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Attorneys for Plaintiff Eduardo China

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

EDUARDO CHINA, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

v.

SOUTHWESTERN INDUSTRIES, INC.,
an unknown business entity,; and DOES 1
through 100, inclusive,

Defendants.

Lead Case No.: 21STCV11874
Consolidated Case No. 21CMCV00123

Honorable William F. Highberger
Department SSC10

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: December 19, 2023
Time: 2:00 p.m.
Department: 10

Complaint Filed: March 26, 2021
Trial Date: None Set

1 This matter has come before the Honorable William F. Highberger in Department 10 of the
2 Superior Court of the State of California, for the County of Los Angeles, on December 19, 2023 at
3 2:00 p.m. for Plaintiff's Motion for Preliminary Approval of Class Action Settlement. Lawyers for
4 Justice, PC appeared as counsel for Plaintiff Eduardo China ("Plaintiff"), individually and on behalf
5 of all others similarly situated and other aggrieved employees and Keesal, Young & Logan, PC
6 appear as counsel for Defendants Southwestern Industries, Inc. ("Defendant").

7 The Court, having carefully considered the papers, argument of counsel, and all matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED THAT:**

11 1. The Court preliminarily approves the Joint Stipulation of Class Settlement and
12 Release ("Settlement," "Agreement," or "Settlement Agreement"), attached as "EXHIBIT 1" to the
13 Declaration of Brian J. St. John in Support of Plaintiff's Motion for Preliminary Approval of Class
14 Action and PAGA Settlement. This is based on the Court's determination that the Settlement falls
15 within the range of possible approval as fair, adequate, and reasonable.

16 2. This Order incorporates by reference the definitions in the Settlement Agreement,
17 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
18 Settlement Agreement.

19 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate
20 and reasonable. It appears to the Court that extensive investigation and research have been
21 conducted such that counsel for the parties at this time are able to reasonably evaluate their respective
22 positions. It further appears to the Court that the Settlement, at this time, will avoid substantial
23 additional costs by all parties, as well as avoid the delay and risks that would be presented by the
24 further prosecution of the case. It further appears that the Settlement has been reached as the result
25 of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

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1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Attorneys' Fees and Costs, Class Representative Enhancement, Settlement Administration
3 Expenses, PAGA Penalty Amount, and payments to the Participating Class Members provided
4 thereby, appear to be within the range of reasonableness of a settlement that could ultimately be
5 given final approval by this Court. Indeed, the Court has reviewed the monetary recovery that is
6 being granted as part of the Settlement and preliminarily finds that the monetary settlement awards
7 made available to the Class Members and Aggrieved Employees are fair, adequate, and reasonable
8 when balanced against the probable outcome of further litigation relating to certification, liability,
9 and damages issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiff's claims are typical of the claims of the members of the Class; (d) Plaintiff
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel is qualified to act as counsel for Plaintiff in his individual capacity and as the representative
19 of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
21 follows:

22 All current and former hourly-paid or non-exempt employees of Defendant in within
23 the State of California at any time during the period from March 26, 2017 through
October 31, 2022.

24 7. The Court provisionally appoints Arby Aiwarzian, Joanna Ghosh and Brian J. St.
25 John of Lawyers *for* Justice, PC as counsel for the Class ("Class Counsel").

26 8. The Court provisionally appoints Plaintiff Eduardo China as the representative of
27 the Class ("Class Representative").

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1 9. The Court provisionally appoints Phoenix Settlement Administrators, (“Phoenix”)
2 to handle the administration of the Settlement (“Settlement Administrator”).

3 10. Within fifteen (15) calendar days of the date of this Order, Defendant shall provide
4 the Settlement Administrator with the following information about each Class Member and
5 Aggrieved Employee: full name, last known address, telephone number, Social Security Number,
6 and the dates of employment and/or number of Workweeks worked as non-exempt or hourly
7 employees of Defendant during the Class Period and the PAGA Period for each Class Member and
8 Aggrieved Employee (collectively referred to as the “Class Data”) in conformity with the Settlement
9 Agreement.

10 11. The Court approves, both as to form and content, the Notice of Class Action
11 Settlement (“Class Notice”) attached hereto as “**EXHIBIT A.**” The Class Notice shall be provided
12 to Class Members in the manner set forth in the Settlement Agreement. The Court finds that the
13 Class Notice appears to fully and accurately inform the Class Members of all material elements of
14 the Settlement, of Class Members’ right to be excluded from the Class Settlement by submitting a
15 Request for Exclusion, of Class Members’ right to dispute the Workweeks credited to each of them,
16 and of each Settlement Class Member’s right and opportunity to object to the Settlement by
17 submitting a written objection to the Administrator (“Notice of Objection”) and/or presenting their
18 objection orally at the Final Approval Hearing. The Court further finds that distribution of the Class
19 Notice substantially in the manner and form set forth in the Settlement Agreement and this Order,
20 and that all other dates set forth in the Settlement Agreement and this Order, meet the requirements
21 of due process and shall constitute due and sufficient notice to all persons entitled thereto. The Court
22 further orders the Settlement Administrator to mail the Class Notice by First-Class U.S. mail to all
23 Class Members within fifteen (15) calendar days of receipt of the Class Data pursuant to the terms
24 set forth in the Settlement Agreement.

25 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
26 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
27 choose to be excluded from the Class Settlement by submitting a timely Request for Exclusion in
28 conformity with the requirements set forth in the Class Notice, to the Settlement Administrator,

1 postmarked no later than the date which is sixty (60) calendar days from the initial mailing of the
2 Class Notice to Class Members (“Response Deadline”), or, for those Class Members to whom Class
3 Notices are re-sent, after having been returned undeliverable to the Settlement Administrator, the
4 Response Deadline will be extended by fifteen (15) calendar days from the original deadline. Any
5 such person who timely and validly chooses to opt out of, and be excluded from, the Class Settlement
6 will not be entitled to any recovery under the Class Settlement and will not be bound by the Class
7 Settlement or have any right to object, appeal, or comment thereon. However, all current and former
8 hourly paid or non-exempt employees of Defendant in California between March 16, 2020 through
9 October 31, 2022 (“Aggrieved Employees”), will still receive an Individual PAGA Payment, and
10 will be bound by the PAGA Settlement, regardless of whether he or she submitted a timely and valid
11 Request for Exclusion from the Class Settlement. Class Members who have not submitted a timely
12 and valid request to be excluded from the Settlement (i.e., Participating Class Member) shall be
13 bound by terms and conditions of the Settlement Agreement, the Class Settlement, and any final
14 judgment based thereon. Aggrieved Employees will be bound to the PAGA Settlement irrespective
15 of whether they exercise their option to opt out of the Class Settlement. Class Members who do not
16 submit a timely and valid Request for Exclusion are deemed to be Participating Class Members
17 under the Settlement Agreement, entitled to all benefits and bound by all terms and conditions of
18 the Class Settlement, including the Participating Class Members’ release of Released Class Claims.

19 13. A Final Approval Hearing shall be held before this Court on
20 _____ at _____ a.m./p.m. in
21 Department 10 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los
22 Angeles, California 90012, to determine all necessary matters concerning the Settlement, including:
23 whether the proposed settlement of the action on the terms and conditions provided for in the
24 Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether a
25 judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation
26 contained in the Settlement should be approved as fair, adequate, and reasonable to the Class
27 Members and Aggrieved Employees; and determine whether to finally approve the requests for the
28 Attorneys' Fees and Costs, Class Representative Enhancement, and Settlement Administration

1 Expenses.

2 14. Class Counsel shall file a motion for final approval of the Settlement and for
3 Attorneys' Fees and Costs, Class Representative Enhancement , and Settlement Administration
4 Expenses, along with the appropriate declarations and supporting evidence, including the Settlement
5 Administrator's declaration, by
6 _____, to be heard at the Final
7 Approval Hearing.

8 15. To object to the Class Settlement, a Participating Class Member must send his or
9 her objection in writing to the Administrator on or before the Response Deadline or directly present
10 his or her objection orally to the Court at the Final Approval Hearing. The written objection must
11 be signed and must contain the information that is required, as set forth in the Class Notice, including
12 and not limited to the grounds for the objection.

13 16. The Settlement is not a concession or admission, and shall not be used against
14 Defendant as an admission or indication with respect to any claim of any fault or omission by
15 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
16 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
17 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
18 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
19 evidence of a presumption, concession, indication or admission by Defendant of any liability, fault,
20 wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
21 implementation, interpretation, or enforcement of the Settlement.

22 17. In the event the Settlement does not become effective in accordance with the terms
23 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled
24 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
25 vacated, and the Parties shall revert back to their respective positions as of before entering into the
26 Settlement Agreement.

27 18. The Court reserves the right to adjourn or continue the date of the Final Approval
28 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class

1 Members, and Aggrieved Employees and retains jurisdiction to consider all further applications
2 arising out of or connected with the Settlement.

3 **IT IS SO ORDERED.**

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5 Dated: _____

By: _____
The Honorable William F. Highberger
Judge of the Superior Court

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EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

China v. Southwest Industries Inc

**Los Angeles County Superior Court, Case No. 21STCV11874
Los Angeles County Superior Court, Case No. 21CMCV00123**

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced matter.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

This Notice is designed to advise you of your rights and options with respect to the settlement.

By order of the Superior Court of California for the County of Los Angeles (the "Court" or "Los Angeles County Superior Court"), you are notified that: preliminary approval of a class action settlement reached between Plaintiff Eduardo China ("Plaintiff" or "Class Representative") and Defendant Southwestern Industries, Inc. ("Defendant"), was granted on [insert date], in the lawsuits entitled *Eduardo China v. Southwest Industries Inc.*, Los Angeles County Superior Court, Case No. 21STCV11874, and Los Angeles County Superior Court, Case No. 21CMCV00123 (together, the "Actions"), which may affect your legal rights.

If you are a Class Member (or member of the Class), you need not take any action to receive a settlement payment, but you have the opportunity to request exclusion from the Settlement (in which case you will not receive payment under the Settlement), object to the Settlement, and/or dispute the number of Workweeks credited to you, if you so choose, as explained more fully in Section III below.

I. IMPORTANT DEFINITIONS

"Class" or "Class Member(s)" refers to all current and former hourly-paid or non-exempt employees of Defendant in California employed during the Class Period.

"Class Period" means the time period from March 26, 2017 through October 31, 2022.

"Aggrieved Employees" means all current and former hourly paid or non-exempt employees of Defendant in California during the PAGA Period.

"PAGA Period" means the time period from March 16, 2020 through October 31, 2022.

II. BACKGROUND OF THE ACTION

On or about March 26, 2021, Plaintiff Eduardo China filed a Class Action Complaint for Damages ("Class Action") against Defendant Southwestern Industries, Inc. in the Superior Court of California for the County of Los Angeles, Case No. 21STCV11874. The Action alleges a causes of action for violations of the California Labor Code: Unpaid Overtime Wages (Lab. Code §§ 510 and 1198); Meal Period Violations (Lab. Code §§ 226.7 and 512); Rest Period Violations (Lab. Code § 226.7); Unpaid Minimum Wages (Lab. Code §§ 1194, 1197 and 1197.1); Failure to Timely Pay Final Wages (Lab. Code §§ 201 and 202); Failure to Timely Pay Wages During Employment (Lab. Code § 204); Non-Compliant Wage Statements (Lab. Code § 226); Failure to Maintain Payroll Records (Lab. Code § 1174); Failure to Reimburse Business Expenses (Lab. Code §§ 2800 and 2802); and Unfair Business Practices (Bus. & Prof. Code §§ 17200, *et seq.*).

On or about March 16, 2021, Plaintiff Eduardo China submitted a Private Attorneys General Act ("PAGA") Letter to the Labor and Workforce Development Agency ("LWDA") seeking civil penalties under PAGA, against Southwestern Industries, Inc. and any and all affiliates, subsidiaries, parents, directors, officers, and employees, on behalf of aggrieved employees in California, for alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and Industrial Welfare Commission Wage Orders, inter alia, Wage Orders 4-2001 and 5-2001.

On or about May 21, 2021, Plaintiff Eduardo China filed a Complaint for Enforcement Under the Private Attorneys General Act, California Cal. Labor Code § 2698, *Et Seq.* (“PAGA Action”) (together with the Class Action, the “Actions”) against Defendant Southwestern Industries, Inc. in the Superior Court of California for the County of Los Angeles, Case No. 21CMCV00123, asserting a single cause of action for civil penalties under the Private Attorneys’ General Act (“PAGA”) on behalf of herself and all other aggrieved employees.

On or about December 16, 2022, by way of Court order, the Class Action and PAGA Action were consolidated, with the Class Action designated the lead action.

Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, restitution, declaratory relief, penalties, interest, and attorneys’ fees and costs.

Defendant denies all the allegations in the Actions or that they violated any law and contends that at all times they have fully complied with all applicable federal, state, and local laws.

The Parties participated in a full-day mediation session with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Settlement and Release (“Settlement” or “Settlement Agreement”), which was preliminarily approved by the Court on [Preliminary Approval Date]. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Eduardo China as representative of the Class (“Class Representative”), and the following law firm as counsel for the Class (“Class Counsel”):

Edwin Aiwarzian, Esq.
Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Brian J. St. John, Esq.
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

The Settlement represents a compromise and Settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability to Plaintiff or to Class Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and that the Settlement is in the best interests of the Class Members.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The Total Settlement Amount is One Million Nine Hundred Thousand Dollars (\$1,900,000.00) (the “Total Settlement Amount”). The portion of the Total Settlement Amount that is available for payment to Class Members who do not opt out of this Settlement (“Participating Class Members”) is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Total Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees in an amount of up to one-third (1/3) of the Total Settlement Amount (i.e., up to \$633,333.33) and reimbursement of litigation costs and expenses in an amount of up to Twenty Thousand Dollars (\$20,000.00) to Class Counsel (together, “Attorneys’ Fees and Costs”); (2) enhancement payment in an amount not to exceed Ten Thousand Dollars (\$10,000) to Plaintiff Eduardo China for his services (“Class Representative Enhancement”); (3) settlement administration costs in an amount not to exceed Nine Thousand Dollars (\$9,000.00) to the Settlement Administrator (“Settlement Administration Expenses”); and (4) the allocation of Three Hundred Thousand Dollars (\$300,000.00) to settle all claims under PAGA (“PAGA Penalty Amount”), of which 75%, or \$225,000.00, will be paid to the Labor and Workforce Development Agency (“LWDA”) and the remaining 25%, or \$75,000.00, will be distributed *pro rata* to Aggrieved Employees.

Class Members are eligible to receive a *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”)

based on the number of workweeks during which they worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period (“Workweeks”). Each Aggrieved Employee’s *pro rata* share of the 25% portion of the PAGA Penalty Amount (“Individual PAGA Payment”) will be based on the number of Workweeks during which they worked for Defendant during the PAGA Period.

Each Individual Settlement Share will be allocated as twenty percent (20%) to wages (which will be reported on an IRS Form W2), and eighty percent (80%) to interest, penalties, and other non-wage damages (which will be reported on an IRS Form 1099, if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of taxes and withholdings with respect to the wage portion of the Individual Settlement Share. The net payment of each Participating Class Member’s Individual Settlement Share (after reduction for the employee’s share of taxes on the wage portion) is referred to as their “Individual Settlement Payment.” Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on IRS Form-1099 (if applicable) by the Settlement Administrator.

If the Court grants final approval of the Settlement, Defendants will deposit the Total Settlement Amount thirty days after the Settlement is granted final approval and will deposit the remaining fifty percent (50%) eight months after funding the first installment.

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members at the address that is on file with the Settlement Administrator by way of check and Individual PAGA Payments will be mailed to Group Members at the address that is on file with the Settlement Administrator by way of check following the funding of the Total Settlement Amount. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to.**

B. Your Pay Periods Based on Defendants’ Records

According to Defendant’s records:

From March 26, 2017 through October 31, 2022, you worked for Defendant Southwestern Industries, Inc. as an hourly-paid or non-exempt employee in California for [REDACTED] Workweeks.

From March 16, 2020 through October 31, 2022, you worked for Defendant Southwestern Industries, Inc. as an hourly-paid or non-exempt employee in California for [REDACTED] PAGA Workweeks.

If you wish to dispute the number of Workweeks during the Class Period and/or PAGA Period credited to you, you must submit a written letter to the Settlement Administrator. The written dispute must include information and/or attach documentation demonstrating that the number of Workweeks that you contend should be credited to you is correct; and (f) be mailed to the Settlement Administrator at the address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share is based on the number of Workweeks during the Class Period credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$[REDACTED]. The Individual Settlement Share is subject to reduction for the employee’s share of taxes and withholding with respect to the wage portion of the Individual Settlement Share.

Individual Settlement Payments (i.e., the net payment of the Individual Settlement Share after reduction for the employee’s share of taxes on the wage portion) will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

As explained above, your estimated Individual PAGA Payment is based on the number of Workweeks during the PAGA Period credited to you.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

The Settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment in this Notice is only an estimate. Your actual Individual Settlement Share and Individual PAGA Payment may be higher or lower.

D. Released Claims

Upon the Effective Date, each of the Participating Class Members (including all the Class Representatives) will be deemed to have, and by operation of the Judgment will have fully, finally, and forever agreed to release, discharge, hold harmless, and covenant not to sue each and all the Released Parties for the Released Class Claims and each PAGA Group Member will be deemed have, and by operation of the Judgment will have fully, finally, and forever agreed to release, discharge, hold harmless, and covenant not to sue each and all the Released Parties for the Released PAGA Claims.

“Released Class Claims” means any and all claims under state, federal, or local law, arising out of the facts alleged in the Class Complaint, arising during the Class Period, including but not limited to claims under the California Labor Code, Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law for failure to pay overtime wages and/or failure to pay such wages at the correct rates of pay, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to pay minimum wages, failure to timely pay wages upon termination and associated waiting time penalties, failure to timely pay wages during employment and associated waiting time penalties, failure to provide compliant wage statements, failure to keep requisite payroll records, failure to reimburse necessary business expenses, and violation of California’s unfair competition law.

“Released PAGA Claims” means any and all claims for civil penalties pursuant to PAGA, arising out of the facts alleged in the PAGA Notice, arising during the PAGA Period, including but not limited to claims for failure to pay minimum and overtime wages and/or failure to pay such wages at the correct rate(s) of pay, failure to provide compliant meal and rest breaks and associated premiums, failure to provide compliant wage statements, failure to timely pay all wages upon separation of employment and associated waiting-time penalties, failure to timely pay wages during employment and associated waiting time penalties, failure to keep requisite payroll records, failure to reimburse business expenses, and unfair and unlawful business practices in violation of California Business and Professions Code section 17200, *et seq.*

“Released Parties” means Defendant, and all of its present and former parent companies, subsidiaries, affiliates, and divisions, and their principals, shareholders, directors, officers, agents, representatives, employees, attorneys, insurers, successors, and assign.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to one-third (1/3) of the Total Settlement Amount (i.e., up to \$633,333.33) and reimbursement of litigation costs and expenses in an amount of up to Twenty Thousand Dollars (\$20,000), to be paid from the Total Settlement Amount, subject to approval by the Court. Class Counsel has been prosecuting the Actions on behalf of Plaintiff and 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.

F. Class Representative Enhancement to Plaintiff

Plaintiff will seek the amount of Ten Thousand Five Hundred Dollars (\$10,000) as an Class Representative Enhancement to Plaintiff Eduardo China in recognition of his services in connection with the Actions. The Class Representative Enhancement will be paid from the Total Settlement Amount subject to approval by the Court, and if awarded, it will be paid to Plaintiff in addition to his Individual Settlement Payment that she is entitled to under the Settlement.

G. Settlement Administrator Expenses to the Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Nine Thousand Dollars (\$9,000) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, receiving and reviewing requests for exclusion, objections, and/or disputes, if any, submitted by Class Members, calculating Individual Settlement Payments, and distributing payments and tax forms under the Settlement, and will be paid from the Gross Settlement Amount subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to receive money from the Settlement, you do not have to do anything. You will automatically be issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement. Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Parties for the Released Claims, as described in Section III.D above. As a Class Member, you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses. If you qualify as a Aggrieved Employee, you will be bound to the release of Released PAGA Claims and will be issued your Individual PAGA Payment, irrespective of whether you exclude yourself from the Class Settlement.

B. Request Exclusion from the Settlement

If you do not wish to participate in the Class Settlement, you may seek exclusion from (or "opt out" of) the Class Settlement by submitting a timely, written request for exclusion from the Settlement to the Settlement Administrator at the following address:

[Settlement Administrator]
[Address]

The request for exclusion must: (a) include your full name, address, telephone number, and the last four digits of your Social Security Number; (b) include the name and case number of the Actions (*Eduardo China v. Southwestern Industries, Inc.*, Case No. 21STCV11874 and Case No. 21CMCV00123); (c) include a clear and unequivocal statement that you wish to be excluded from the Settlement; (d) include your signature; and (e) be mailed to the Settlement Administrator at the address listed above, postmarked **no later than [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid request for exclusion from the Class Settlement will not be entitled to receive an Individual Settlement Payment from the Settlement, will not be bound by the Class Settlement (and the release of Released Class Claims stated in Section III.D above), and will not have any right to object to, appeal, or comment on the Settlement. Any Class Members who do not submit a timely and valid request for exclusion from the Settlement will be deemed Participating Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of Released Class Claims stated in Section III.D above, as well as any judgment that may be entered by the Court based thereon.

Notwithstanding the above, all Aggrieved Employees will receive their share of the 25% share of the PAGA Penalty Amount (i.e., Individual PAGA Payment) and will be bound to the Released PAGA Claims, irrespective of whether they submit a Request for Exclusion

C. Object to the Settlement

You can object to the terms of the Settlement as long as you have not submitted a request for exclusion from the Settlement, by submitting a written objection ("Notice of Objection") to the Settlement Administrator or by orally presenting your objection at the Final Approval Hearing (you may appear at the Final Approval Hearing and make an oral objection without submitting a written objection).

A written Notice of Objection must: (a) include your full name, address, telephone number, and the last four digits of your Social Security Number; (b) include the name and case number of the Actions (*Eduardo China v. Southwestern*

Industries, Inc., Case No. 21STCV11874 and Case No. 21CMCV00123); (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) include your signature; (e) attach copies of any papers, briefs, or other documents upon which the objection is based; and (f) be filed or postmarked **no later than [Response Deadline]**.

V. FINAL APPROVAL HEARING

The Court will hold a hearing (the “Final Approval Hearing”) in Department 10 of the Los Angeles County Superior Court, located at the Stanley Mosk Courthouse at 111 North Hill Street, Los Angeles, California 90012 on **DATE, at TIME**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate and whether the attorneys’ fees and costs to Class Counsel, Class Representative Enhancement to Plaintiff, and Settlement Administrator Expenses to the Settlement Administrator should be awarded. If the Court enters an order and judgment granting final approval of the Settlement, a copy of this order and judgment will be posted on the Settlement Administrator’s website; to access it you will need to navigate to the following web URL: **[insert]**

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to regardless of whether you submitted a Notice of Objection.

Personal appearances and telephonic appearances are an option. You can find information regarding appearing remotely online at: <https://my.lacourt.org/laccwelcome>. Please note that there may be deadlines to reserve a remote appearance and fees or charges may apply.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement by going to Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, California, 90012, during the court’s business hours of each court day and requesting to look at paper records. You can also access documents filed in the Actions, to the extent they have been imaged for online access, as well as basic information regarding hearing dates and filings in the Actions by looking the case up on the Case Access Portal of the Court’s website (www.lacourt.org/casesummary/ui/). Fees may apply for accessing and/or obtaining copies of documents from the Court in person or online. To look up and access documents and information on the Court’s systems, you will need to use the case number.

Please note, due to the COVID-19 pandemic, there may be limitations on access to court facilities. Please visit the following link for the Court’s most current social distancing procedures and information regarding accessing court facilities: <https://www.lacourt.org/courthouse/info/la>.

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

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: **[INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.**