the total overtime underpayment as a result of Meggitt's regular rate
26 miscalculations to be approximately \$155,797. Meggitt argues that it properly included all forms
27 of remuneration when calculating the regular rate of pay, and therefore, paid all overtime wages
28 to Settlement Class members. Meggitt contends the vast majority of additional payments at issue

are discretionary bonuses and/or discretionary end-of-year gifts and thus need not be included in the regular rate. Meggitt further argues that Settlement Class members received different types of bonuses and incentive payments throughout the Class Period, creating substantive differences among the Settlement Class members with respect to the incentives received, making class certification unlikely. In light of these defenses, Plaintiffs discounted the maximum exposure by 25% for the risk of non-certification, and an additional 40% for risk of losing on the merits, and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of approximately \$70,109.

24. Plaintiffs allege that following the outbreak of COVID-19, Meggitt implemented a policy of requiring its employees to undergo off-the-clock temperature checks and/or completing symptom questionnaires. Plaintiffs allege that time spent undergoing temperature checks and/or completing symptom questionnaires constitutes “hours worked,” and must be compensated. Using a conservative estimate of 5 minutes per shift, Plaintiffs contend that Meggitt’s failure to pay for time spent undergoing temperature checks resulted in approximately 8,929 hours (approximately 107,153 shifts from April 2020 to June 2021 * 5 min / 60) of unpaid overtime wages, resulting in a maximum exposure of approximately \$315,015 (8,929 hours * \$35.28 avg. overtime rate). In response, Meggitt maintains it accurately recorded all time worked by its non-exempt employees and has properly paid all wages owed for all hours worked. Meggitt argues that temperature checks occurred near the time clocks and entrances and resulted in little, if any, off-the-clock time. Meggitt also points out that mandatory temperature checks ended in June 2021, thereby cutting off liability for this claim. Further, Meggitt asserts individualized inquiries would be required into whether any employee underwent a COVID-19 related temperature check while off-the-clock on any given day, making class certification unlikely. This is especially true as any off-the-clock time was not recorded. In light of these defenses, Plaintiffs discounted the maximum exposure by 55% for the risk of non-certification, and an additional 60% for risk of losing on the merits, and/or not receiving the maximum amount sought, to arrive at an estimated exposure of approximately \$56,703.

25. Plaintiffs allege that Meggitt required Settlement Class members to use their

1 personal cellular phones to communicate with supervisors and other staff. Despite requiring
2 Plaintiffs and Settlement Class members to incur these expenses on a daily basis, Plaintiffs allege
3 that Meggitt failed to reimburse Settlement Class members for these necessary business expenses,
4 in violation of Labor Code § 2802(a). Based on the analysis and extrapolation of Meggitt's
5 records, Plaintiffs estimate that Settlement Class members have worked a total of approximately
6 25,794 aggregate months during the Class Period. Using a conservative estimate of \$20 per month
7 reimbursement for personal cellular phone use, Plaintiffs calculate Meggitt's maximum exposure
8 for this claim at approximately \$515,880 (\$20 per month * 25,794 months). Meggitt maintains
9 that Settlement Class members were not required to use their personal cellular phones as part of
10 their job. Meggitt further argues that any expenses incurred by Settlement Class members were
11 extremely minimal, given the wide availability of low-cost cellular phone plans. Meggitt further
12 contends that this claim would require individual inquiries into whether Settlement Class
13 members actually used their personal cellular phones for work purposes, how much expense they
14 incurred, whether they submitted a request for reimbursement, and the reasonableness of that
15 expense, thus precluding class certification. Based on these defenses, Plaintiffs discounted the
16 estimated maximum amount by 60% for risk of non-certification, and by an additional 65% to
17 account for risk of losing on the merits or failure to recover the maximal amount sought, to arrive
18 at an estimated exposure of approximately \$72,223.

19 26. Plaintiffs allege that as a result of the unpaid minimum and overtime wages, as
20 well as the unpaid meal and rest period premium wages described above, Meggitt is liable for
21 wage statement penalties. Those penalties are calculated as \$50 for each "initial" violation and
22 \$100 for each "subsequent" violation, with a maximum of \$4,000 per employee. *See* Labor Code
23 § 226(e). In calculating potential exposure for this claim, utilizing the "initial" and "subsequent"
24 violation rates resulted in a number greater than the \$4,000 cap per employee. Plaintiffs, therefore,
25 calculated potential wage statement exposure at approximately \$1,768,000 (442 employees *
26 \$4,000 max. penalty). However, Meggitt argues that any alleged wage statement violations were
27 not "knowing and intentional," and Plaintiffs cannot show that they or other employees
28 "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code §

226(e) for the imposition of penalties. Moreover, because Plaintiffs' wage statement claim is derivative of Plaintiffs' underlying wage claims, Plaintiffs would need to overcome Meggitt's defenses, both as to class certification and on the merits, as to their underlying claims. Further, Meggitt contends its wage statements always accurately reflected hours worked and amounts paid as well as all other required information, precluding liability for wage statement penalties. Accordingly, Plaintiffs discounted the maximum exposure by 55% for risk of non-certification, and by an additional 60% for risk of being unsuccessful on the merits, for an estimated realistic exposure of approximately \$318,240.

27. Plaintiffs allege that as a further result of its failure to pay all wages earned, as well as its failure to pay all meal and rest period premiums, Meggitt is liable for waiting time penalties pursuant to Labor Code §§ 201-203. Meggitt's records reflected approximately 190 former Settlement Class members separated from their employment during the relevant time period and are therefore eligible for waiting time penalties. Based on an hourly rate of \$23.52, Plaintiffs estimated the average waiting time penalty per former employee to be \$5,645 ($\$23.52 \times 8 \text{ hours per day} \times 30 \text{ days}$). Therefore, Plaintiffs calculated Meggitt's maximum exposure for potential waiting time penalties to be approximately \$1,072,550 ($190 \text{ separated employees} \times \$5,645 \text{ average waiting time penalty}$). Meggitt argues that it possesses strong, good-faith defenses to Plaintiffs' underlying claims, thus precluding recovery of waiting time penalties, which are only available for the "willful" failure to pay wages. Meggitt further asserts that Plaintiffs' waiting time penalty exposure was grossly inflated as not every former employee experienced the alleged Labor Code violations. Moreover, because the waiting time claim is derivative of Plaintiffs' underlying wage claims, Plaintiffs would need to overcome Meggitt's defenses, both as to class certification and on the merits, as to their underlying claims. To account for these defenses, Plaintiffs discounted the maximum exposure by 50% for the risk of non-certification, and an additional 55% for risk of losing on the merits, and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of approximately \$241,324.

28. As a result of the foregoing Labor Code violations, Plaintiffs allege that Meggitt is liable for civil penalties under the PAGA. Plaintiffs estimated a maximum total PAGA exposure

1 at approximately \$2,857,600 (28,576 violations * \$100 “initial” penalty). Since Plaintiffs’ PAGA
2 claim is derivative of Plaintiffs’ underlying wage claims, Meggitt asserts the PAGA claim would
3 fail with those claims. Meggitt further maintains that, given its good-faith defenses, this Court
4 would exercise its discretion to substantially reduce any PAGA penalties if it were to find Meggitt
5 liable for any of Plaintiffs’ claims. Therefore, Plaintiffs discounted the maximum figure by 65%
6 for risk of losing on the merits and/or not recovering a PAGA penalty for each and every pay
7 period, and an additional 65% to account for the possibility of this Court reducing penalties, to
8 arrive at an estimated exposure of approximately \$350,056.

9 29. Meggitt contends that approximately 269 Settlement Class members signed
10 arbitration agreements with class action waivers. Therefore, in addition to Meggitt’s defenses as
11 to class certification and on the merits of Plaintiffs’ claims, Meggitt maintains the existence of
12 arbitration agreements for a significant portion of the Settlement Class would further limit
13 Plaintiffs’ classwide recovery.

14 30. Using these estimated figures for each of the claims described above, Plaintiffs
15 predicted that the potential recovery for the Settlement Class would be approximately \$5,518,661.
16 The proposed Settlement of \$5,000,000.00 therefore represents approximately 90.6% of the
17 reasonably forecasted recovery for the Settlement Class.

18 31. Although the Parties engaged in significant discovery prior to the second
19 mediation, the Parties still had discovery to complete had the matter not settled. This would have
20 required expenditure of substantial time and resources by both Parties that would have very likely
21 spanned several more years. Even if Plaintiffs were to certify the classes, the Parties would incur
22 considerably more attorneys’ fees and costs through a possible decertification motion, trial, and
23 possible appeal. This Settlement avoids those risks and the accompanying expense.

24 32. My office will also apply for an attorneys’ fees award of one-third of the Gross
25 Settlement Amount, which is currently estimated to be \$1,666,666.66, and up to \$80,000.00 in
26 verified costs reimbursement. Plaintiffs submit the requested fee is fair compensation for
27 undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee
28 basis, and in light of the extensive litigation and formal discovery conducted in this Action. Class

1 Counsel has incurred substantial attorneys' fees conducting pre-filing investigation, analyzing
2 Plaintiffs' claims, conducting legal research, propounding to and responding to formal discovery,
3 meeting and conferring regarding discovery, drafting and filing a motion to compel further
4 discovery responses, taking Meggitt's PMK deposition, defending Plaintiff Ochoa's deposition,
5 interviewing Settlement Class members regarding their work experiences with Meggitt, analyzing
6 Settlement Class members' timekeeping and payroll records with the help of a retained expert,
7 creating a comprehensive damages model, preparing for and attending two mediations,
8 negotiating and preparing the long-form Settlement Agreement, preparing this Motion, and
9 otherwise litigating the case. Class Counsel expect to expend additional attorney time in attending
10 the hearing on this Motion, overseeing the Notice process and fielding questions from Settlement
11 Class members, preparing the final approval papers, and attending the Final Approval hearing.

12 33. Plaintiffs will apply for Class Representative Service Awards at the time of
13 seeking final approval of the proposed class action settlement in the amount of \$15,000 for
14 Plaintiff Ochoa and \$7,500 for Plaintiff Caplinger for their service to the Settlement Class. As
15 will be fully briefed at the time of final approval, Plaintiffs' requested Service Awards are
16 intended to recognize the time and effort Plaintiffs expended on behalf of the Settlement Class,
17 including providing substantial factual information and documents to Class Counsel, discussing
18 the claims and theories at issue in the litigation, actively participating in the prosecution of their
19 claims, as well as the significant risks Plaintiffs undertook by agreeing to serve as the named
20 plaintiffs in this case, and the fact that Plaintiffs agreed to a general release of all claims subject
21 to a waiver of Civil Code § 1542.

22 34. I do not have any personal or financial interest, relationship, or involvement with
23 the proposed *cy pres* recipient, Boys & Girls Club of Greater Ventura.

24 I declare under penalty of perjury under the laws of the State of California that the
25 foregoing is true and correct. Executed on December 15, 2023, at El Segundo, California.

26 
27 _____
28 Sean M. Blakely

EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement” or “Settlement Agreement”) is reached by and between Plaintiffs Ivan Ochoa and Gene Caplinger (“Plaintiffs”), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant Meggitt Safety Systems, Inc. (hereinafter “Defendant”), on the other hand. Plaintiffs and Defendant are referred to herein collectively as the “Parties.” Plaintiffs and the Settlement Class are represented by Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC (“Class Counsel”). Defendant is represented by Tao Y. Leung, Michelle Roberts Gonzales, and Ashley L. King of Hogan Lovells US, LLP.

On January 29, 2021, Plaintiff Ochoa filed a class action complaint against Defendant in Los Angeles County Superior Court, in the matter entitled *Ivan Ochoa v. Meggitt Safety Systems, Inc.*, Case No. 21STCV03610. On or about February 1, 2021, Plaintiff submitted a PAGA notice (“PAGA Notice”) to the Labor and Workforce Development Agency (“LWDA”) regarding the claims set forth in Plaintiff Ochoa’s complaint. On April 9, 2021, Plaintiff Ochoa filed a First Amended Class and Representative Action Complaint (“FAC”) to add a cause of action for civil penalties under the Private Attorneys General Act (“PAGA”). On May 28, 2021, pursuant to stipulation by the Parties, this matter was transferred to Ventura County Superior Court and assigned the case number 56-2021-00555117-CU-OE-VTA. On September 19, 2022, Plaintiff Ochoa filed a Second Amended Class and Representative Action Complaint (“SAC”) to add a cause of action for waiting time penalties.

As part of this Settlement and for the purposes of settlement only, the Parties stipulate to the filing of a Third Amended Class and Representative Action Complaint (“TAC”), adding Plaintiff Gene Caplinger as a named Plaintiff and class representative, adding causes of action for minimum wage violations, failure to pay using a compliant instrument, and failure to reimburse for all necessary business expenditures, and adding certain factual allegations. As part of this Settlement and for the purposes of settlement only, Plaintiffs will submit an amended PAGA notice to the Labor Workforce Development Agency (“LWDA”) amending the PAGA Notice to include all allegations set forth in the TAC (“Amended PAGA Notice”). The TAC and the Amended PAGA Notice, and all of the claims alleged therein, shall be referred to as the “Action.”

Plaintiffs and Defendant engaged in extensive formal discovery and an exchange of information, including an agreed-upon representative sampling of time and pay data for review, discovery regarding the claims and allegations in the proposed TAC, completing a *Belaire-West* process, and the taking of the depositions of both Plaintiff Ochoa and Defendant’s Person Most Knowledgeable.

Plaintiffs and Defendant attended two full-day mediations with two separate and well-respected mediators and conducted extensive arm’s length negotiations prior to accepting a mediator’s proposal on July 7, 2023, following the second mediation.

Given the uncertainty of litigation, Plaintiffs and Defendant wish to settle individually and on behalf of the Settlement Class. Accordingly, Plaintiffs and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiffs and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt employees employed by Defendant Meggitt Safety Systems, Inc. in California from August 4, 2016 through the date of preliminary approval of the Settlement (the “Class Period”).

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be void *ab initio* and inadmissible in this or any other proceeding as evidence that either (i) a class action should be certified or (ii) Defendant is liable to Plaintiff or any Settlement Class member. Defendant expressly reserves its rights to oppose class certification should the Settlement not be finally approved by the Court and the Parties agree this Settlement Agreement will have no effect in this matter or in any claims brought on the same or similar allegations, and should this Settlement not be finally approved by the Court, the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Settlement Agreement will not be admissible.

2. **Release by Settlement Class Members and Plaintiffs.** Plaintiffs and every member of the Settlement Class will fully release and discharge Defendant and Parker-Hannifin Corporation, and any of their respective former and present predecessors, successors, affiliates, subsidiaries, parent companies, employees, insurers, agents, consultants, legal representatives, and any other related entities, and each of their past, present and future officers, shareholders, owners, members, directors, partners, agents, managers, lawyers, employees, assigns, insurers, predecessors-in-interest, successors-in-interest, and underwriters (collectively the “Released Parties”), as follows:

- A. Upon the Effective Date and the complete funding of the Gross Settlement Amount, Plaintiffs and every member of the Settlement Class, except those who opt out of the Settlement in accordance with the procedures set forth herein, will release all claims, demands, rights, liabilities, obligations, guarantees, penalties, costs, expenses, attorney’s fees, damages, liquidated damages, actions, and causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, of every nature and description arising during the Class Period arising from, or reasonably related to the allegations that were pled in the operative TAC or could have been asserted in the TAC or Plaintiffs’ Amended PAGA Notice based on the facts, circumstances, and claims asserted therein, and that arose during the Class Period, including without limitation statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, interest, restitution, equitable relief, or any other relief, including but not limited to claims or relief arising under the California wage orders (including but not limited to Wage Orders 4 and 5 of the Industrial Welfare Commission (8 Cal. Code Regs. Sections 11010, et seq.)), the California Labor Code, including but not limited to Labor Code §§ 201, 202, 203, 204, 212, 213, 218.6, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1194, 1197.1, 1198, 1199, 2802 - 2804,

California Business & Professions Code (including but not limited to Business & Professions Code section 17200), California Code of Civil Procedure, claims for failure to pay all overtime wages, failure to provide meal periods as required by law, failure to provide rest periods as required by law, failure to provide accurate, itemized wage statements, all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the Action, failure to timely pay all wages due during employment or upon separation of employment, failure to pay all minimum wages; failure to pay using a compliant instrument, and failure to reimburse for all necessary business expenditures (the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.

- B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether they opt out) who worked for Defendant at any time from February 1, 2020 through the date of preliminary approval of the Settlement (the “PAGA Period”) shall, for the purposes of this Settlement, be deemed “Aggrieved Employees” pursuant to PAGA and shall release the Released Parties from all claims for civil penalties under PAGA arising during the PAGA Period alleged in, or which could have been asserted based on the facts, circumstances, and claims asserted in, the Amended PAGA Notice (“the PAGA Released Claims”).
- C. **Release by Plaintiffs.** As a condition of receiving the Class Representative Service Awards, and upon Defendant’s complete funding of the Gross Settlement Amount, Plaintiffs have agreed to release, individually and in addition to the Class Released Claims and PAGA Released Claims described above, all claims, whether known or unknown, without exception, against the Released Parties. Notwithstanding the foregoing, Plaintiffs understand that this release includes unknown claims and that Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Specifically excluded from Plaintiffs’ Released Claims are any claims that cannot be released as a matter of law, such as claims for workers’ compensation benefits or unemployment benefits.

3. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary “Gross Settlement Amount” of Five Million Dollars and Zero Cents (\$5,000,000.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement.

- B. The Gross Settlement Amount shall be deposited with the Settlement Administrator within forty-five (45) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of (1) date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) solely in the event that there are any objections to the Settlement Agreement, the later of: (i) the expiration of the time for filing or noticing any appeals has lapsed or (ii) the successful resolution of any appeal(s) – including expiration of any time to seek reconsideration or further review). Defendant may elect to deposit the Employer’s Payroll Taxes with the Settlement Administrator for distribution to the relevant tax authorities. For purposes of clarity, the Effective Date cannot occur, and Defendant will not be obligated to fund this Settlement or pay any portion of the Gross Settlement Amount, until and unless there is no possibility of an appeal or further proceeding that could potentially prevent this Settlement from becoming effective, final and binding.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
- (1) All payments (including interest) to the Settlement Class;
 - (2) All costs approved by the Court that are payable to the Settlement Administrator for the costs of administering this Settlement in accordance with the Settlement Agreement, which are anticipated to be no greater than Twelve Thousand Dollars and Zero Cents (\$12,000.00);
 - (3) The amount approved by the Court, up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) to Plaintiff Ochoa and up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff Caplinger, for a total of Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), for Plaintiffs’ Class Representative Service Awards, in recognition of their contributions to the Action and their service to the Settlement Class. Even in the event that the Court reduces or does not approve the requested Class Representative Service Awards, Plaintiffs shall not have the right to revoke this Settlement Agreement, and it will remain binding;
 - (4) The amount approved by the Court, up to one-third of the Gross Settlement Amount, for Class Counsel’s attorneys’ fees (“Class Counsel Fees”).
 - (5) The amount approved by the Court for actual costs and expenses incurred by Class Counsel related to the Action, as supported by declaration, which are currently estimated to be no greater than Eighty Thousand Dollars and Zero Cents (\$80,000.00) (“Class Counsel Costs”). In the event that the Court reduces or does not approve the requested Class Counsel Fees or Class Counsel Costs, neither Plaintiffs nor Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and

- (6) Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties (“PAGA Amount”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Two Hundred Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00) will be payable to the Labor & Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%), or Seventy-Five Thousand Dollars and Zero Cents (\$75,000.00), will be payable to certain Settlement Class members, as the “Individual PAGA Amount,” as described below.
- (7) Any difference between these requested amounts and the amounts approved by the Court will revert to the Net Settlement Amount for the benefit of the Settlement Class members who do not opt out.

D. **Escalator Clause.** The Gross Settlement Amount is based on Defendant’s representations that there were approximately 103,890 workweeks from the start of the Class Period through May 31, 2023. If, at the time of preliminary approval, the number of workweeks in the total Class Period has increased by 10% or more (i.e., if there are 114,279 or more workweeks by the time of preliminary approval), then the Defendant, at its sole discretion, shall have the option to either (1) increase proportionally the Gross Settlement Amount by the percentage of workweeks over 110% of 103,890 workweeks (e.g., if there was 18% increase in the number of estimated workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 8%) or (2) shorten the Class Period such that the Class Period shall only encompass the period from August 4, 2016 through May 31, 2023. Defendant shall notify the Settlement Administrator of which option it elects to choose within 21 business days of being informed of the number of workweeks from the Settlement Administrator.

E. Defendant’s share of employer payroll taxes, which means the employer’s share of California Unemployment Insurance tax, California Employment Training Tax, the federal Old Age, Survivors, and Disability Insurance tax, the federal Medicare hospital insurance tax, and the Federal Unemployment Tax Act tax owed by Defendant on the wage portion of each Individual Settlement Award, (“Employer’s Payroll Taxes”), shall be paid by Defendant separately from, and in addition to, the Gross Settlement Amount. For clarity, the Gross Settlement Amount shall include the employee’s share of payroll taxes, but not the Employer’s Payroll Taxes. In no event will Defendant be liable for more than the Gross Settlement Amount except as explicitly set forth herein.

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment (“Individual Settlement Award”) from the Settlement. Individual Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel Fees, Class Counsel Costs, Plaintiffs’ Class Representative Service Awards, the Settlement Administrator’s

fees and expenses for administration, and the PAGA Amount. The remaining amount shall be known as the “Net Settlement Amount.”

- B. From the PAGA Amount, the Settlement Administrator will calculate the Individual PAGA Amount as follows: Each Settlement Class member who was employed by Defendant at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement), shall receive a portion of the Individual PAGA Amount proportionate to the number of workweeks worked during the PAGA Period, and which will be calculated by multiplying the Individual PAGA Amount by a fraction, the numerator of which is the Settlement Class member’s gross number of workweeks worked during the PAGA Period, and the denominator of which is the total number of workweeks worked by all Settlement Class members (including those who submit a valid and timely Request for Exclusion from the class action settlement) during the PAGA Period.
- C. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member’s Individual Settlement Award based on the following formula:
 - i. Payments to all participating Settlement Class members: Ninety percent (90%) of the Net Settlement Amount will be distributed to all participating Settlement Class members based on each participating Settlement Class member’s proportionate workweeks worked during the Class Period, and will be calculated by multiplying 90% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member’s number of workweeks worked during the Class Period, and the denominator of which is the total workweeks worked by all participating Settlement Class members during the Class Period.
 - ii. Waiting Time Amount: Five Percent (5%) of the Net Settlement Amount shall be designated as the “Waiting Time Amount.” Each participating Settlement Class member whose employment with Defendant ended at any time from August 4, 2017 through the date of preliminary approval of the Settlement, shall receive an equal, pro-rata share of the Waiting Time Amount. In other words, the Waiting Time Amount will be divided equally among all participating Settlement Class members whose employment with Defendant ended at any time from August 4, 2017 through the date of preliminary approval of the Settlement.
 - iii. Wage Statement Amount: Five percent (5%) of the Net Settlement Amount shall be designated as the “Wage Statement Amount.” Each participating Settlement Class member who was employed by Defendant at any time from August 4, 2019 through the date of preliminary approval of the Settlement shall receive a portion of the Wage Statement Amount proportionate to the number of workweeks that he or she worked during the period from August 4, 2019 through the date of preliminary approval of the

Settlement, and which will be calculated by multiplying 5% of the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked from August 4, 2019 through the date of preliminary approval of the Settlement, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during the time period from August 4, 2019 through the date of preliminary approval of the Settlement.

- iv. In no event shall the total Individual Settlement Awards to Settlement Class members exceed the total of the Net Settlement Amount and the Individual PAGA Amount. In the event any Settlement Class member's workweek data is not available, that Settlement Class member's workweeks shall be calculated using some other reasonable basis determined by Defendant.

D. Within seven (7) calendar days following the Effective Date, the Settlement Administrator will calculate Individual Settlement Award amounts and the Employer's Payroll Taxes, and provide the same to the Parties' counsel for review and approval. Within seven (7) calendar days following Defendant's deposit of the Gross Settlement Amount, the Settlement Administrator will use the Gross Settlement Amount and: (1) prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members; (2) pay the Class Representatives' Service Awards, Class Counsel Fees, Class Counsel Costs, PAGA Amount, Settlement Administrator Costs; and (3) withhold and remit the employees' share of taxes on the Individual Settlement Amounts to the applicable taxing authorities. The Gross Settlement Amount is an "all in" maximum amount that shall cover any and all payments and disbursements associated with the Settlement, and Defendant may not be called upon or required to contribute additional monies above the Gross Settlement Amount and the Employer's Payroll Taxes under any circumstances whatsoever. Except as provided in this Settlement Agreement, each Party and Class Member shall bear its, his or her own attorneys' fees and costs. The Settlement Administrator shall simultaneously pay the withholdings, and, if applicable, the Employer's Payroll Taxes, to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel.

E. For purposes of calculating applicable taxes and withholdings, each Settlement Award shall be allocated as follows: Any payment from the Net Settlement Amount shall be allocated as eighty-five percent (85%) as penalties and interest; and fifteen percent (15%) allocated as wages. Any payment from the PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts allocated as "wages" and shall make appropriate tax withholdings from the portion allocated to wages. The portion of each Individual Settlement Award allocated to wages shall be subject to all required payroll taxes and deductions, as well as other required deductions for garnishments, tax liens, or child support. The employee's share of payroll taxes and withholdings shall be deducted by the Settlement Administrator from each participating Settlement Class member's Individual

Settlement Award. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members IRS Forms 1099 for amounts allocated as penalties and interest. The Settlement Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans. Plaintiffs, Class Counsel, and Settlement Class members shall be solely responsible for all taxes associated with the Individual Settlement Awards, PAGA Amount, Class Counsel Fees, Class Counsel Costs, and Class Representative Service Awards and will hold the Parties free and harmless from and against any claims resulting from treatment of such payments as non-taxable damages, including the treatment of such payment as not subject to withholding or deduction for payroll and employment taxes. Moreover, this Settlement Agreement is based upon a good faith determination of the Parties to resolve a disputed claim. The Parties have not shifted responsibility of medical treatment to Medicare in contravention of 42 U.S.C. Sec. 1395y(b), especially since this is strictly a wage and hour case. The Parties resolved this matter in compliance with both state and federal law. The Parties made every effort to adequately protect Medicare's interest and incorporate such into the settlement terms. Plaintiffs warrant that they are not a Medicare beneficiary as of the date of this Settlement Agreement. Because neither of the Plaintiffs are a Medicare recipient as of the date of this Settlement Agreement, no conditional payments have been made by Medicare.

- F. Circular 230 Disclaimer. Each Party to this Settlement Agreement (for purposes of this section, the “acknowledging party” and each Party to this Settlement Agreement other than the acknowledging party, an “other party”) acknowledges and agrees that (1) no provision of this Settlement Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her, or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Settlement Agreement, (b) has not entered into this Settlement Agreement based upon the recommendation of any other party or any attorney or advisor to any other party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or adviser to any other party to avoid any tax penalty that may be imposed on the acknowledging party; and (3) no attorney or adviser to any other party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Settlement Agreement.

- G. Amounts paid to Plaintiffs or other Settlement Class Members pursuant to this Settlement Agreement shall be deemed not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g., vacations, holiday pay, retirement plans, stock purchase plans, sick leave plans, or any other benefit plan (“Benefit Plan”)) of Plaintiff or Settlement Class members. Rather, it is the Parties’ intention that this Settlement Agreement will not affect, increase, or decrease any rights, contributions, or amounts to which any Class Members may be entitled under any Benefit Plan independently of the Settlement. All amounts paid to Settlement Class members pursuant to the Settlement shall be deemed to be paid to such Plaintiff or Settlement Class member solely in the year in which such payments are sent to the Settlement Class members. It is expressly understood and agreed that the receipt of Individual Settlement Awards or any other amounts under this Settlement will not entitle any Class Member to additional compensation or benefits under any Benefit Plan, nor will it entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Settlement that the Individual Settlement Awards provided for in this Settlement are the sole payments to be made by Defendant to the Participating Settlement Class Members (other than the Class Representative Service Awards made to Plaintiffs), and that the Participating Settlement Class Members are not entitled to any new or additional compensation or benefits as a result of having received the individual settlement awards (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the period covered by this Settlement).
- H. Each member of the Settlement Class who receives a Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be placed in a *cy pres* fund and shall be paid in the form of a donation to the Boys & Girls Club of Greater Ventura. The Parties agree that this disposition results in no “unpaid residue” under California Code of Civil Procedure section 384. Therefore, Defendant will not be required to pay any interest on said amount.
- I. Neither Plaintiffs nor Defendant shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys’ Fees and Costs.** Defendant will not object to Class Counsel’s request for a total award of attorneys’ fees not to exceed one-third of the Gross Settlement Amount, which is currently estimated to be One Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$1,666,666.66). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Eighty Thousand Dollars and Zero Cents (\$80,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all

work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the Class Counsel Fees.

6. **Class Representative Service Awards.** Defendant will not object to a request for Class Representative Service Awards of up to Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for Plaintiff Ochoa and Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff Caplinger, for a total of Twenty-Two Thousand Five Hundred Dollars and Zero Cents (\$22,500.00), for their time and risk in prosecuting this case, and their service to the Settlement Class. These awards will be in addition to Plaintiffs' respective Individual Settlement Awards as Settlement Class members and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. In the event that the Court reduces or does not approve the requested Class Representative Service Awards, Plaintiffs shall not have the right to revoke this Settlement, and it will remain binding.

7. **Settlement Administrator.** Defendant will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiffs' request to the Court to pay up to Twelve Thousand Dollars and Zero Cents (\$12,000.00) for its services from the Gross Settlement Amount ("Settlement Administration Fees"). The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Awards and preparing all checks and mailings, calculating the Employer's Payroll Taxes payable on the wage portion of the Individual Settlement Awards, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself the Settlement Administration Fees from the Gross Settlement Amount only after Individual Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also be responsible for posting the Final Judgment to its website.

8. **Preliminary Approval.** Within 30 days after execution of this Settlement Agreement by the Parties, Plaintiffs shall, by way of regularly noticed motion pursuant to California Rule of Court ("CRC") 3.769(c), apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiffs Ivan Ochoa and Gene Caplinger as Class Representatives for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate, subject to the Court approving the amount of the Class Counsel Fees, Class Counsel Costs, Class Representative Service Awards, and Settlement Administration Costs;

- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Award, drafts of which are attached hereto as **Exhibits A** and **B**, respectively), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

The motion for preliminary approval will attach as exhibits: (i) the Settlement Agreement, and (ii) the Notice Packet; and (iii) proof of submission of the proposed Settlement and the Amended PAGA Notice to the LWDA. The motion for preliminary approval will be supported by admissible evidence, in the form of declarations of Class Counsel, that address the potential value of each claim being settled, and the value of other forms of relief, all as sufficient to satisfy the standard set forth in *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116 (2008). Class Counsel will be responsible for drafting all documents, pleadings and declarations necessary to obtain preliminary approval, including a Proposed Order Granting Preliminary Approval that includes the requisite “recital,” “finding,” and “order” language and adequate information to provide clear instructions to the Settlement Administrator, and that attaches the Notice Packet.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within thirty (30) days after entry of an order preliminarily approving this Settlement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, the dates of employment, and the number of workweeks worked by each Settlement Class member for Defendant during the Class Period (the “Class Data”). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and postmark or fax a Request for Exclusion (defined below) to the Settlement Administrator within forty-five (45) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the

name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed, or faxed, to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member's telephone number and/or last four digits of the Social Security number will be deemed valid. If a Settlement Class member's Request for Exclusion is defective as to the requirements listed herein, that Settlement Class member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Settlement Class member a cure letter within three (3) business days of receiving the defective submission to advise the Settlement Class member that his, her, or their submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Settlement Class member will have until the later of (a) the Response Deadline or (b) fourteen (14) calendar days from the date of the cure letter, whichever date is later, to postmark or fax a revised Request for Exclusion. If the revised Request for Exclusion is not postmarked or received by fax within that period, it will be deemed untimely. If a Settlement Class member responds to a cure letter by filing a defective Request for Exclusion, then the Settlement Administrator will have no further obligation to give notice of a need to cure and the Request for Exclusion will be deemed not valid. Settlement Class members who fail to submit a valid and timely Request for Exclusion shall be deemed a participating Settlement Class member whose rights, claims, and obligations are determined, and who is bound, by all terms of the Settlement, including those pertaining to the Released Claims, and any Final Judgment entered in this Lawsuit if the Settlement is approved by the Court. The date of the postmark or fax on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who submits a valid Request for Exclusion will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Settlement Class members who were employed by Defendant at any time during the PAGA Period, whether or not they exclude themselves from the class action settlement. For the sake of clarity, Settlement Class members who were employed by Defendant at any time during the PAGA Period shall be entitled to their portion of the PAGA Amount described above, and will release all PAGA Released Claims, whether they submit a valid and timely Request for Exclusion or not.

- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator (who shall serve all objections

as received on Class Counsel and Defendant's counsel, as well as file all such objections with the Court) on or before the Response Deadline, or appear in person at the Final Approval Hearing to object in person. With respect to any written objections filed by the Response Deadline, Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval. To be valid, any written objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than the Response Deadline. Any attorney who will represent an individual objecting to this Settlement who has not filed a written objection must file a notice of appearance with the Court and serve Class Counsel and counsel for Defendant no later than the Response Period Deadline. Class Counsel shall not represent any Settlement Class members with respect to any such objections. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing. Members of the Settlement class who request exclusion *may not* object to the Settlement. If a Settlement Class member timely submits both an objection and a Request for Exclusion, or if a Settlement Class member submits a Request for Exclusion and attempts to appear in person at the Final Approval Hearing to object, the Request for Exclusion will be given effect and considered valid, the objection shall be rejected and/or the right to object in person shall be waived, and the Settlement Class member shall not participate in or be bound by the Settlement.

- E. No Solicitation of Settlement Objections or Exclusions. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class members to submit either written objections to the Settlement or Requests for Exclusion from the Settlement, or to appeal from the Court's Final Judgment.
- F. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Award as well as all of the information that was used from Defendant's records in order to calculate the Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall make an initial determination regarding the eligibility for, and the amounts of, any Individual Settlement Awards under the terms of this Settlement Agreement. Any disputes not resolved by the Settlement Administrator concerning the administration of the Settlement will be resolved by the Court, under

the laws of the State of California. Prior to any such involvement of the Court, counsel for the Parties will confer in good faith to resolve the disputes without the necessity of involving the Court. The Settlement Administrator's determination of the eligibility for and amount of any Individual Settlement Award shall be subject to review by the Court as needed. The Court's determination will be binding upon the Settlement Class members and the Parties. In the absence of circumstances indicating fraud, manipulation or destruction, Defendant's records will be given a rebuttable presumption of accuracy.

- G. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall promptly make one attempt to determine a correct address by use of a "skip trace," or other search using the name, address, and/or social security number of the Settlement Class member, to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.

10. **Reports Regarding Settlement Administration.** The Settlement Administrator will provide Defense Counsel and Class Counsel a weekly report which certifies: (a) the number of Notice Packets mailed to Class Members returned as undeliverable; (b) the number of returned Notice Packets re-mailed to Class Members; (c) the number of Settlement Class member who have submitted valid Requests for Exclusion; and (d) whether any Settlement Class member has submitted a challenge to any information contained in their Notice Packet. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested. No later than ten (10) calendar days prior to the final approval hearing, the Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration attesting to completion of the notice process, including due diligence, proof of mailing, and any attempts to obtain valid mailing addresses for, and the resending of, any returned Notices of Class Action Settlement. This declaration shall be filed with the Court by Class Counsel. Upon completion of the procedures described in the preceding paragraphs, the Parties shall be deemed to have satisfied their obligation to provide notice to the Class Members. Nothing else shall be required of, or done by, the Parties,

Class Counsel, Defense Counsel, or the Settlement Administrator to provide notice of the Settlement and the final approval hearing.

11. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, the Parties will present a Final Approval Order and Judgment to the Court for its approval, pursuant to Rule 3.770 of the California Rules of Court:

- A. Granting final approval of the Settlement and adjudging its terms to be fair, adequate, and reasonable;
- B. Approving Plaintiffs' and Class Counsel's request for attorneys' fees and reimbursement of costs, Class Representative Service Awards, and settlement administration costs; and
- C. Entering Final Judgment pursuant to California Rule of Court 3.769. Said Judgment shall be posted on the Settlement Administrator's website.

After entry of the Final Approval Order and Judgment, pursuant to CRC 3.769(h), the Court will have continuing jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement. If the Settlement is approved by the Court and not otherwise terminated, the Court will enter a judgment resolving the Action, and bar and permanently enjoin Plaintiff and all Participating Settlement Class Members from participating in any other representative, collective or class action lawsuit against the Released Parties, or any of them, concerning the PAGA Released Claims and Class Released Claims.

12. **Nullification of Settlement by Defendant.** In the event: (i) the Court denies final approval of the Settlement; (ii) the Court refuses to enter a Final Judgment as provided herein; or (iii) the Settlement does not become final for any other reason, this Settlement Agreement shall be null and void and any order or judgement entered by the Court in furtherance of this Settlement shall be treated as void from the beginning and any costs incurred by the Settlement Administrator will be paid equally by the Parties (half by Defendant and half by Class Counsel.) Defendant will have, in its sole discretion, the right to nullify and void the Settlement and this Settlement Agreement if, at any time prior to Final Approval, ten percent (10%) or more of the Class Members submit Requests for Exclusion. Defendant must exercise this right of rescission, in writing to Class Counsel, within thirty (30) calendar days after the Response Deadline. If the option to nullify is exercised, Defendant shall pay the Class Administration Costs incurred through the date of nullification.

13. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Defendant expressly denies having violated any federal, state, or local law, and specifically denies the allegations in the TAC. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any

proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur or the Settlement does not become effective for any other reason, the Parties agree that this Settlement Agreement is void and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void *ab initio*, but that the Settlement Agreement will remain protected by California Evidence Code Section 1152.

14. **Confidentiality.** The Class Representatives and Class Counsel will not make any public disclosure of the Settlement, except as necessary to obtain an estimate from the Class Administrator, seek Preliminary and Final Approval, notify class members of the terms of the Settlement, and/or defend the Settlement against collateral attack. The Class Representatives and Class Counsel will not hold any press conferences, issue any press releases, initiate contact with the media or disclose the terms via social media. Other than truthful statements made in connection with any filings necessary to effectuate the Settlement, at no time shall Class Representatives or Class Counsel defame or disparage Defendant or its employment practices, or otherwise characterize the Action or Settlement in a manner that defames or disparages Defendant or its employment practices. Class Counsel will not include or use the Settlement for any marketing or promotional purposes. Class Counsel shall not initiate any contact or other communications with Class Members other than the Court-approved Class Notice but may respond to inquiries received with Class Members.

15. **Destruction of Confidential Documents.** Plaintiffs and Class Counsel shall, pursuant to the stipulated protective order entered into by the Parties, return or destroy all confidential documents and information and other confidential materials obtained in discovery or otherwise in the Action within sixty (60) days of the Effective Date, and to provide a certification of such destruction or return to Defendant. Neither Class Counsel nor Plaintiffs shall use, disseminate, or distribute any confidential information obtained or developed in connection with the Action for any purpose whatsoever, except to defend the validity of the Settlement. Class Counsel shall not include, and shall affirmatively remove, any reference to any of the foregoing subjects in any advertising, mass mailing, website, or other communications, but may refer to the Settlement in adequacy of counsel declarations.

16. **Authorization to Enter into Settlement Agreement.** Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. The persons signing this Agreement on behalf of Defendant represent and warrant that they are authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and warrants that he is authorized to sign this Agreement and that he has not assigned any claim, or part of a claim, covered by this Settlement to a third-party. Further, Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement Agreement.

17. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision. This Settlement Agreement will be binding upon and inure to the benefit of the successors or assigns of the Parties hereto.

18. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendant:	Tao Y. Leung of Hogan Lovells US LLP, 1999 Avenue of the Stars, Suite 1400, Los Angeles, CA 90067; tao.leung@hoganlovells.com (“Defense Counsel”)
if to Plaintiffs:	Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com .

19. **Cooperation.** Counsel for all Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement. Plaintiffs further agree to participate in, and Class Counsel agree to join Defendant in, defending the Settlement and its approval from any collateral attack in the three-year period after Final Approval by providing a declaration or declarations in support of the Settlement. The Parties and their counsel shall, to the extent necessary, enter into a common interest agreement for the purpose of sharing information necessary to the defense of the Settlement.

20. **Interim Stay of Proceedings.** Upon full execution of this Agreement, the Parties agree that based upon Code of Civil Procedure §583.310 (“the 5-year rule”), the Lawsuit shall be stayed in its entirety except for the proceedings necessary to implement and complete the Settlement.

21. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the Lawsuit contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

22. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible

consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

23. **Acknowledgment that Settlement Is Fair and Reasonable.** The Parties believe this Settlement Agreement is fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Agreement. The Parties have had a full opportunity to negotiate the terms and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against one party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed to the preparation of this Agreement.

24. **Exhibits and Headings.** The terms of this Agreement include the terms set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth herein. Any Exhibits to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

25. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

26. **Enforcement Action.** Consistent with the class action procedure, the Parties agree that the Ventura County Superior Court shall have jurisdiction to enforce this Settlement pursuant to California Code of Civil Procedure section 664.6, and California Rule of Court 3.769. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily execute this Settlement Agreement as of the date(s) set forth below.

DATED: _____, 2023

DEFENDANT MEGGITT SAFETY SYSTEMS,
INC.

By: _____
Title:

DATED: _____, 2023

PLAINTIFF IVAN OCHOA

By: _____
Plaintiff and Settlement Class Representative

DATED: _____, 2023

PLAINTIFF GENE CAPLINGER

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: _____, 2023

HOGAN LOVELLS US LLP

By: _____
Tao Y. Leung
Michelle Roberts Gonzales
Attorneys for Defendant

DATED: _____, 2023

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF VENTURA

IVAN OCHOA, as an individual and on behalf of all
others similarly situated,

Plaintiff,

vs.

MEGGITT SAFETY SYSTEMS, INC., a California
corporation; and DOES 1 through 100,

Defendants.

Case No. 56-2021-00555117-CU-OE-VTA

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT**

To: All current and former non-exempt employees employed by Defendant Meggitt Safety Systems, Inc. in California from August 4, 2016 through <<PRELIM APPROVAL DATE>>. Collectively, these employees will be referred to as “Settlement Class Members.”

PLEASE READ CAREFULLY

**THIS NOTICE IS BEING PROVIDED TO YOU IN BOTH ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this Notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) in the matter of *Ivan Ochoa, et al. v. Meggitt Safety Systems, Inc.*, Ventura County Superior Court Case No. 56-2021-00555117-CU-OE-VTA (the “Lawsuit”). Your rights may be affected by the Settlement, and it is important that you read this Notice carefully.

You may be entitled to money from this Settlement. Defendant Meggitt Safety Systems, Inc. (“Defendant”) records show that you were employed by Defendant as a non-exempt employee in California between August 4, 2016 and <<PRELIM APPROVAL DATE>> (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this Notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound to the terms of the Settlement and any final judgment.

What is this case about?

On January 29, 2021, Plaintiff Ivan Ochoa filed a Complaint on a class and representative action basis on behalf of all current and former non-exempt employees of Defendant who worked in California during the Class Period. The operative Third Amended Class and Representative Action Complaint and the Amended PAGA Notice allege the following causes of action: (1) failure to pay all overtime wages; (2) meal period violations; (3) rest period violations; (4) wage statement violations; (5) unfair competition; (6) civil penalties under the Private Attorneys General Act (“PAGA”); (7) waiting time penalties; (8) minimum wage violations; (9) failure to issue payment with compliant instrument; and (10) failure to reimburse employees for necessary business expenditures. Plaintiffs Ivan Ochoa and Gene Caplinger (“Plaintiffs”) are known as the “Class Representatives,” and their attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

Defendant denies all of these allegations and contend that Plaintiffs’ claims lack merit. Defendant contends that it has: (1) properly paid all current and former employees for all time worked, including minimum wages and overtime; (2) provided employees with proper and legally-compliant meal periods and rest breaks; (3) timely paid all wages

owed to employees during each pay period and upon termination of employment; (4) provided employees with accurate and legally-compliant wage statements; (5) properly paid all wages with compliant instruments; and (6) reimbursed employees for all properly incurred business expenses.

The Court has not ruled on the merits of Plaintiffs' claims. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, by whom all liability is expressly denied. However, to avoid the additional expense, inconvenience, and risks inherent with continued litigation, the parties have concluded that it is in its best interests for all parties to settle the Lawsuit on the terms summarized in this Notice. The Settlement was reached after an exchange of information and documents, two mediation sessions, and arms-length negotiations between the parties.

The Class Representatives and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendant, the risk of denial of class certification, the inherent risk of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by Defendant, your decision about whether to participate in the Settlement will not affect your employment with Defendant. California law and Defendant's policies strictly prohibit unlawful retaliation. Defendant will not take any adverse employment action against or otherwise retaliate or discriminate against any Settlement Class member because of his/her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiffs/Settlement Class: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh (SBN 320904) amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com	Attorneys for Defendant: HOGAN LOVELLS US, LLP Tao Y. Leung tao.leung@hoganlovells.com Michelle Roberts Gonzales michelle.roberts@hoganlovells.com 1999 Avenue of the Stars, Suite 1400 Los Angeles, CA 90067-6047 Tel: (310) 785-4600 Fax: (310) 785-4601
Depending on what action you take in connection with the Settlement, you may need to contact or submit documents to the Settlement Administrator. You can do this as follows: PHOENIX SETTLEMENT ADMINISTRATORS P.O. Box 7208 Orange, CA 92863 [EMAIL ADDRESS] Telephone: (800) 523-5773 Fax: (949) 209-2503 www.phoenixclassaction.com	

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former non-exempt employees employed by Defendant in California from August 4, 2016 until <<PRELIM APPROVAL DATE>>. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release claims against Defendant and the Released Parties as specifically described below.

Defendant has agreed to pay \$5,000,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, including payments to Settlement Class members, Class Counsel’s attorneys’ fees and expenses, Settlement administration costs, the PAGA Payment, and the Class Representative Service Awards.

The following deductions from the Gross Settlement Amount will be requested by the parties and the amount of the deductions will be decided at the Final Approval Hearing:

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for up to one-third of the Gross Settlement Amount, which is currently estimated at \$1,666,666.66, as reasonable compensation for the work Class Counsel performed and will continue to perform in the Lawsuit through Settlement finalization. Class Counsel will also ask for reimbursement of up to \$80,000.00 in verified costs incurred in connection with the Lawsuit.

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$12,000.00 from the Gross Settlement Amount to pay the settlement administration costs.

Class Representative Service Awards. Class Counsel will ask the Court to award a Class Representative Service Award in the amount of \$15,000.00 to Plaintiff Ochoa and \$7,500.00 to Plaintiff Caplinger, for a total of \$22,500.00, to compensate them for their services and extra work provided on behalf of the Settlement Class members.

PAGA Payment. The parties have agreed to allocate \$300,000.00 of the Gross Settlement Amount as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties (\$225,000.00) will be payable to the Labor & Workforce Development Agency (“LWDA”) for its share of PAGA penalties, and the remaining 25% (\$75,000.00) will be payable to the Settlement Class as the “Individual PAGA Amount.”

Calculation of Settlement Class Members’ Individual Settlement Awards. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$2,918,833.34 and will be divided as follows:

- (i) Payments to All Participating Settlement Class Members: Ninety percent (90%) of the NSA will be distributed to all participating Settlement Class members based on each participating Settlement Class member’s proportionate Workweeks worked during the Class Period, and will be calculated by multiplying 90% of the NSA by a fraction, the numerator of which is the participating Settlement Class member’s number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period.
- (ii) Waiting Time Amount: Five Percent (5%) of the NSA shall be designated as the “Waiting Time Amount.” Each participating Settlement Class member whose employment with Defendant ended at any time from August 4, 2017 through <<PRELIM APPROVAL DATE>>, shall receive an equal, pro-rata share of the Waiting Time Amount. In other words, the Waiting Time Amount will be divided equally among all participating Settlement Class members whose employment with Defendant ended from August 4, 2017 through <<PRELIM APPROVAL DATE>>.
- (iii) Wage Statement Amount: Five percent (5%) of the NSA shall be designated as the “Wage Statement Amount.” Each participating Settlement Class member who was employed by Defendant at any time from August 4, 2019 through <<PRELIM APPROVAL DATE>> shall receive a portion of the Wage Statement Amount proportionate to the number of workweeks that he or she worked during

the period from August 4, 2019 through <<PRELIM APPROVAL DATE>>, and which will be calculated by multiplying 5% of the NSA by a fraction, the numerator of which is the participating Settlement Class member's number of workweeks worked from August 4, 2019 through <<PRELIM APPROVAL DATE>>, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during the time period from August 4, 2019 through <<PRELIM APPROVAL DATE>>.

Payments for PAGA. In addition to the NSA, \$75,000.00 of the Gross Settlement Amount has been designated as the "Individual PAGA Amount" as described above and will be allocated to all Settlement Class members (regardless of whether they opt-out) who worked for Defendant at any time between February 1, 2020 through <<PRELIM APPROVAL DATE>> (the "PAGA Period"), in proportion to the number of workweeks that each Settlement Class member worked for Defendant in California as a non-exempt employee during that time period ("PAGA Class Members").

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, individual Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion from the Settlement, and Individual PAGA Amounts will be mailed to all PAGA Class Members.

Allocation and Taxes. For tax purposes, each Settlement Award shall be treated as follows: Any payment from the NSA shall be allocated fifteen percent (15%) as "wages," for which an IRS Form W-2 will be issued; and eighty-five percent (85%) as penalties and interest, for which an IRS Form 1099 will be issued. Any payment from the Individual PAGA Amount shall be allocated as 100% penalties. The Settlement Administrator will be responsible for issuing to Settlement Class members IRS Forms W-2 for amounts deemed "wages" and IRS Forms 1099 for the amounts allocated as penalties and interest. Settlement Class members are responsible for the proper income tax treatment of the Settlement Awards. The Settlement Administrator, Defendant and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. If the Court approves the Settlement, and as of the Effective Date and upon Defendant's complete funding of the Gross Settlement Amount, each Settlement Class member who has not submitted a timely and valid Request for Exclusion from the Settlement, will fully release and discharge Defendant and Parker-Hannifin Corporation, and any of their respective former or present predecessors, successors, affiliates, subsidiaries, parent companies, employees, insurers, agents, consultants, legal representatives, and any other related entities, and each of their past, present and future officers, shareholders, owners, members, directors, partners, agents, managers, lawyers, employees, assigns, insurers, predecessors-in-interest, successors-in-interest, and underwriters (collectively the "Released Parties") from any and all claims, demands, rights, liabilities, obligations, guarantees, penalties, costs, expenses, attorney's fees, damages, liquidated damages, actions, and causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, of every nature and description arising during the Class Period arising from, or reasonably related to the allegations that were pled in the operative TAC or could have been asserted in the TAC or Plaintiffs' Amended PAGA Notice based on the facts, circumstances, and claims asserted therein, and that arose during the Class Period, including without limitation statutory, constitutional, contractual or common law claims for wages, damages, unpaid costs, penalties, liquidated damages, interest, restitution, equitable relief, or any other relief, including but not limited to claims or relief arising under the California wage orders (including but not limited to Wage Orders 4 and 5 of the Industrial Welfare Commission (8 Cal. Code Regs. Sections 11010, et seq.)), the California Labor Code, including but not limited to Labor Code §§ 201, 202, 203, 204, 212, 213, 218.6, 226, 226.3, 226.7, 510, 512, 558, 558.1, 1174, 1174.5, 1175, 1194, 1197.1, 1198, 1199, 2802 - 2804, California Business & Professions Code (including but not limited to Business & Professions Code section 17200), California Code of Civil Procedure, claims for failure to pay all overtime wages, failure to provide meal periods as required by law, failure to provide rest periods as required by law, failure to provide accurate, itemized wage statements, all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the Action, failure to timely pay all wages due during employment or upon separation of employment, failure to pay all minimum wages; failure to pay using a compliant instrument, and failure to reimburse for all necessary business expenditures (the "Class Released Claims"). The period of the Class Released Claims shall extend to the limits of the Class Period.

Additionally, all Settlement Class members who worked for Defendant in the State of California at any time from February 1, 2020 through <<PRELIM APPROVAL DATE>> (regardless of whether they opt out) are deemed "Aggrieved Employees" pursuant to PAGA and shall release the Released Parties from all claims for civil penalties

under PAGA arising during the PAGA Period alleged in, or which could have been asserted based on the facts, circumstances, and claims asserted in, the Amended PAGA Notice (“the PAGA Released Claims”).

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate, and in the best interests of the Settlement Class, and the entry of a Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, whether you separated employment with Defendant from August 4, 2017 through <<PRELIM APPROVAL DATE>>, the proportionate number of workweeks you worked from August 4, 2019 through <<PRELIM APPROVAL DATE>>, and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

Check Cashing Deadline. If you are issued a Settlement Award, you will have one hundred and eighty (180) calendar days after your check is mailed by the Settlement Administrator to cash it. If you do not cash your check within 180 days after mailing, the check will become void, and the funds associated with such voided check will be donated to the Boys & Girls Club of Greater Ventura.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Award. Your award is based on the proportionate number of workweeks you worked during the Class Period, the proportionate number of workweeks you worked from August 4, 2019 through <<PRELIM APPROVAL DATE>>, the proportionate number of workweeks worked during the PAGA Period, and whether you separated your employment at any time from August 4, 2017 through <<PRELIM APPROVAL DATE>>. The information contained in Defendant’s records regarding each of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

Exclude Yourself from the Settlement and Receive no Settlement Award. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, and your signature. The Request for Exclusion should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *IVAN OCHOA v. MEGGITT SAFETY SYSTEMS, INC.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT.”

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a valid and timely Request for Exclusion shall, upon receipt, no longer be a Settlement Class member, shall be (1) barred from participating in any portion of the class action Settlement but will not be deemed to have released the Class Released Claims, (2) barred from objecting to the Settlement, and (3) shall receive no monetary benefits from the class action Settlement. However, if you were employed by Defendant at any time during the PAGA Period, you may not opt out of the PAGA settlement, and you will still be entitled to a portion of the Individual PAGA Amount as described above.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection should include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, any legal or factual support for each objection, and any and all supporting papers, briefs, written evidence, declarations, and/or other evidence. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department 43 of the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009. You have the right to appear either in person or through your own attorney at this hearing, at your own expense. All objections or other correspondence must state the name and number of the case, which *Ivan Ochoa v. Meggitt Safety Systems, Inc.*, Ventura County Superior Court Case No. 56-2021-00555117-CU-OE-VTA.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object. **Do not submit both an Objection and a Request for Exclusion.** If you do, the Request for Exclusion will be given effect and valid, the Objection will be rejected, you will not be included in the Settlement Class, and you will not be bound by the terms of the Settlement.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department 43 of the Ventura County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Awards to the Class Representatives. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Los Angeles County Superior Court, located at 800 South Victoria Avenue, Ventura, California 93009 during regular court hours. You may also contact Class Counsel or the Settlement Administrator using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT AWARD

IVAN OCHOA, et al. v. MEGGITT SAFETY SYSTEMS, INC.
VENTURA COUNTY SUPERIOR COURT CASE NO. 56-2021-00555117-CU-OE-VTA

Please complete and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Award:

According to the records of Defendant Meggitt Safety Systems, Inc. ("Defendant"):

- (a) you worked for Defendant in California from _____ to _____;
- (b) you worked _____ Workweeks between August 4, 2016, and <<PRELIMINARY APPROVAL DATE>> for Defendant;
- (c) you worked _____ Workweeks between August 4, 2019, and <<PRELIMINARY APPROVAL DATE>> for Defendant;
- (d) you worked _____ Workweeks between February 1, 2020, and <<PRELIMINARY APPROVAL DATE>> for Defendant; and
- (e) Your employment with Defendant <<DID/DIDNOT>> end between August 4, 2017 and <<PRELIMINARY APPROVAL DATE>>.

Based on the above, your Settlement Award is estimated at \$ _____.

(IV) If you disagree with items (a), (b), (c), (d) and/or (e) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from Defendant's records, Defendant's records will control unless you are able to provide documentation that establishes otherwise and that Defendant's records are mistaken. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render a final decision on all disputes as described in the "Notice of Proposed Class Action Settlement" that accompanies this Form.

Date: _____

Signature: _____

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>.**

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

February 1, 2021

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Ivan Ochoa v. Meggitt Safety Systems, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Ivan Ochoa (“Mr. Ochoa”) in claims arising from his employment with Meggitt Safety Systems, Inc. and DOES 1-100 (“Meggitt”). Mr. Ochoa is an “aggrieved employee” as defined by Labor Code Section 2698, *et seq.*, due to Meggitt’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days were suspended for 178 days, from April 6, 2020 through October 1, 2020. Accordingly, the relevant time period for the violations described herein is one year plus 178 days prior to the date of this letter. Thus, the “aggrieved employees” whom Mr. Ochoa seeks to represent include all non-exempt employees who worked for Meggitt in California at any time from one year plus 178 days prior to the date of this letter through the present.

Mr. Ochoa has been employed by Meggitt’s as a non-exempt employee in the position of “Repair Technician” and/or “Production Assembler” since approximately November 2016.

During Mr. Ochoa’s employment with Meggitt, Mr. Ochoa has often worked over 8 hours per workday and/or over 40 hours per workweek, but has not received overtime compensation equal to one and one-half times his “regular rate” of pay for working overtime hours and/or double his regular rate of pay for working over 12 hours in a workday. Specifically, Meggitt has paid Mr. Ochoa and other aggrieved employees non-discretionary bonuses and/or other forms of pay that are not excludable from an employee’s “regular rate” of pay (collectively, “Incentive Pay”), including, but not limited to, payments denoted in their wage statements as a “President Bonus.” However, Meggitt has failed to properly incorporate Incentive Pay into Mr. Ochoa’s and other aggrieved employees’ regular rates of pay, thereby miscalculating and underpaying the overtime and/or double-time wages owed to them.

In addition, Meggitt's meal period policies/practices have failed to provide Mr. Ochoa and other aggrieved employees with all legally compliant meal periods because they failed to provide Mr. Ochoa and other aggrieved employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before the end of the fifth hour of work. Specifically, Mr. Ochoa's and other aggrieved employees' meal periods have been frequently "late" because their meal periods were scheduled to commence exactly at the 5-hour mark of their scheduled shifts, but Mr. Ochoa and other aggrieved employees would often begin working prior to the scheduled start of their shift, and/or were not able to actually take their meal period until after the scheduled meal period, which caused them to take late meal periods. For example, Mr. Ochoa's shifts have generally been scheduled to begin at 5:00 a.m. or 6:00 a.m., with meal periods scheduled for 10:00 a.m. or 11:00 a.m., respectively, but Mr. Ochoa frequently begins working before 5:00 or 6:00 a.m., and/or is unable to take his meal period until after 10:00 or 11:00 a.m. Additionally, Mr. Ochoa and other aggrieved employees are not provided with a second 30-minute meal period when they work shifts of over 10.0 hours. Meggitt has failed to compensate Mr. Ochoa and aggrieved employees with the required meal period premium for each workday in which they experience a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Meggitt has maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that legally-compliant meal periods are not provided.

Mr. Ochoa and other aggrieved employees have also not been authorized and permitted to take all required rest periods due to Meggitt's unlawful rest period policies/practices, which fail to authorize and permit a net 10-minute duty-free rest period for every four hours worked, or major fraction thereof. On those occasions when Mr. Ochoa and other aggrieved employees are not authorized and permitted to take all legally-compliant rest periods to which they are entitled, Meggitt has failed to compensate Mr. Ochoa or other aggrieved employees with the required rest period premium(s) for each workday there was a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, Meggitt has maintained no mechanism for the payment of rest period premium payments as required by Labor Code § 226.7, in the event that legally-compliant rest period are not authorized and permitted.

As a result of the foregoing, Meggitt has also failed to issue accurate, itemized wage statements to Mr. Ochoa and other aggrieved employees.

As described above, Meggitt committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Overtime Violations

Meggitt was, and is, required to properly compensate non-exempt employees, including Mr. Ochoa and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 210, 216, 510, 558, 1194, 1198 and Wage Order 3. Wage Order 1, § 3 requires an employer to pay an employee "one and one-half (1½) times [the] employee's regular rate of pay" for work in excess of 8 hours per workday or over 40

hours in a workweek, and for the first eight (8) hours on the seventh day of the workweek, and “double the employee’s regular rate of pay” for all hours worked in excess of 12 hours in a workday or in excess of 8 hours on the seventh day of a workweek. As alleged herein, Meggitt has caused Mr. Ochoa and other aggrieved employees to work overtime and/or double-time hours but has not compensated Mr. Ochoa or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their “regular rate” of pay for such hours.

Meal Period Violations

As alleged above, Meggitt failed, and continues to fail, to provide Mr. Ochoa and other aggrieved employees with all required and compliant meal periods, due to Meggitt’s meal period policies/practices that often fail to provide legally compliant 30-minute first meal periods before the end of the fifth hour of work, and which fail to provide second meal periods for shifts of over 10.0 hours. *See* Labor Code §§ 226.7, 512, 1198; Wage Order 1, § 11. As a result, Mr. Ochoa and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with...[an] order of the Industrial Welfare Commission...the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Rest Period Violations

As alleged above, Meggitt failed, and continues to fail, to authorize and permit Mr. Ochoa and other aggrieved employees to take all rest periods to which they are legally entitled. *See* Labor Code §§ 226.7, 516, 1198; Wage Order 1, § 12. As a result, Mr. Ochoa and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Wage Statement Violations

As alleged herein, Meggitt knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Ochoa and other aggrieved employees with complete and accurate wage statements with respect to their total gross wages earned, total net wages earned, total hours worked, total hours worked at each rate of pay, and meal and rest period premium wages earned, in violation of Labor Code § 226.

///

Mr. Ochoa is informed and believes, and based thereon alleges, that the violations alleged herein are continuing to the present. As an "aggrieved employee," Mr. Ochoa will initiate a civil action on behalf of himself, the State of California, and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Ochoa's own investigation, and on information and belief, Meggitt has committed the following Labor Code violations:

- a. Meggitt has violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Ochoa and other aggrieved employees all overtime and/or double-time compensation earned;
- b. Meggitt has violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Mr. Ochoa and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- c. Meggitt has violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit all legally required rest periods and by failing to pay rest period premiums to Mr. Ochoa and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- d. Meggitt has violated Labor Code § 226 by failing to furnish Mr. Ochoa and other aggrieved employees with accurate and complete itemized wage statements;
- e. Meggitt has violated Labor Code § 204 by failing to pay Mr. Ochoa and other aggrieved employees all earned wages at least twice during each calendar month; and
- f. Meggitt has violated Labor Code §§ 1174, 1198 and 1199 by failing to maintain accurate records on behalf of Mr. Ochoa and other aggrieved employees.

Pursuant to Labor Code section 2699.3, please notify us and Meggitt if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Meggitt Safety Systems, Inc., c/o Eric G. Lardiere, Agent for Service of Process
(via certified mail)

Haines Law Group
STE 180
2155 Campus Drive
El Segundo CA 90245

USPS CERTIFIED MAIL



9214 8901 9403 8331 0981 05

MEGGITT SAFETY SYSTEMS INC
C/O: ERIC G LARDIERE
1955 SURVEYOR AVE
SIMI VALLEY CA 93063-3369

Fold Here

Fold Here

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 02/02/2021

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8331 0981 05

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 02/01/2021

ORIGINAL INTENDED RECIPIENT:

MEGGITT SAFETY SYSTEMS INC

C/O: ERIC G LARDIERE

1955 SURVEYOR AVE

SIMI VALLEY CA 93063-3369



Name and Address of Sender		Check type of mail or service		Affix Stamp Here (for additional copies of this receipt). Postmark with Date of Receipt.													
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1.	9214 8901 9403 8331 0981 05	MEGGITT SAFETY SYSTEMS INC C/O: ERIC G LARDIERE 1955 SURVEYOR AVE SIMI VALLEY CA 93063-3369		0.51	3.60	Handling Charge - if Registered and over \$50.00 in value							1.75				
2.	9214 8901 9403 8331 0899 12	CESAR NAVARRO RAMOS 4720 KATRINA PL PALMDALE CA 93552-4470		0.51	3.60									1.75			
Total Number of Pieces Listed by Sender 2		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)													



Mailer: Haines Law Group

Date Produced: 02/08/2021

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8331 0981 05. Our records indicate that this item was delivered on 02/03/2021 at 10:44 a.m. in SIMI VALLEY, CA 93063. The scanned image of the recipient information is provided below.

Signature of Recipient :

COVID-19
COVID-19

Address of Recipient :

1955 SURVEYOR

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

MEGGITT SAFETY SYSTEMS INC
C/O: ERIC G LARDIERE
1955 SURVEYOR AVE
SIMI VALLEY CA 93063-3369

Customer Reference Number: C2496912.14354003

EXHIBIT C

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

December 12, 2023

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Ivan Ochoa, et al. v. Meggitt Safety Systems, Inc.*
LWDA Case No. LWDA-CM- 820348-21

To Whom It May Concern:

Please be advised that this law firm represents Ivan Ochoa (“Mr. Ochoa”) and Gene Caplinger (“Mr. Caplinger”) in claims arising from their employment with Meggitt Safety Systems, Inc., and Does 1-100 (“Meggitt”). Mr. Ochoa and Mr. Caplinger are “aggrieved employees” as defined by Labor Code Section 2698 *et seq.*, due to Meggitt’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. This letter supplements the letter sent by my office on February 1, 2021 (the “February 1, 2021 PAGA letter”). A copy of the February 1, 2021 PAGA letter is attached hereto as Exhibit A and incorporated herein by reference.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days were suspended for 178 days, from April 6, 2020, through October 1, 2020. Accordingly, the relevant time period for the violations described herein is one year plus 178 days prior to the date of the February 1, 2021 PAGA letter. Thus, the “aggrieved employees” whom Mr. Ochoa and Mr. Caplinger seek to represent include all non-exempt employees who worked for Meggitt in California at any time from one year plus 178 days prior to the date of the February 1, 2021 PAGA Letter through the present.

Mr. Ochoa was employed by Meggitt as a non-exempt employee in the position of “Repair Technician” and/or “Production Assembler” from approximately November 2016 until approximately August 13, 2021. Mr. Caplinger was also employed by Meggitt as a non-exempt employee during the relevant time period.

During Mr. Ochoa’s and Mr. Caplinger’s employment with Meggitt, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees often worked over 8 hours per workday and/or over 40 hours per workweek but did not receive overtime compensation equal to one and one-half times their “regular rate” of compensation for working overtime hours and/or double their regular rate of pay for working over 12 hours in a workday. Specifically, Meggitt paid Mr. Ochoa, Mr. Caplinger, and other aggrieved employees non-

discretionary bonuses, commissions, shift differentials, and/or other forms of pay that are not excludable from an employee's "regular rate" of pay (collectively, "Incentive Pay"), including, but not limited to, payments denoted in their wage statements as a "President's Bonus," "Prize AW Imp," and/or gift cards. Meggitt also sometimes issued gift cards to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees during the holiday season. Meggitt failed to properly incorporate Incentive Pay into Mr. Ochoa's, Mr. Caplinger's, and other aggrieved employees' regular rates of pay, thereby miscalculating and underpaying the overtime, double-time, and/or break premiums owed to them.

In addition to miscalculating the regular rate of pay for the purposes of overtime wages, Meggitt also failed to pay Mr. Caplinger and other aggrieved employees for all overtime hours worked at the correct rate of pay due to Meggitt's unlawful Alternative Workweek Schedule ("AWS"). During the relevant time period, Meggitt implemented a purported AWS in which Meggitt represented to its employees and the Department of Industrial Relations that it would "regularly schedule" employees to work 4 days per week, 10 hours per day. However, the purported AWS was invalid as it was not validly entered into, and/or Meggitt did not in fact institute regularly scheduled 40-hour workweeks. Instead, upon information and belief, Meggitt regularly scheduled Mr. Caplinger and other aggrieved employees for workweeks of well over 40 hours, less than 10 hours a day, and/or more than 4 days a week, and/or Meggitt regularly scheduled workweeks that did not provide at least two consecutive days off within a workweek, as required by Wage Order 1, § 3(B)(2). Additionally, upon information and belief, Meggitt failed to comply with the proper election procedures for implementing a lawful AWS because the AWS that Mr. Caplinger worked under was not approved by at least two-thirds of the affected employees in the affected work unit. Meggitt's purported AWS is also invalid because the required disclosures were not provided in language(s) other than English which more than 5% of the affected employees spoke, despite the fact that upon information and belief, over 5% of the affected employees' primary language was a language/languages other than English. As a result, the purported AWS agreement is invalid, and Mr. Caplinger and other aggrieved employees did not receive all overtime wages earned.

Even assuming that Meggitt's purported AWS was found to be valid, Mr. Caplinger was at times required to work fewer than 10 hours in a workday, and in such instances, Meggitt failed to pay Mr. Caplinger overtime compensation for all hours worked in excess of 8.0 hours per workday, in violation of Wage Order 1, § 3(B)(3).

During Mr. Ochoa's and Mr. Caplinger's employment with Meggitt, Meggitt required Mr. Ochoa and other aggrieved employees to wait for and undergo COVID-19 temperature screenings and/or complete symptom questionnaires, donning or doffing, or to work, be engaged to work, or otherwise be under the control of Meggitt, off-the-clock. Meggitt did not compensate Mr. Ochoa and other aggrieved employees for this time that they were subject to the control of the employer. As a result of Meggitt's failure to compensate for time spent waiting for or undergoing temperature checks, completing symptom questionnaires, or other time spent under the control of, or otherwise required to work for, Meggitt, Meggitt failed to compensate Mr. Ochoa, Mr. Caplinger, and other

aggrieved employees for all wages owed, including all minimum and overtime wages.

Meggitt's meal period policies/practices failed to provide Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with all legally compliant meal periods because they failed to provide Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before the end of the fifth hour of work. Specifically, Mr. Ochoa's, Mr. Caplinger's, and other aggrieved employees' meal periods were frequently "late" because their meal periods were scheduled to commence exactly at the 5-hour mark of their scheduled shifts, but Mr. Ochoa, Mr. Caplinger, and other aggrieved employees would often begin working prior to the scheduled start of their shift, and/or were not able to actually take their meal period until after the scheduled meal period, which caused them to take late meal periods. For example, Mr. Ochoa's, Mr. Caplinger's, and other aggrieved employees' shifts were generally scheduled to begin at 5:00 a.m. or 6:00 a.m., with meal periods scheduled for 10:00 a.m. or 11:00 a.m., respectively, but Mr. Ochoa, Mr. Caplinger, and other aggrieved employees frequently began working before 5:00 or 6:00 a.m., and/or were unable to take their meal period until after 10:00 or 11:00 a.m. Additionally, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees were not provided with a second 30-minute meal period when they worked shifts of over 10.0 hours. On information and belief, Meggitt's management would interrupt Mr. Ochoa's, Mr. Caplinger's, and other aggrieved employees' meal breaks and/or ask them to work during meal breaks while clocked out. Meggitt has failed to compensate Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, for at least a portion of the relevant time period, Meggitt has maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that legally compliant meal periods are not provided.

Mr. Ochoa, Mr. Caplinger, and other aggrieved employees have not been authorized and permitted to take all required rest periods due to Meggitt's unlawful rest period policies/practices, which failed to authorize and permit a net 10-minute duty-free rest period for every four hours worked, or major fraction thereof. Specifically, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees were required to remain on-premises during rest breaks and were required to clock-out in the event they left Meggitt's facility during a rest period. On those occasions when Mr. Ochoa, Mr. Caplinger, and other aggrieved employees were not authorized and permitted to take all legally compliant rest periods to which they were entitled, Meggitt has failed to compensate Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with the required rest period premium(s) for each workday there was a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, for at least a portion of the relevant time period, Meggitt has maintained no mechanism for the payment of rest period premium payments as required by Labor Code § 226.7, in the event that a legally compliant rest period is not authorized and permitted.

Meggitt also failed to adequately reimburse Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for all reasonable and necessary work expenditures, including, but

not limited to, the use of personal cellular phones to communicate with supervisors and staff and the use of personal vehicles. Despite requiring Mr. Ochoa, Mr. Caplinger, and other aggrieved employees to use their personal cellular phones to communicate with other employees throughout their work shifts and their use of personal vehicles, Meggitt did not adequately reimburse Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for their cellular phone and car expenses, even though such expenses were for business purposes.

As a result of Meggitt's failure to compensate Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for all minimum wages, overtime wages, and all meal and rest period premium wages earned, Meggitt maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements. As a further result of Meggitt's failure to compensate Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for all minimum and overtime wages and all meal and rest period premium wages, Meggitt failed to pay Plaintiffs and other aggrieved employees all wages owed at the time of their separation of employment with Meggitt.

As described above, Meggitt committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 1 ("Wage Order 1"):

Overtime Violations

Meggitt was, and is, required to properly compensate non-exempt employees, including Mr. Ochoa, Mr. Caplinger, and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 210, 510, 1194, 1198 and Wage Order 1. Wage Order 1, § 3 requires an employer to pay an employee "one and one-half (1½) times [the] employee's regular rate of pay" for work in excess of 8 hours per workday or over 40 hours in a workweek, and for the first eight (8) hours on the seventh day of the workweek, and "double the employee's regular rate of pay" for all hours worked in excess of 12 hours in a workday or in excess of 8 hours on the seventh day of a workweek. As alleged herein, Meggitt caused Mr. Ochoa, Mr. Caplinger, and other aggrieved employees to work overtime and/or double-time hours but did not compensate Mr. Ochoa, Mr. Caplinger, or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their "regular rate" of pay for such hours.

Meal Period Violations

As alleged above, Meggitt failed, and continues to fail, to provide Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with all required and compliant meal periods, due to Meggitt's meal period policies/practices that often fail to provide legally compliant 30-minute first meal periods before the end of the fifth hour of work, and which fail to provide second meal periods for shifts of over 10.0 hours. *See* Labor Code §§ 226.7, 512, 1198; Wage Order 1, § 11. As a result, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal or rest or recovery period in accordance with...[an] order of the Industrial Welfare Commission...the employer shall pay the

employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.""). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Rest Period Violations

As alleged above, Meggitt failed, and continues to fail, to authorize and permit Mr. Ochoa, Mr. Caplinger, and other aggrieved employees to take all rest periods to which they are legally entitled. *See* Labor Code §§ 226.7, 516, 1198; Wage Order 1, § 12. As a result, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 ("If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest period is not provided.""). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Wage Statement Violations

Meggitt was required to furnish Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 1, § 7. As a result of Meggitt's failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, Meggitt maintained inaccurate payroll records and issued inaccurate wage statements to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees in violation of Labor Code § 226. Meggitt's failure to comply with its wage statement obligations was knowing and intentional, and Mr. Ochoa, Mr. Caplinger, and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Meggitt failed to timely pay Mr. Ochoa, Mr. Caplinger, and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, Meggitt's failure to pay all final wages due to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees was willful and, consequently, entitles Mr. Ochoa, Mr. Caplinger, and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Meggitt failed to pay their final wages after their separation, up to a maximum of thirty days.

Minimum Wage Violations

Meggitt was required to pay Mr. Ochoa, Mr. Caplinger, and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 1, § 4. As alleged above, Meggitt failed to conform their pay practices to the requirements of the law by failing to pay Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for all hours worked including, but not limited to, all hours they were subject to the control of Meggitt and/or suffered or permitted to work under the California Labor Code and Wage Order 1. As a result of these policies/practices, which fail to compensate for all hours worked, Mr. Ochoa, Mr. Caplinger, and other aggrieved employees were deprived of all required minimum wages.

Failure to Issue Payment with Compliant Instrument

Meggitt was required to provide Mr. Ochoa, Mr. Caplinger, and other aggrieved employees all their wages in an instrument that is negotiable and payable in cash on demand without discount at an established place of business in California that is prepared to pay the money called for in the instrument and whose name and address appear on the instrument. *See* Labor Code §§ 212 and 213. As alleged herein, Meggitt failed to provide Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with compliant instruments by issuing gift cards to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees.

Failure to Reimburse Employees for Necessary Business Expenditures

As alleged above, Meggitt failed to reimburse Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for necessary work expenses, including the use of their personal cellular phones and personal vehicles for business purposes. Meggitt's policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 1, § 9, and Labor Code §§ 2802 and 2804 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer."). Mr. Ochoa, Mr. Caplinger, and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Mr. Ochoa and Mr. Caplinger are informed and believe, and based thereon allege, that the violations alleged herein are continuing to the present. As "aggrieved employees," Mr. Ochoa and Mr. Caplinger will initiate a civil action on behalf of themselves, the State of California, and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Ochoa and Mr. Caplinger's own investigation, and on information and belief, Meggitt has committed the following Labor Code violations:

- a. Meggitt has violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Ochoa, Mr. Caplinger, and other aggrieved employees all overtime and/or double-time compensation earned;

- b. Meggitt has violated Labor Code §§ 226.7, 512, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;
- c. Meggitt has violated Labor Code §§ 226.7, 516, and 1198 by failing to authorize and permit all legally required rest periods and by failing to pay rest period premiums to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- d. Meggitt has violated Labor Code § 226 *et seq.* by failing to furnish Mr. Ochoa, Mr. Caplinger, and other aggrieved employees with accurate and complete itemized wage statements;
- e. Meggitt violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees;
- f. Meggitt violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Mr. Ochoa and other aggrieved employees the statutory minimum wage for all hours worked;
- g. Meggitt violated Labor Code §§ 212 and 213 by failing to issue all payment to Mr. Ochoa, Mr. Caplinger, and other aggrieved employees in compliant instruments;
- h. Meggitt violated Labor Code §§ 2802 and 2804 by failing to reimburse Mr. Ochoa, Mr. Caplinger, and other aggrieved employees for all necessary expenditures incurred;
- i. Meggitt has violated Labor Code § 204 by failing to pay Mr. Ochoa, Mr. Caplinger, and other aggrieved employees all earned wages at least twice during each calendar month; and
- j. Meggitt has violated Labor Code §§ 1174, 1198, and 1199 by failing to maintain accurate records on behalf of Mr. Ochoa, Mr. Caplinger, and other aggrieved employees.

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LWDA
December 12, 2023
Page 8 of 8

Pursuant to Labor Code section 2699.3, please notify us and Meggitt if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC

A handwritten signature in blue ink, appearing to be 'P. H.', with a long horizontal flourish extending to the right.

Paul K. Haines

cc: Tao Leung, Esq., attorney for Meggitt Safety Systems, Inc. (via certified mail)

EXHIBIT A

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

February 1, 2021

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

Re: *Ivan Ochoa v. Meggitt Safety Systems, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Ivan Ochoa (“Mr. Ochoa”) in claims arising from his employment with Meggitt Safety Systems, Inc. and DOES 1-100 (“Meggitt”). Mr. Ochoa is an “aggrieved employee” as defined by Labor Code Section 2698, *et seq.*, due to Meggitt’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

Pursuant to California Judicial Council Emergency Rule 9, statutes of limitations of more than 180 days were suspended for 178 days, from April 6, 2020 through October 1, 2020. Accordingly, the relevant time period for the violations described herein is one year plus 178 days prior to the date of this letter. Thus, the “aggrieved employees” whom Mr. Ochoa seeks to represent include all non-exempt employees who worked for Meggitt in California at any time from one year plus 178 days prior to the date of this letter through the present.

Mr. Ochoa has been employed by Meggitt’s as a non-exempt employee in the position of “Repair Technician” and/or “Production Assembler” since approximately November 2016.

During Mr. Ochoa’s employment with Meggitt, Mr. Ochoa has often worked over 8 hours per workday and/or over 40 hours per workweek, but has not received overtime compensation equal to one and one-half times his “regular rate” of pay for working overtime hours and/or double his regular rate of pay for working over 12 hours in a workday. Specifically, Meggitt has paid Mr. Ochoa and other aggrieved employees non-discretionary bonuses and/or other forms of pay that are not excludable from an employee’s “regular rate” of pay (collectively, “Incentive Pay”), including, but not limited to, payments denoted in their wage statements as a “President Bonus.” However, Meggitt has failed to properly incorporate Incentive Pay into Mr. Ochoa’s and other aggrieved employees’ regular rates of pay, thereby miscalculating and underpaying the overtime and/or double-time wages owed to them.

In addition, Meggitt's meal period policies/practices have failed to provide Mr. Ochoa and other aggrieved employees with all legally compliant meal periods because they failed to provide Mr. Ochoa and other aggrieved employees with a timely, duty-free, and uninterrupted 30-minute meal period commencing before the end of the fifth hour of work. Specifically, Mr. Ochoa's and other aggrieved employees' meal periods have been frequently "late" because their meal periods were scheduled to commence exactly at the 5-hour mark of their scheduled shifts, but Mr. Ochoa and other aggrieved employees would often begin working prior to the scheduled start of their shift, and/or were not able to actually take their meal period until after the scheduled meal period, which caused them to take late meal periods. For example, Mr. Ochoa's shifts have generally been scheduled to begin at 5:00 a.m. or 6:00 a.m., with meal periods scheduled for 10:00 a.m. or 11:00 a.m., respectively, but Mr. Ochoa frequently begins working before 5:00 or 6:00 a.m., and/or is unable to take his meal period until after 10:00 or 11:00 a.m. Additionally, Mr. Ochoa and other aggrieved employees are not provided with a second 30-minute meal period when they work shifts of over 10.0 hours. Meggitt has failed to compensate Mr. Ochoa and aggrieved employees with the required meal period premium for each workday in which they experience a meal period violation as mandated by Labor Code § 226.7. Upon information and belief, Meggitt has maintained no mechanism for the payment of meal period premium payments as required by Labor Code § 226.7, in the event that legally-compliant meal periods are not provided.

Mr. Ochoa and other aggrieved employees have also not been authorized and permitted to take all required rest periods due to Meggitt's unlawful rest period policies/practices, which fail to authorize and permit a net 10-minute duty-free rest period for every four hours worked, or major fraction thereof. On those occasions when Mr. Ochoa and other aggrieved employees are not authorized and permitted to take all legally-compliant rest periods to which they are entitled, Meggitt has failed to compensate Mr. Ochoa or other aggrieved employees with the required rest period premium(s) for each workday there was a rest period violation as mandated by Labor Code § 226.7. Upon information and belief, Meggitt has maintained no mechanism for the payment of rest period premium payments as required by Labor Code § 226.7, in the event that legally-compliant rest period are not authorized and permitted.

As a result of the foregoing, Meggitt has also failed to issue accurate, itemized wage statements to Mr. Ochoa and other aggrieved employees.

As described above, Meggitt committed, and continues to commit, the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 ("Wage Order 1"):

Overtime Violations

Meggitt was, and is, required to properly compensate non-exempt employees, including Mr. Ochoa and other aggrieved employees, for all overtime hours worked pursuant to Labor Code § 204, 210, 216, 510, 558, 1194, 1198 and Wage Order 3. Wage Order 1, § 3 requires an employer to pay an employee "one and one-half (1½) times [the] employee's regular rate of pay" for work in excess of 8 hours per workday or over 40

hours in a workweek, and for the first eight (8) hours on the seventh day of the workweek, and “double the employee’s regular rate of pay” for all hours worked in excess of 12 hours in a workday or in excess of 8 hours on the seventh day of a workweek. As alleged herein, Meggitt has caused Mr. Ochoa and other aggrieved employees to work overtime and/or double-time hours but has not compensated Mr. Ochoa or other aggrieved employees at one and one-half times (or two times, in the case of double-time) their “regular rate” of pay for such hours.

Meal Period Violations

As alleged above, Meggitt failed, and continues to fail, to provide Mr. Ochoa and other aggrieved employees with all required and compliant meal periods, due to Meggitt’s meal period policies/practices that often fail to provide legally compliant 30-minute first meal periods before the end of the fifth hour of work, and which fail to provide second meal periods for shifts of over 10.0 hours. *See* Labor Code §§ 226.7, 512, 1198; Wage Order 1, § 11. As a result, Mr. Ochoa and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with...[an] order of the Industrial Welfare Commission...the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Rest Period Violations

As alleged above, Meggitt failed, and continues to fail, to authorize and permit Mr. Ochoa and other aggrieved employees to take all rest periods to which they are legally entitled. *See* Labor Code §§ 226.7, 516, 1198; Wage Order 1, § 12. As a result, Mr. Ochoa and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”). As alleged above, Meggitt has failed to pay them the premium wages to which they are legally entitled.

Wage Statement Violations

As alleged herein, Meggitt knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Mr. Ochoa and other aggrieved employees with complete and accurate wage statements with respect to their total gross wages earned, total net wages earned, total hours worked, total hours worked at each rate of pay, and meal and rest period premium wages earned, in violation of Labor Code § 226.

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Mr. Ochoa is informed and believes, and based thereon alleges, that the violations alleged herein are continuing to the present. As an “aggrieved employee,” Mr. Ochoa will initiate a civil action on behalf of himself, the State of California, and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Ochoa’s own investigation, and on information and belief, Meggitt has committed the following Labor Code violations:

- a. Meggitt has violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Ochoa and other aggrieved employees all overtime and/or double-time compensation earned;
- b. Meggitt has violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide all legally required meal periods and by failing to pay meal period premiums to Mr. Ochoa and other aggrieved employees at these employees’ respective regular rates of compensation for meal period violations;
- c. Meggitt has violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit all legally required rest periods and by failing to pay rest period premiums to Mr. Ochoa and other aggrieved employees at these employees’ respective regular rates of compensation for rest period violations;
- d. Meggitt has violated Labor Code § 226 by failing to furnish Mr. Ochoa and other aggrieved employees with accurate and complete itemized wage statements;
- e. Meggitt has violated Labor Code § 204 by failing to pay Mr. Ochoa and other aggrieved employees all earned wages at least twice during each calendar month; and
- f. Meggitt has violated Labor Code §§ 1174, 1198 and 1199 by failing to maintain accurate records on behalf of Mr. Ochoa and other aggrieved employees.

Pursuant to Labor Code section 2699.3, please notify us and Meggitt if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: Meggitt Safety Systems, Inc., c/o Eric G. Lardiere, Agent for Service of Process
(via certified mail)

PROOF OF ACCEPTANCE (ELECTRONIC)

PRODUCED DATE: 12/13/2023

HAINES LAW GROUP:

The following is information for Certified Mail™/RRE item number:

9214 8901 9403 8341 6033 51

Our records indicate that this item was accepted by the USPS at:

SHIPMENT RECEIVED ACCEPTANCE PENDING EL SEGUNDO,CA 90245 12/12/2023

ORIGINAL INTENDED RECIPIENT:

MEGGITT SAFETY SYSTEMS INC

HOGAN LOVELLS LLP

C/O: TAO LEUNG ESQ

1999 AVENUE OF THE STARS STE 1400

LOS ANGELES CA 90067-6047



Mailer: Haines Law Group

Date Produced: 12/15/2023

ConnectSuite Inc.:

The following is the delivery information for Certified Mail™/RRE item number 9214 8901 9403 8341 6033 51. Our records indicate that this item was delivered on 12/14/2023 at 04:56 p.m. in LOS ANGELES, CA 90067. The scanned image of the recipient information is provided below.

Signature of Recipient :

A handwritten signature in black ink that reads "Elodia Carrillo". The signature is written over a horizontal line. Below the signature, the name "Elodia Carrillo" is printed in a standard font.

Address of Recipient :

A handwritten address in black ink: "1999 Avenue of the Stars 1400 LA CA 90067". The address is written over a horizontal line.

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

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HOGAN LOVELLS LLP
C/O: TAO LEUNG ESQ
STE 1400
1999 AVENUE OF THE STARS
LOS ANGELES CA 90067-6047

Customer Reference Number: C4663295.27962364