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**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF LOS ANGELES—SPRING STREET COURTHOUSE**

MELISA REYES, individually, and on behalf of other members of the general public similarly situated; and on behalf of other aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

SCE FEDERAL CREDIT UNION, an unknown business entity; and DOES 1 through 100, inclusive,

Defendants.

Case No.: 21STCV09629

Honorable Elihu M. Berle  
Department 6

**CLASS ACTION**

**DECLARATION OF ELIZABETH PARKER-FAWLEY IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

[Notice of Motion and Motion for Preliminary Approval of Class Action and PAGA Settlement; Declaration of Class Representative (Melisa Reyes); and [Proposed] Order filed concurrently herewith]

Date: July 12, 2024  
Time: 9:00 a.m.  
Department: 6

Complaint Filed: March 11, 2021  
FAC Filed: August 16, 2021  
Trial Date: None Set

**DECLARATION OF ELIZABETH PARKER-FAWLEY**

I, Elizabeth Parker-Fawley, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiff Melisa Reyes (“Plaintiff”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

**EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC**

2. Since October 2008, Lawyers for Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers for Justice, PC is the attorney of record in well over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers for Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative actions. Lawyers for Justice, PC has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers for Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California.

3. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers for Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From

1 approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the  
2 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In  
3 December of 2004, he obtained a license to practice law from the California State Bar. Since in or  
4 around October of 2008, through his work at Lawyers for Justice, PC, he has almost exclusively  
5 focused on the prosecution of consumer and employment class actions, involving wage-and-hour  
6 claims, race discrimination, unfair business practices, or consumer fraud. Together with other  
7 attorneys at the firm, and in many cases in conjunction with co-counsel, he has successfully litigated  
8 cases involving the executive, administrative, and other overtime exemptions to the State of  
9 California and federal overtime compensation requirements. Under his supervision, Lawyers for  
10 Justice, PC has successfully obtained class certification by contested motion practice in  
11 approximately fifteen (15) cases in the last decade, and litigated over 1,000 class action or  
12 representative action cases.

13 4. Arby Aiwazian is a Member and Shareholder of Lawyers for Justice, PC. He  
14 received his Bachelor of Arts degree from University of California, Los Angeles and graduated  
15 magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School.  
16 From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the  
17 Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District.  
18 From approximately August 2008 to approximately December 2008, he served as a Judicial Extern  
19 to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit.  
20 He was admitted to practice law in California in 2010. He is admitted to practice before all courts  
21 of the State of California and all United States District Courts in the State of California. He has  
22 worked on many wage-and-hour class action and representative action cases, taking the lead in  
23 taking and defending depositions, arguing motions, and attending mediations. He has played an  
24 integral role in preparing matters for class certification, including and not limited to, successful  
25 certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.  
26 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No.  
27 BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No.  
28 RG13680477). Under his supervision, dozens of class action or representative action cases have

1 resulted in settlements that have been granted court approval, including and not limited to, those  
2 listed in paragraph 7 herein. He has handled over one hundred and fifty (150) mediations and has  
3 worked on over two hundred and fifty (250) class action or representative action cases which have  
4 resulted in settlement.

5         5. Joanna Ghosh is a Senior Member of Lawyers for Justice, PC. She received her  
6 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science  
7 degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown  
8 University Law Center in 2010. She is admitted to practice in California (since 2010) and in New  
9 York (since 2013) and she is also admitted to practice in all U.S. District Courts in California, the  
10 U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has  
11 taken and defended dozens of depositions and successfully handled motion practice in class action  
12 cases regarding discovery (including and not limited to, regarding class contact information), class  
13 certification (both contested class certification and stipulated class certification), arbitration  
14 agreements, coordination, and intervention. She has successfully handled briefing and oral argument  
15 on appeal and obtained notable decisions regarding the Private Attorneys General Act and employer  
16 efforts to compel arbitration of PAGA claims, e.g., *Roberto Betancourt v. Prudential Overall Supply*  
17 (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, *cert. denied* (Cal., May 24, 2017), *cert. denied*  
18 (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. She has significant  
19 experience with class actions, including and not limited to working on cases to obtain class  
20 certification through contested motion practice and working on cases in the post-certification stage  
21 (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation  
22 in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600  
23 individuals). She also has extensive experience with class action and/or representative action  
24 settlements, and has handled this process in over three hundred (300) cases. Under Edwin Aiwazian,  
25 Joanna Ghosh and Arby Aiwazian's supervision, Lawyers for Justice, PC has handled the class  
26 certification and court approval process for hundreds of class action and/or representative action  
27 matters that have successfully resolved. She is also a member of the California Employment Lawyers  
28 Association.

6. I am the Director of Legal Operations at Lawyers for Justice, PC. In December 2014, I obtained a license to practice law from the California State Bar. I am admitted to practice in all courts in the State of California, as well as the Central, Southern, Northern, and Eastern District Courts of California and the Ninth Circuit Court of Appeal. Since December 2014, I have worked at Lawyers for Justice, PC, and my practice has almost exclusively focused on the prosecution of employment class actions and representative actions, handling cases in all stages of litigation from initial pleadings to assisting with class action trial matters, attending mediations, and preparing class action settlements. Previously, I was in the role of Manager of Litigation, in which I oversaw approximately twenty-five attorneys working on hundreds of employment class actions and representative actions, and provided internal training for our litigation practice group and post-bar law clerks. In my current role, I oversee the legal operations of the firm, review and advise attorneys on work product and practices, provide training, and supervise cases from their inception to final accounting. I am a member of the California Lawyers Association Labor & Employment Group and the California Employment Lawyers Association..

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

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

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

b) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class action against a national retailer of household items involving allegations of misclassification of the “Assistant Store Manager” position. On October 28, 2010, the court granted final approval of the class action settlement. The Los Angeles County Superior Court Case Number is BC413498.

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

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

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

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

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

27 h) LFJ, in association with co-counsel therein, represented the plaintiff in a  
28 wage-and-hour class and PAGA representative action against a national retailer of household items,

1 on behalf of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final  
2 approval of the class and PAGA representative action settlement. The San Francisco County  
3 Superior Court Case Number is CGC-13-532344.

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

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

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

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

26 m) LFJ represented the Plaintiffs in a PAGA representative action against a real  
27 estate and property management company, on behalf of non-exempt employees. On November 4,  
28

2016, the court granted approval of the PAGA representative action settlement. The Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

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

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

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

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

r) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class and PAGA representative action against a manufacturer of food service industry supplies on behalf of non-exempt employees. On April 14, 2017, the court granted final approval of the class and PAGA representative action settlement. The Orange County Superior Court Case Number is 30-2015-00810013-CU-OE-CXC.

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

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

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

14          v)     LFJ represented the plaintiffs in a wage-and-hour class and PAGA  
15 representative action against a chocolate company on behalf of non-exempt employees. On July 19,  
16 2017, the court granted final approval of the class and PAGA representative action settlement. The  
17 Alameda County Superior Court Case Number is RG15764300.

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

22          x)     LFJ represented the plaintiffs in a wage-and-hour class and PAGA  
23 representative action against a manufacturer of plastic containers on behalf of non-exempt  
24 employees. On October 31, 2017, the court granted final approval of the class and PAGA  
25 representative action settlement. The Los Angeles County Superior Court Case Number is  
26 BC577233.

27          y)     LFJ, in association with co-counsel therein, represented the plaintiffs in a  
28 wage-and-hour class and PAGA representative action against a bank on behalf of non-exempt

1 employees. On December 11, 2017, the court granted final approval of the class and PAGA  
2 representative action settlement. The Los Angeles County Superior Court Case Number is  
3 BC569646.

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

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

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

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

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

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

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

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

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

22 ii) LFJ, in association with co-counsel therein, on behalf of the plaintiff and  
23 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed and  
24 argued an appeal with respect to the employer's motion to compel arbitration, resulting in a notable  
25 decision from the California Supreme Court clarifying the law regarding PAGA claims, *ZB, N.A. v.*  
26 *Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court granted approval of the  
27 PAGA representative action settlement. The San Diego County Superior Court Case Number is 37-  
28 2016-00005578-CU-OE-CTL.

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

6           kk)     LFJ, in association with co-counsel therein, represented the plaintiff in a  
7 wage-and-hour class and PAGA representative action against a large national drug testing laboratory  
8 on behalf of non-exempt employees. On February 21, 2020, the court granted the plaintiff's motion  
9 for class certification and certified a class. On October 28, 2022, the court granted final approval of  
10 the class and PAGA representative action settlement. The San Diego County Superior Court Case  
11 Number is 37-2018-00019611-CU-OE-CTL.

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

18           mm)     LFJ, in association with co-counsel therein, represented the plaintiffs in a  
19 wage-and-hour class and PAGA representative action against a plastic packaging company on behalf  
20 of non-exempt employees. On June 8, 2020, the court granted in part the plaintiffs' motion for class  
21 certification and certified a class. On November 8, 2021, the court granted approval of the partial  
22 settlement of the action. On April 22, 2024, the court granted approval of the PAGA settlement and  
23 entered an order dismissing the action. The San Bernardino County Superior Court Case Number is  
24 CIVDS1507361.

25           nn)     LFJ, in association with co-counsel therein, represented the plaintiffs in a  
26 wage-and-hour class action against manufacturer and supplier of power products and services on  
27 behalf of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion  
28 for class certification and certified a class. On August 27, 2021, the court granted final approval of

1 the class action settlement. The San Diego County Superior Court Case Number is 37-2015-  
2 00025968-CU-OE-CTL.

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

7 pp) LFJ represents the plaintiffs in a wage-and-hour class action against a  
8 manufacturer and distributor of commercial dish and glass cleaning machines and supplies for the  
9 restaurant and hospitality industries, on behalf of hourly-paid or non-exempt employees. On July  
10 13, 2023, the court granted the plaintiffs' motion for class certification and certified a class. The  
11 Los Angeles County Superior Court Case Number is BC707670.

12 **THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED**

13 8. Marked and attached hereto as “**EXHIBIT 1**” is the Stipulation of Class Action and  
14 PAGA Settlement (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into by and  
15 between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved  
16 employees, on the one hand, and Defendant SCE Federal Credit Union (“Defendant”), on the other  
17 hand. The Parties and their counsel have approved the proposed Court Approved Notice of Class  
18 Action Settlement and Hearing Date for Final Court Approval (“Class Notice”), which is attached  
19 to the Settlement Agreement as “Exhibit A” and respectfully request that the Court approve it as  
20 well.

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

28 10. Class Counsel has litigated the matter for over three (3) years and was actively

1 preparing the matters for class certification and trial. The Parties have engaged in extensive  
2 settlement negotiations and participated in two full-day mediations, on July 28, 2022 and February  
3 27, 2024, conducted by Hon. Jeffrey Winikow (Ret.) (“the Mediator”), a well-respected mediator  
4 experienced in mediating complex labor and employment matters, followed by continued  
5 negotiations with the assistance of the Mediator. In the course of the litigation and in connection  
6 with the mediation and settlement discussions, the Parties exchanged extensive information and  
7 engaged in discussions regarding their evaluations of the case and various aspects of the case,  
8 including but not limited to, the risks and delays of further litigation, the risks to the Parties of  
9 proceeding with class certification and/or representative adjudication, the law relating to off-the-  
10 clock theory, meal and rest periods, regular rate of pay, rounding, automatic deduction of meal  
11 periods, PAGA representative actions, and state wage-and-hour law and enforcement, as well as the  
12 evidence produced and analyzed, and the possibility of appeals, among other things. During all  
13 settlement discussions, the Parties conducted their negotiations at arm’s length in an adversarial  
14 position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its  
15 counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and  
16 Class Counsel believed that they would be able to obtain class certification and prevail at trial. After  
17 conducting investigations, formal and informal discovery and exchange of information, extensive  
18 settlement negotiations, and with the aid of the mediator’s evaluation, the Parties have agreed that  
19 the matter is well-suited for settlement given the legal issues relating to Plaintiff’s principal claims,  
20 as well as the costs and risks to both sides that would attend further litigation. The Settlement is a  
21 fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiff and Class  
22 Members, and of the Released PAGA Claims of Plaintiff, the State of California, and the Aggrieved  
23 Employees, against the Released Parties.

24 11. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength,  
25 and scope of the claims, and was preparing the actions for class certification and trial. Plaintiff  
26 conducted significant investigation and formal and informal discovery regarding the facts of the  
27 case, including and not limited to, the exchange, review, and analysis of thousands of pages of  
28 documents and data obtained from Defendant, Plaintiff, and other sources. On January 27, 2023,

1 Plaintiff propounded multiple sets of written discovery requests on Defendant, including Requests  
2 for Production of Documents, (Set One); Special Interrogatories (Sets One & Two), and Form  
3 Interrogatories—General (Set One), and noticed the deposition of Defendant’s persons most  
4 knowledgeable regarding Defendant’s organizational structure, and wage and hour practices (along  
5 with requests for production of documents). Thereafter, on March 24, 2023, Defendant served its  
6 objections and responses to Plaintiff’s written discovery requests. The volume of data and  
7 documents that Class Counsel reviewed and analyzed included and was not limited to: Plaintiff’s  
8 and other Class Members time, pay, and incentive/bonus data, multiple versions of Defendant’s  
9 Team Member Handbook and Addendums thereto, company policy acknowledgements (e.g., Team  
10 Member Handbook Acknowledgement, Job Duties Acknowledgement, Acknowledgement of  
11 Receipt of Basic Employment Policies), job descriptions, orientation checklists for new team  
12 members, and Defendant’s operations and employment practice, policies, and procedures, among  
13 other information and documents. Class Counsel had the opportunity to interview Plaintiff and other  
14 Class Members to gather facts and to identify potential witnesses. Counsel for the Parties also met  
15 and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, discovery, the  
16 Belaire-West Notice, and the production of documents and data prior to the mediations. Class  
17 Counsel also drafted pleadings and the mediation briefs and prepared for and attended court  
18 proceedings, two mediations, and settlement negotiations, among other tasks.

19         12. Counsel for the Parties have also invested time researching and investigating the  
20 applicable law, which is constantly evolving as it relates to certification, representative PAGA  
21 claims, off-the-clock theory, meal and rest periods, regular rate of pay, rounding, automatic  
22 deduction of meal periods, state wage-and-hour law and enforcement, Plaintiff’s claims and  
23 damages, and Defendant’s defenses thereto, as well as facts discovered. Based on our analysis, I  
24 submit that the result achieved in this litigation is fair, adequate, and reasonable.

25         13. The Settlement provides for a Total Settlement Amount of Six Hundred Fifty  
26 Thousand Dollars (\$650,000.00). The Net Settlement Amount is the Total Settlement Amount less  
27 the following amounts subject to approval by the Court: Attorney’s Fees and Costs to Class Counsel,  
28 an Enhancement Award to Plaintiff, Settlement Administration Costs to the Settlement

1 Administrator, and the PAGA Penalty Amount. Assuming that the amounts allocated under the  
2 Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will  
3 be available for distribution to Settlement Class Members is currently estimated to be Three Hundred  
4 Thirty-Eight Thousand Dollars (\$338,000.00). Additionally, 25% of the PAGA Penalty Amount  
5 (i.e., Individual PAGA Payment), which is \$10,000.00 out of \$40,000.00, will be distributed to the  
6 Aggrieved Employees, for their respective portion of the PAGA Penalty Amount. The Total  
7 Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there  
8 is no reversion to Defendant.

9       14. The Parties have agreed to retain Phoenix Class Action Administration Solutions  
10 (“Phoenix” or “Settlement Administrator”) to handle the notice and settlement administration  
11 process. The Parties respectfully request that the Court appoint Phoenix to handle these procedures  
12 and serve as the Settlement Administrator. Defendant will provide Phoenix with a list of Class  
13 Members that Defendant will compile from its records, which will include each Class Member’s and  
14 Aggrieved Employee’s full name, last-known mailing address, Social Security number, dates  
15 worked for Defendant during the Class Period and, if applicable, during the PAGA Period, and such  
16 other information and data as necessary for the Settlement Administrator to independently calculate  
17 the Workweeks ( “Class Data”), and the Settlement Administrator will calculate each Class  
18 Member’s estimated share of the Net Settlement Amount (“Individual Settlement Share”). The  
19 Settlement Administrator will also receive requests for exclusion from the Class Settlement,  
20 objections to the Class Settlement, and disputes regarding Workweeks; provide necessary reports  
21 and declarations; calculate, subtract, and transmit necessary taxes and withholdings; prepare and  
22 submit informational and other tax filings and documents; issue and transmit all payments provided  
23 for by the Settlement, including and not limited to, mailing Individual Settlement Payment checks  
24 to the Settlement Class Members; mailing Individual PAGA Payment checks to Aggrieved  
25 Employees; and perform any other usual and customary duties for administering a class action  
26 settlement. Settlement Administrator costs are currently estimated not to exceed Seven Thousand  
27 Dollars and Zero Cents (\$7,000.00) and will be paid out of the Total Settlement Amount, subject to  
28 approval of the Court.

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

19           16.     Class Counsel is aware of the defenses and position of Defendant but believes that  
20 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and Class  
21 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation,  
22 and the difficulties and delays inherent in such litigation, including those involved in class  
23 certification and/or representative adjudication. Plaintiff further recognizes the burdens of proof  
24 necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the  
25 difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have also  
26 considered the Parties' settlement discussions, as well as the evaluations of the Mediator, who is  
27 experienced and well-regarded in complex labor and employment matters.

28           17.     Defendant, on the other hand, denied and continues to deny any liability and

wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that the lawsuit is appropriate for class treatment or representative adjudication for any purpose other than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have also had the opportunity to interview witnesses and review documents and information relating to Plaintiff's, Class Members', and Aggrieved Employees' employment with Defendant, and Defendant's operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed thousands of pages of documents and data to determine the potential value and strength of the claims. The available information enabled Class Counsel to assess and value the class and PAGA claims and prepare violation, damages, and penalties analyses models. Accordingly, the Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at certification, trial, and/or appeals.

18. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., \$227,500.00, if the Total Settlement Amount remains \$650,000.00) and for Class Counsel to apply for reimbursement of their actual costs and expenses, which are estimated to be no more than Thirty Thousand Dollars and Zero Cents (\$30,000.00), which will be paid out of the Total Settlement Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.

19. The Settlement Agreement provides for payment of up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff as an Enhancement Award, to be paid out of the Total Settlement Amount subject to approval by the Court. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed her and actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiff to receive an Enhancement Award, in addition to

1 her individual settlement payments, for her services on behalf of the Class, Aggrieved Employees,  
2 and State of California.

3 20. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in  
4 the best interest of Plaintiff, the Class, and State of California. Class Counsel further submits that  
5 the Settlement is within an acceptable range of recovery for this type of litigation given the strengths  
6 and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks  
7 associated with class certification, representative adjudication, trial, and/or appeals.

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

10 Executed on this 12<sup>th</sup> day of June 2024, at Glendale, California.

11 

12 \_\_\_\_\_  
Elizabeth Parker-Fawley

# **EXHIBIT 1**

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

2            This Stipulation of Class Action and PAGA Settlement (“Agreement,” “Settlement,” or  
3 “Settlement Agreement”) is made and entered into by and between Plaintiff Melisa Reyes (“Plaintiff”  
4 or “Class Representative”), on behalf of all others similarly situated and the State of California with  
5 respect to aggrieved employees, and Defendant SCE Federal Credit Union (“Defendant”) (and,  
6 collectively with Plaintiff, the “Parties”).

7            This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined  
8 herein), and the California Labor & Workforce Development Agency (the “LWDA”) with respect the  
9 Aggrieved Employees (as defined below), and on Defendant, subject to the terms and conditions hereof  
10 and the approval of the Court.

11                                    **RECITALS**

12            1.        On March 11, 2021, Plaintiff filed a Class Action Complaint for Damages (the “Class  
13 Complaint”) against Defendant in the Superior Court of California for the County of Los Angeles, Case  
14 No. 21STCV09629 (the “Class Action”), alleging causes of action for violation of (1) California Labor  
15 Code §§ 510 and 1198 (Failure to Pay Overtime), (2) California Labor Code §§ 226.7 and 512(a) (Failure  
16 to Provide Compliant Meal Periods and Associated Premiums), (3) California Labor Code § 226.7 (Failure  
17 to Provide Compliant Rest Periods and Associated Premiums), (4) California Labor Code §§ 1194, 1197  
18 and 1197.1 (Failure to Pay Minimum Wages), (5) California Labor Code §§ 201 and 202 (Failure to  
19 Timely Pay Final Wages), (6) California Labor Code § 204 (Failure to Timely Pay Wages During  
20 Employment), (7) California Labor Code § 226(a) (Failure to Provide Compliant Wage Statements), (8)  
21 California Labor Code § 1174(d) (Failure to Keep Requisite Payroll Records), (9) California Labor Code  
22 §§ 2800 and 2802 (Failure to Reimburse Business Expenses), and (10) California Business & Professions  
23 Code § 17200, *et seq.*, on behalf of a putative class of all current and former hourly-paid or non-exempt  
24 employees who worked for Defendant within the State of California at any time since March 11, 2017,  
25 and putative subclasses.

26            2.        On May 6, 2021, Plaintiff provided written notice to the California Labor & Workforce  
27 Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code  
28 that Defendant violated. On July 12, 2021, Plaintiff filed a Complaint for Enforcement Under the Private

Attorneys General Act against Defendant (the “PAGA Complaint”) in the Superior Court of California for the County of Los Angeles, Case No. 21PSCV00568 (the “PAGA Action”)(and, collectively with the Class Action, the “Actions”), alleging a single cause of action for civil penalties pursuant to the Private Attorneys General Act (“PAGA”) on behalf of the State of California in connection with himself and the other aggrieved employees. On August 16, 2021, Plaintiff amended the Class Action complaint to incorporate the claims alleged in the PAGA Action and, thereafter, dismissed the separate PAGA Action without prejudice.

3. Defendant denies all material allegations set forth in the Actions, defined below, and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Actions and Released Class Claims and Released PAGA Claims (as defined herein).

4. Class Counsel in the Actions diligently investigated the allegations asserted in the Actions and evaluated the claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of numerous corporate policies and practices. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

5. On July 28, 2022, the Parties participated in an all-day mediation with Honorable Jeffrey Winikow (Ret.)(“the Mediator”), a respected mediator of complex wage and hour actions. However, the Parties were unable to reach a resolution and thereafter resumed litigation of the Actions. On February 27, 2024, the Parties participated in a second all-day mediation with the Mediator. After continued negotiations, with the assistance of the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The settlement discussions were conducted at arm’s-length, and the settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on the documents produced, as well as Class Counsel’s own independent investigation and evaluation, Class Counsel believe that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement

1 is fair, reasonable, and adequate and is in the best interest of the Class Members, the State of California,  
2 and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant  
3 delay and uncertainty associated with litigation and various defenses asserted by Defendant.

4 6. The Parties expressly acknowledge that this Settlement Agreement is entered into solely  
5 for the purpose of compromising significantly disputed claims and that nothing herein is an admission  
6 of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved,  
7 it will be of no force or effect, and the Parties shall be returned to their original respective positions.

8 7. The Parties, Class Counsel and Defendant's Counsel represent that they are not aware of  
9 any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

#### 10 **DEFINITIONS**

11 8. The following definitions are applicable to this Settlement Agreement. Definitions  
12 contained elsewhere in this Settlement Agreement will also be effective:

13 a. "Aggrieved Employees" means all current and former hourly-paid or non-exempt  
14 employees who worked for Defendant in the State of California at any time during the period from May  
15 6, 2020 through July 9, 2024 or the date of Preliminary Approval, whichever is earlier.

16 b. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for  
17 Class Counsel's litigation and resolution of the Actions and all actual costs incurred and to be incurred  
18 by Class Counsel in the Actions, as set forth in Paragraph 12 below.

19 c. "PAGA Notice" means the May 6, 2021 letter Plaintiff sent to the LWDA and  
20 Defendant, providing written notice of her intent to seek civil penalties under the Private Attorneys  
21 General Act, California Labor Code section 2698, *et seq.*, for Defendant's alleged violations of California  
22 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197,  
23 1197.1, 1198, 2800 and 2802 and Industrial Welfare Commission Wage Orders, including and not limited  
24 to, Wage Order No. 4-2001.

25 d. "Class Counsel" or "Plaintiff's Counsel" means Arby Aiwazian, Joanna Ghosh,  
26 and Elizabeth Parker-Fawley of Lawyers *for* Justice, PC, who will seek to be appointed counsel for the  
27 Class (as defined below).

28 ///

1 e. "Class List" means a complete list of all Class Members and Aggrieved  
2 Employees that Defendant will diligently and in good faith compile from their records and provide to  
3 the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel  
4 spreadsheet and will include each Class Member's and Aggrieved Employee's full name, last known  
5 mailing address, Social Security Number, dates worked for Defendant during the Class Period and, if  
6 applicable, during the PAGA Period, and such other information and data as necessary for the Settlement  
7 Administrator to independently calculate the Workweeks (as defined below).

8 f. "Class Member(s)" or "Class" mean all current and former hourly-paid or non-  
9 exempt employees who worked for Defendant in the State of California during the Class Period.

10 g. "Class Notice" means the Notice of Class Action Settlement, substantially in the  
11 form attached as "**Exhibit A.**"

12 h. "Class Period" means the time period from March 11, 2017 through July 9, 2024  
13 or the date of Preliminary Approval, whichever is earlier.

14 i. "Class Representative" or "Plaintiff" mean Melisa Reyes.

15 j. "Class Settlement" means the settlement and release of the Released Class  
16 Claims.

17 k. "Court" means the Superior Court of the State of California for the County of Los  
18 Angeles.

19 l. "Defendant" means SCE Federal Credit Union.

20 m. "Defendant's Counsel" means Derek Sachs and Anthony Oceguela of O'Hagan  
21 Meyer.

22 n. "Effective Date" means the date when all of the following events have occurred:  
23 (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant's Counsel;  
24 (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been mailed to  
25 the Class Members and Aggrieved Employees, providing them with an opportunity to object to the terms  
26 of the Class Settlement or opt out of the Class Settlement; (4) the Court has held a Final Approval  
27 Hearing and entered a Final Approval Order and Judgment; and (5) the later of the following events:  
28 five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing

1 the Court's Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate  
2 proceeding having been filed; or, if any appeal, writ, or other appellate proceeding opposing the Court's  
3 Final Approval Order and Judgment has been filed, five business days after any appeal, writ, or other  
4 appellate proceedings opposing the Settlement has been finally and conclusively dismissed with no right  
5 to pursue further remedies or relief.

6 o. "Enhancement Award" means the amount to be paid to Plaintiff in recognition of  
7 Plaintiff's efforts and work in prosecuting the Actions, as set forth in Paragraph 13 below.

8 p. "Final Approval" means the determination by the Court that the Settlement is  
9 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

10 q. "Final Approval Hearing" means the hearing at which the Court will consider and  
11 determine whether the Settlement should be granted Final Approval.

12 r. "Final Approval Order and Judgment" means the order or orders entered by the  
13 Court that, *inter alia*, finally approve(s) this Agreement and the Settlement, disposes of all issues raised  
14 in the Action by way of judgment in conformity with California Rules of Court Rule 3.769, and awards  
15 and orders the payment of all required amounts pursuant to the terms of this Agreement.

16 s. "Individual PAGA Payment" means the payment of each Aggrieved Employee's  
17 *pro rata* share of the 25% portion of the PAGA Penalty Amount, as provided in Paragraph 16(b).

18 t. "Individual Settlement Payment" means the net payment of each Settlement Class  
19 Member's Individual Settlement Share, after reduction for the employee's share of taxes and  
20 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in  
21 Paragraph 27 below.

22 u. "Individual Settlement Share" means the *pro rata* share of the Net Settlement  
23 Amount that a Class Member may be eligible to receive under the Settlement Agreement, to be  
24 calculated in accordance with Paragraph 16(a).

25 v. "LWDA Payment" means the amount that the Parties have agreed to pay the  
26 LWDA for its seventy-five percent (75%) share of the PAGA Penalty Amount, as set forth in Paragraph  
27 15.

28 ///

1 w. “Net Settlement Amount” means the portion of the Total Settlement Amount that  
2 is available for distribution to Class Members for the Class Settlement, which is the Total Settlement  
3 Amount less the Court-approved Enhancement Award, Settlement Administration Costs, PAGA Penalty  
4 Amount, and Attorneys’ Fees and Costs.

5 x. “Notice of Objection” means a Class Member’s written objection to the Class  
6 Settlement, which must include: (a) the case name and number of the Lawsuit; (b) the objector’s full  
7 name, signature, address, telephone number, and the last four digits of their Social Security number; (c)  
8 a written statement of all grounds for the objection accompanied by any legal support for such objection;  
9 and (d) copies of any papers, briefs, or other documents upon which the objection is based.

10 y. “Operative Complaint” means the First Amended Class Action Complaint for  
11 Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et  
12 Seq., filed on August 16, 2021 in the Class Action.

13 z. “PAGA Penalty Amount” means the portion of the Settlement Amount that the  
14 Parties have allocated toward civil penalties under PAGA, for the PAGA Settlement, as set forth in  
15 Paragraph 16. From this amount, seventy-five percent (75%) will be paid to the LWDA and twenty-five  
16 percent (25%) will be distributed to Aggrieved Employees, in accordance with Paragraph 16(b).

17 aa. “PAGA Period” means the period from May 6, 2020 through July 9, 2024 or the  
18 date of Preliminary Approval, whichever is earlier.

19 bb. “PAGA Settlement” means the settlement and release of the Released PAGA  
20 Claims.

21 cc. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either  
22 Plaintiff or Defendant.

23 dd. “Preliminary Approval” means entry of the Court order granting preliminary  
24 approval of the Settlement Agreement.

25 ee. “Preliminary Approval Order” means the order entered by the Court that  
26 preliminarily approves the terms and conditions of this Agreement, including the content of the Class  
27 Notice, and set a Final Approval Hearing.

28 ///

1 ff. “PAGA Notice” means the May 6, 2021 letter Plaintiff sent to the LWDA and  
2 Defendant, providing written notice of her intent to seek civil penalties under the Private Attorneys  
3 General Act, California Labor Code section 2698, *et seq.*, for Defendants’ alleged violations of California  
4 Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197,  
5 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Order No. 4-2001.

6 gg. “Released Class Claims” means any and all claims under state, federal, or local  
7 law, that were or could have been brought based on the facts alleged in the Operative Complaint, arising  
8 during the Class Period, including but not limited to claims under the California Labor Code (including,  
9 *inter alia*, §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1,  
10 1198, 2800 and 2802), Industrial Welfare Commission Wage Orders (including *inter alia*, Wage Order  
11 No. 4-2001), regulations, and/or other provisions of law for failure to pay overtime wages, failure to  
12 provide compliant meal periods and associated premiums, failure to provide compliant rest periods and  
13 associated premiums, failure to pay minimum wages, failure to timely pay wages upon termination, failure  
14 to timely pay wages during employment, failure to provide compliant wage statements, failure to keep  
15 requisite payroll records, failure to reimburse necessary business expenses, and violation of California’s  
16 unfair competition law.

17 hh. “Released PAGA Claims” means any and all claims for civil penalties under the  
18 Private Attorneys General Act (California Labor Code § 2698, *et seq.*), arising out of the facts alleged  
19 in Plaintiff’s PAGA Notice, arising during the PAGA Period, which were claimed or could have been  
20 claimed including, but not limited to, for violations of California Labor Code §§ 201, 202, 203, 204,  
21 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802 and  
22 California Industrial Welfare Commission Wage Order No. 4-2001 for failure to pay overtime wages,  
23 failure to provide compliant meal periods and associated premiums, failure to provide compliant rest  
24 periods and associated premiums, failure to pay minimum wages, failure to timely pay wages upon  
25 termination, failure to timely pay wages during employment, failure to provide compliant wage  
26 statements, failure to keep requisite payroll records, and failure to reimburse necessary business expenses.

27 ///

28 ///

1           ii.     “Released Parties” means Defendant, and all of its present and former parent  
2 companies, subsidiaries, affiliates, and divisions, and their shareholders, directors, officers, agents,  
3 executive-level employees, attorneys, insurers, reinsurers, predecessors, successors, and assigns.

4           jj.     “Request for Exclusion” means a Class Member’s written letter indicating a  
5 request to be excluded from the Class Settlement. The Request for Exclusion must: (a) contain the case  
6 name and number of the Class Action; (b) be signed by the Class Member; (c) contain the full name,  
7 address, telephone number, and the last four digits of the Social Security Number of the Class Member  
8 requesting exclusion; (d) clearly state that the Class Member does not wish to be included in the Class  
9 Settlement; and (e) be returned by mail to the Settlement Administrator at the specified address,  
10 postmarked on or before the Response Deadline.

11           kk.     “Response Deadline” means the deadline by which Class Members must submit a  
12 Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which  
13 shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice by the  
14 Settlement Administrator, unless the 60th day falls on a Sunday or Federal holiday, in which case the  
15 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The  
16 Response Deadline may also be extended by express agreement between Class Counsel and Defendant’s  
17 Counsel. Under no circumstances, however, will the Settlement Administrator have the authority to  
18 extend the Response Deadline. In the event that a Class Notice is re-mailed to a Class Member, the  
19 Response Deadline for that Class Member shall be the extended by fifteen (15) calendar days from the  
20 original deadline.

21           ll.     “Settlement Administrator” means Phoenix Class Action Administration  
22 Solutions, or any other third-party class action settlement administrator agreed to by the Parties and  
23 approved by the Court for purposes of administering this Settlement. The Parties and their counsel each  
24 represent that they do not have any financial interest in the Settlement Administrator or otherwise have  
25 a relationship with the Settlement Administrator that could create a conflict of interest.

26           mm.     “Settlement Administration Costs” means the costs payable from the Settlement  
27 Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement, as  
28 set forth in Paragraph 14 below.

nn. “Settlement Class Members” means all Class Members who do not submit a timely and valid Request for Exclusion from the Class Settlement.

oo. “Total Settlement Amount” or “TSA” means the amount of six hundred fifty thousand dollars and no cents (\$650,000.00). Defendant will pay the Total Settlement Amount in full resolution of all Released Class Claims, Released PAGA Claims, and the Actions, which includes all Attorneys’ Fees and Costs, Enhancement Award, PAGA Penalty Amount, Net Settlement Amount to be paid to the Settlement Class Members, and Settlement Administration Costs. The employer’s share of taxes on the wages portion of Individual Settlement Shares will be paid by Defendant separately and in addition to the Settlement Amount.

pp. “Workweeks” means the number of weeks each Class Member and/or Aggrieved Employee worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period and/or PAGA Period, which will be calculated by the Settlement Administrator based on information provided by Defendant by way of the Class List.

#### **CLASS CERTIFICATION**

9. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

10. The Parties agree that certification of the Class for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, or if Judgment thereon not become final, the Parties’ stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be appropriate or inappropriate in a non-settlement context in this or any other proceeding.

#### **TERMS OF AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court’s approval, as follows:

11. Funding of the Settlement Amount. Within fifteen (15) calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting of the amounts to be paid

by Defendant pursuant to the terms of the Settlement Agreement. Within thirty (30) calendar days of the Effective Date, Defendant will make a one-time deposit of the Settlement Amount, along with any employer-side tax obligations associated with the Settlement Amount, into a settlement account to be established by the Settlement Administrator. Within seven (7) calendar days of the funding of the Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement Class Members; (b) Individual PAGA Payments to Aggrieved Employees; (c) LWDA Payment to the LWDA; (d) Enhancement Award to Plaintiff; (e) Attorneys' Fees and Costs to Class Counsel; and (f) Settlement Administration Costs to the Settlement Administrator. The Parties agree that this is a non-reversionary Settlement and that no portion of the Total Settlement Amount shall revert to Defendant.

12. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose attorneys' fees of up to thirty-five percent (35%) of the Total Settlement Amount (i.e., up to \$227,500.00 if the Total Settlement Amount remains \$650,000) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions to Class Counsel, both of which will be paid from the Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all 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 shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the use of attorney fee deferral vehicles by the Settlement Administrator shall be paid separately by Class Counsel and shall not be included within the Settlement Administration Costs. Should the Court approve the Attorneys' Fees and Costs in an amount that is less than that set forth above, the difference between the lesser amount approved by the Court and the amount allocated toward the Attorneys' Fees and Costs shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

1           13.    Enhancement Award. In recognition of Plaintiff's efforts and work in prosecuting the  
2 Actions, Defendant agrees not to oppose or impede any application or motion for an Enhancement Award  
3 in an amount up to seven thousand five hundred dollars (\$7,500.00) to Plaintiff Melisa Reyes. The  
4 Enhancement Award, which will be paid from the Settlement Amount, subject to Court approval, will  
5 be in addition to Plaintiff's Individual Settlement Payment and Individual PAGA Payment (if applicable)  
6 that is to be paid pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099  
7 to Plaintiff for the Enhancement Award, and Plaintiff shall be solely and legally responsible for correctly  
8 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.  
9 Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties,  
10 or interest arising as a result of the Enhancement Award. Should the Court approve the Enhancement  
11 Award to Plaintiff in an amount that is less than that set forth above, the difference between the lesser  
12 amount approved by the Court and the amount allocated toward the Enhancement Award will be part of  
13 the Net Settlement Amount for the benefit of Settlement Class Members.

14           14.    Settlement Administration Costs. The Settlement Administrator will be paid for the  
15 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,  
16 which is currently estimated not to exceed seven thousand dollars (\$7,000.00). These costs, which will  
17 be paid from the Settlement Amount, subject to Court approval, will include, *inter alia*, printing,  
18 distributing, and tracking Class Notices and other documents for this Settlement, calculating and  
19 distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required  
20 tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and  
21 other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties.  
22 To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein,  
23 such excess amount will be deducted from the Settlement Amount, subject to approval by the Court. Any  
24 portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in  
25 fact required to fulfill payment to the Settlement Administrator to undertake the required settlement  
26 administration duties will be part of the Net Settlement Amount for the benefit of Settlement Class  
27 Members.

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1           15.     Labor and Workforce Development Agency Payment. Subject to approval by the Court,  
2 the Parties agree that the amount of sixty thousand dollars (\$40,000.00) from the Settlement Amount will  
3 be allocated toward penalties under the Private Attorneys General Act, California Labor Code Section  
4 2698, *et seq.* (i.e., PAGA Penalty Amount), of which seventy-five percent (75%), or \$30,000.00, will be  
5 paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$10,000.00, will be  
6 distributed to Aggrieved Employees on a *pro rata* basis, based on Workweeks during the PAGA Period  
7 (i.e., Individual PAGA Payment).

8           16.     Individual Settlement Share and Individual PAGA Payment Calculations. Class Members  
9 shall not be required to submit a claim in order to receive a share of the Net Settlement Amount, and  
10 Aggrieved Employees shall not be required to submit a claim in order to receive a share of the PAGA  
11 Penalty Amount, and no portion of the Total Settlement Amount shall revert to Defendant.

12               a.     Individual Settlement Shares will be calculated and apportioned from the Net  
13 Settlement Amount based on the Class Members' Workweeks, as follows:

14                   i.     After Preliminary Approval of the Settlement, the Settlement Administrator  
15 will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated  
16 Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated  
17 Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible  
18 to receive under the Settlement.

19                   ii.    After Final Approval of the Settlement, the Settlement Administrator will  
20 divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the  
21 "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the  
22 Final Workweek Value to yield his or her Individual Settlement Share.

23               b.     Individual PAGA Payments will be calculated and apportioned from the 25% of  
24 the PAGA Penalty Amount payable to Aggrieved Employees, based on the Aggrieved Employees'  
25 Workweeks during the PAGA Period, as follows: the Settlement Administrator will divide 25% of the  
26 PAGA Penalty Amount by the Workweeks of all Aggrieved Employees during the PAGA Period to yield  
27 the "PAGA Workweek Value," and multiply each Aggrieved Employee's individual Workweeks during  
28 the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

1           17.   Settlement Awards Do Not Trigger Additional Benefits. All payments made under the  
2 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually  
3 are issued to the payee. It is expressly understood and agreed that payments made under this Settlement  
4 shall not in any way entitle Plaintiff, Settlement Class Members, and/or Aggrieved Employees to  
5 additional compensation or benefits under any new or additional compensation or benefits, or any bonus,  
6 contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it  
7 entitle any Settlement Class Member and/or Aggrieved Employee to any increased retirement, 401K  
8 benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary  
9 language or agreement in any benefit or compensation plan document that might have been in effect  
10 during the Class Period).

11           18.   Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary  
12 Approval, Defendant will provide the Class List to the Settlement Administrator. To protect Class  
13 Members' privacy rights, the Administrator must maintain the Class List in confidence, use the Class List  
14 only for purposes of this Settlement and for no other purpose, and restrict access to the Class List to  
15 Administrator employees who need access to the Class List to effect and perform under this Agreement.  
16 Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class List  
17 omitted class member identifying information and to provide corrected or updated Class List as soon as  
18 reasonably feasible.

19           19.   Notice by First-Class U.S. Mail.  
20           a.       Within fourteen (14) calendar days after receiving the Class List from Defendant,  
21 the Settlement Administrator will perform a search based on the National Change of Address Database  
22 or any other similar services available, such as provided by Experian, for information to update and  
23 correct for any known or identifiable address changes, and will mail a Class Notice (in the form attached  
24 as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the  
25 most current, known mailing addresses identified by the Settlement Administrator.

26           b.       With respect to Class Notices that are returned as undeliverable on or before the  
27 Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-  
28 trace and re-mail the Class Notice within five (5) calendar days.

1           20.     Dispute Regarding Workweeks. Class Members and Aggrieved Employees will have an  
2 opportunity to dispute the number of Workweeks to which they have been credited, as reflected in their  
3 respective Class Notices. In order to dispute Workweeks, Class Members and/or Aggrieved Employees  
4 must submit a written letter to the Settlement Administrator that: (a) contains the case name and number  
5 of the Actions, (b) is signed by the Class Member and/or Aggrieved Employee, (c) contains the full  
6 name, address, telephone number, and the last four digits of the Social Security Number of the disputing  
7 Class Member and/or Aggrieved Employee, (d) clearly states that the Class Member and/or Aggrieved  
8 Employee disputes the number of Workweeks credited to him or her and what he or she contends is the  
9 correct number to be credited to him or her, (e) includes information and/or attaches documentation  
10 demonstrating that the number of Workweeks that he or she contends should be credited to him or her  
11 are correct, and (f) is returned by mail to the Settlement Administrator at the specified address,  
12 postmarked on or before the Response Deadline. The date of the postmark on the mailing envelope on  
13 the submission will be the exclusive means to determine whether a dispute has been timely submitted.  
14 Absent information indicating that Defendant's records and data are inaccurate as they pertain to the  
15 number of Workweeks to be credited to a disputing Class Member and/or Aggrieved Employee,  
16 Defendant's records will be presumed correct and determinative of the dispute. However, if a Class  
17 Member and/or Aggrieved Employee produces information and/or documents to the contrary, the  
18 Settlement Administrator will evaluate the materials submitted by the Class Member and/or Aggrieved  
19 Employee and the Settlement Administrator will resolve and determine the number of eligible  
20 Workweeks that the disputing Class Member and/or Aggrieved Employee should be credited with under  
21 the Settlement. The Settlement Administrator's decision on such disputes will be final and non-  
22 appealable.

23           21.     Settlement Checks. The Settlement Administrator will be responsible for undertaking  
24 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way  
25 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the  
26 Aggrieved Employees, in accordance with this Settlement Agreement. The Settlement Administrator  
27 may, at its discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way  
28 of a single check that combines both payments (if applicable). Each Individual Settlement Payment and

Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be cancelled. All funds associated with such cancelled checks will be transmitted to the *cy pres*, Los Angeles Legal Aid Foundation, in accordance with California Code of Civil Procedure section 384. Pursuant to Code of Civil Procedure section 384, the Court shall set a date when Plaintiff shall report to the Court the total amount that was actually paid to Settlement Class Members. After this report is received, the Court shall amend the judgment and direct the Settlement Administrator to pay the sum of the unpaid residue or unclaimed or abandoned funds associated with cancelled checks, plus interest that has accrued on those funds (if any), to the Los Angeles Legal Aid Foundation. The Parties and their counsel each represent that they do not have any financial interest in the *cy pres* recipient or otherwise have a relationship with the *cy pres* recipient that could create a conflict of interest. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancellation of any Individual Settlement Payment checks or Individual PAGA Payment checks. All Settlement Class Members and Aggrieved Employees shall be bound by the terms and conditions of this Settlement Agreement regardless of whether they cash or otherwise negotiate their Individual Settlement Payment check and/or Individual PAGA Payment check or not.

22. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit timely and valid Request for Exclusion to the Settlement Administrator, by mail, postmarked no later than the Response Deadline. The date of the postmark on the mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted, and also identify the individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Class Settlement. Aggrieved Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

23. Effect of Seeking Exclusion from the Class Settlement. Any Class Member who does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will be bound by the Class Settlement, including and not limited to those pertaining to the release of Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final Approval to the Settlement, as it pertains to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion is nevertheless bound to the PAGA Settlement if he or she is an Aggrieved Employee, as well as any judgment that may be entered by the Court if it grants Final Approval to the Settlement, as it pertains to the PAGA Settlement. Prior to the Final Approval Hearing, the Settlement Administrator will provide a declaration for filing with the Court that identifies by full name, those individuals who submit timely and valid Requests for Exclusion.

24. Procedures for Objecting to the Class Settlement. To object to the Class Settlement, Class Members who have not opted out of the Class Settlement (i.e., Settlement Class Members) must submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, on or before the Response Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain all information required by this Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the Notice of Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or appeal from the Final Approval Order and Judgment. Settlement Class Members may also present their objection at the Final Approval Hearing, regardless of whether they submit a written objection. Prior to the Final Approval Hearing, the Settlement Administrator will provide a declaration for filing with the Court that attaches all Notices of Objection that it receives, as an exhibit.

25. Reports by the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted a dispute of Workweeks; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion or timely and complete Notices of Objection; and (c) the number of undeliverable and re-mailed Class Notices. 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, and immediately notify the Parties

when it receives a request from an individual or any other entity regarding inclusion in the Class and/or Settlement.

26. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

27. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be allocated as follows: ten percent (10%) wages and ninety percent (90%) penalties and interest. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to interest and penalties will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). Any payment for an Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099, if necessary. The employer's share of taxes and contributions on the wages portion of Individual Settlement Shares will be paid by Defendant separately and in addition to the Settlement Amount.

28. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, Aggrieved Employees, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

29. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement Class Members, and Aggrieved Employees will be solely responsible for correctly characterizing any compensation received under the Settlement on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

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1           30.     Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR  
2 PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY” AND EACH PARTY TO THIS  
3 SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN “OTHER  
4 PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT  
5 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR  
6 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS  
7 INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE  
8 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF  
9 UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS  
10 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS,  
11 HER OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING  
12 TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT  
13 ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION  
14 OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND  
15 (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY  
16 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY  
17 BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO  
18 ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE  
19 CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR ADVISER’S TAX STRATEGIES  
20 (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON  
21 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX  
22 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED  
23 BY THIS SETTLEMENT AGREEMENT.

24           31.     No Prior Assignments. The Parties and their counsel represent, covenant, and warrant  
25 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,  
26 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause  
27 of action or right herein released and discharged.

28     ///

32. Release of Released Class Claims. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff and all Class Members who do not submit a timely and valid Request for Exclusion (i.e., Settlement Class Members) will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

33. Release of Released PAGA Claims. Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff, the State of California, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

34. General Release of Claims by Plaintiff. In addition, upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff will be deemed to have fully released and discharged the Released Parties of and from all claims arising from his employment with Defendant, separation of employment from Defendant, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, Orders of the California Industrial Welfare Commission, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledge and waive any and all rights and benefits available under California Civil Code Section 1542, 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.

Plaintiff understand and agree that claims or facts in addition to or different from those which are now known or believed by him to exist may hereafter be discovered. It is Plaintiff's intention to settle fully

1 and release all claims he now has against the Released Parties, whether known or unknown, suspected or  
2 unsuspected. The Enhancement Payments will be paid to Plaintiff specifically in exchange for the general  
3 release of the Released Parties from all claims, including those specified in this paragraph and a covenant  
4 not to sue the Released Parties. Notwithstanding the above, the general release by Plaintiff shall not  
5 extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims  
6 that may not be released by law.

7 35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

8 Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for  
9 Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will  
10 be responsible for drafting and submit this Settlement Agreement to the Court in support of said motion.  
11 Class Counsel will provide Defendant's Counsel a draft of the motion before the filing deadline.  
12 Defendant agrees not to oppose the motion as long as it is consistent with this Settlement Agreement.  
13 Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which  
14 shall be mutually agreed upon by the Parties, seeking the following:

- 15 a. Conditionally certifying the Class for settlement purposes only;
- 16 b. Granting Preliminary Approval of the Settlement;
- 17 c. Preliminarily appointing Plaintiff as representative of the Class;
- 18 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 19 e. Approving, as to form and content, the mutually-agreed upon and proposed Class  
20 Notice and directing its mailing to the Class by First Class U.S. mail;
- 21 f. Approving the manner and method for Class Members to request exclusion from  
22 or object to the Class Settlement as contained herein and within the Class Notice; and
- 23 g. Scheduling a Final Approval Hearing at which the Court will determine whether  
24 the Settlement should be finally approved as fair, reasonable, and adequate as to the Settlement Class  
25 Members, State of California, and Aggrieved Employees.

26 36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After  
27 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to  
28 determine whether Final Approval of the Settlement should be granted, along with the amounts properly

payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Award; and (f) Settlement Administration Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the motion before the filing deadline. By way of said motion, Plaintiff will apply for the entry of the mutually-agreed upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

- a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Certification of the Class for settlement purposes;
- c. Awarding Attorneys' Fees and Costs to Class Counsel;
- d. Awarding Enhancement Award to Plaintiff;
- e. Awarding Settlement Administration Costs to Settlement Administrator;
- f. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and
- g. Entering judgment in the Actions, while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

37. Termination or Revocation of Settlement.

- a. If ten percent (10%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel within thirty (30) calendar days of the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date.
- b. If the Court finds the Total Settlement Amount to be insufficient to warrant Preliminary Approval or Final Approval of the Settlement, Defendant may, at their election, rescind the Settlement Agreement and all actions taken in furtherance of it will thereby be null and void. Defendant must exercise this right of rescission in writing that is provided to Class Counsel.

1           38.   Effects of Termination of the Settlement. Termination of the Settlement Agreement shall  
2 have the following effects, except as otherwise specifically provided herein:

3               a.       The Settlement Agreement shall be void and shall have no force or effect, and no  
4 Party shall be bound by any of its terms;

5               b.       In the event the Settlement Agreement is terminated, Defendant shall have no  
6 obligation to make any payments to any Party, Class Member or attorney, except that the terminating  
7 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement  
8 Administrator is notified that the Settlement has been terminated;

9               c.       The Preliminary Approval Order, Final Approval Order and Judgment, including  
10 any order certifying the Class, shall be vacated;

11              d.       The Settlement Agreement and all negotiations, statements and proceedings  
12 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored  
13 to their respective positions in the Actions prior to the execution of the Settlement Agreement;

14              e.       Neither this Settlement Agreement, nor any ancillary documents, actions,  
15 statements or filings in furtherance of the Settlement (including all matters associated with the mediation)  
16 shall be admissible or offered into evidence in the Actions or any other action for any purpose whatsoever;  
17 and

18              f.       Any documents generated to bring the Settlement into effect, will be null and  
19 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will  
20 likewise be treated as void from the beginning.

21           39.   Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court  
22 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section  
23 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and  
24 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-  
25 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

26           40.   Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the  
27 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set  
28 forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

1           41.    Entire Agreement. This Settlement Agreement and any attached exhibits contain the  
2 entire agreement between the Parties relating to the Settlement and transaction contemplated hereby,  
3 and all prior or contemporaneous agreements, understandings, representations, and statements, whether  
4 oral or written and whether by a Party or such Party's legal counsel, are merged herein. The Parties  
5 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),  
6 which provide that a written agreement is to be construed according to its terms and may not be varied  
7 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written  
8 representations or terms will modify, vary or contradict the terms of this Settlement Agreement.

9           42.    Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the  
10 Actions (including with respect to California Code of Civil Procedure section 583.310), except such  
11 proceedings necessary to implement and complete the Settlement Agreement, pending the Final  
12 Approval Hearing to be conducted by the Court.

13           43.    Amendment. The Parties may not amend or modify any provision of this Settlement  
14 Agreement except by written agreement signed by counsel for all Parties, and subject to any necessary  
15 Court approval.

16           44.    Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and  
17 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement  
18 Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant  
19 to this Settlement Agreement to effectuate its terms and to execute any other documents required to  
20 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have  
21 full authority to enter into this Settlement Agreement, and further intend that this Settlement Agreement  
22 will be fully enforceable and binding on all parties, and agree that it will be admissible and subject to  
23 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality  
24 provisions that otherwise might apply under state or federal law.

25           45.    Signatories. It is agreed that because the Class Members and Aggrieved Employees are  
26 so numerous, it is impossible or impractical to have each of them execute this Settlement Agreement.  
27 The Class Notice will advise all Class Members and Aggrieved Employees of the binding nature of the  
28 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement

as to the Aggrieved Employees, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member and Aggrieved Employee.

46. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

47. California Law Governs. All terms of this Settlement Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

48. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

49. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Actions 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 Settlement Agreement. In addition, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

50. 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.

51. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein.

52. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies,

1 that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated  
2 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached any  
3 contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in  
4 any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any  
5 of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an  
6 admission or concession by Defendant of any such violations or failures to comply with any applicable  
7 law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this  
8 Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any  
9 action or proceeding to establish any liability or admission on the part of Defendant or to establish the  
10 existence of any condition constituting a violation of, or a non-compliance with state, federal, local or  
11 other applicable law.

12 53. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted  
13 for the reader's convenience, and in no way define, limit, construe or describe the scope or intent of the  
14 provisions of this Settlement Agreement.

15 54. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and  
16 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed  
17 more strictly against one party than another merely by virtue of the fact that it may have been prepared  
18 by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations  
19 between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

20 55. Representation by Counsel. The Parties acknowledge that they have been represented by  
21 counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that  
22 this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in  
23 full.

24 56. All Terms Subject to Final Court Approval. All amounts and procedures described in  
25 this Settlement Agreement herein will be subject to final Court approval.

26 ///

27 ///

28 ///

57. Notices. All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiff and Class Counsel:

Arby Aiwanian, Esq.  
Joanna Ghosh, Esq.  
Elizabeth Parker-Fawley, Esq.  
**LAWYERS for JUSTICE, PC**  
410 West Arden Avenue, Suite 203  
Glendale, California 91203

To Defendant:

Derek Sachs, Esq.  
Anthony Ocegura, Esq.  
**O'HAGAN MEYER**  
5325 Elkhorn Blvd., Suite 1013  
Sacramento, California 95812

58. Posting of the Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website within three (3) business days of receipt, and shall maintain the posting for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment will be required to be provided to the Class.

59. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

**IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

**IT IS SO AGREED.**

Dated: 5/23/24, 2024

**PLAINTIFF MELISA REYES**

Electronically Signed 2024-05-23 18:18:54 UTC - 47,143,208.8  
L'ntex AssureSign® 3335771b-63d9-4efe-9320-b178016a71ba

Melisa Reyes, Plaintiff

**DEFENDANT SCE FEDERAL CREDIT UNION**

Dated: 5/28/2024, 2024

  
\_\_\_\_\_.

Full Name: Jennifer Oliver

Title: CEO

On behalf of SCE Federal Credit Union

**APPROVED AS TO FORM**

Dated: May 23, 2024

**LAWYERS for JUSTICE, PC**

  
\_\_\_\_\_  
Edwin Aiwarzian  
Elizabeth Parker-Fawley  
*Attorneys for Plaintiff Melisa Reyes and Proposed Class  
Counsel*

**O'HAGAN MEYER**

Dated: May 29, 2024, 2024

  
\_\_\_\_\_  
Derek Sachs  
Anthony Ocegura  
*Attorneys for Defendant SCE Federal Credit Union*

# **EXHIBIT A**

## COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

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*The Superior Court for the State of California authorized this Notice. Read it carefully!  
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.*

**You may be eligible to receive money** from an employee class action lawsuit entitled *Reyes v. SCE Federal Credit Union*, Los Angeles Superior Court Case No. 21STCV09629 (“Action”) against SCE Federal Credit Union (“SCE FCU”) for alleged wage and hour violations. The Action was filed by a former SCE FCU employee Melisa Reyes (“Plaintiff”) and seeks payment of (1) back wages and penalties for a class of hourly employees (“Class Members”) who worked for SCE FCU during the Class Period March 11, 2017 to July 9, 2024.

The proposed Settlement is a Class Settlement requiring SCE FCU to fund Individual Class Payments.

Based on SCE FCU’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$ [REDACTED] (less withholding)**. The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on SCE FCU’s records showing that **you worked [REDACTED] workweeks** during the Class Period. If you believe that you worked more workweeks during this period, you can submit a challenge by the deadline date. See **Section 4** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires SCE FCU to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against SCE FCU.

If you worked for SCE FCU during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don’t have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against SCE FCU.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against SCE FCU. You cannot opt-out of the PAGA portion of the Settlement.

**SCE FCU will not retaliate against you for any actions you take with respect to the proposed Settlement.**

## SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

|                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>You Don't Have to Do Anything to Participate in the Settlement</b>                                                             | <p>If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment. In exchange, you will give up your right to assert the wage claims against SCE FCU that are covered by this Settlement (Released Claims).</p>                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>You Can Opt-Out of the Class Settlement</b><br><br><b>The Opt-out Deadline is _____</b>                                        | <p>If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice.</p>                                                                                                                                                                                                                                                          |
| <b>Participating Class Members Can Object to the Class Settlement</b><br><br><b>Written Objections Must be Submitted by _____</b> | <p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.</p> |
| <b>You Can Participate in the _____ Final Approval Hearing</b>                                                                    | <p>The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.</p>                                                                                                                                                                                                                                                            |
| <b>You Can Challenge the Calculation of Your Workweeks</b><br><br><b>Written Challenges Must be Submitted by _____</b>            | <p>The amount of your Individual Class Payment depends on how many workweeks you worked at least one day during the Class Period. The number Class Period Workweeks you worked according to SCE FCU's records is stated on the first page of this Notice. If you disagree with this number, you must challenge it by _____. See Section 4 of this Notice.</p>                                                                                                                                                                                                                                                                                                                       |

### 1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former SCE FCU employee. The Action accuses SCE FCU of violating California labor laws by failing to pay all overtime and minimum wages, provide meal periods or associated premiums, provide rest periods or associated premiums, pay all wages due during employment and upon termination, provide accurate wage statements, maintain accurate payroll

records, and reimburse business-related expenses. Plaintiff is represented by attorneys in the Action: Arby Aiwarzian, Joanna Ghosh, and Elizabeth Parker-Fawley of Lawyers for Justice, PC (“Class Counsel.”)

SCE FCU strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

## **2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

So far, the Court has made no determination whether SCE FCU or Plaintiff is correct on the merits. In the meantime, Plaintiff and SCE FCU hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement,

Plaintiff and SCE FCU have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, SCE FCU does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) SCE FCU has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

## **3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?**

- i. SCE FCU Will Pay \$650,000 as the Total Settlement Amount (Total Settlement). SCE FCU has agreed to deposit the Total Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Total Settlement to pay the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to Aggrieved Employees, LWDA Payment to the LWDA, Enhancement Award to Plaintiff, Attorneys’ Fees and Costs to Class Counsel, and the Settlement Administration Costs to the Administrator. Assuming the Court grants Final Approval, SCE FCU will fund the Total Settlement not more than 15 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- ii. Court Approved Deductions from Total Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Total Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to \$227,500 (35% of the Total Settlement) to Class Counsel for attorneys’ fees and reimbursement for their actual litigation costs and expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
  - B. Up to \$7,500 as an Enhancement Award to Plaintiff for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.

- C. Up to \$7,000 to the Administrator for services administering the Settlement.
- D. Up to \$40,000 to the payment of PAGA penalties, 75% of which will be paid to the Labor & Workforce Development Agency (“LWDA”) and 25% of which will be paid as Individual PAGA Payments to the Aggrieved Employees.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- iii. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Total Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Workweeks during the Class Period.
- iv. Individual PAGA Payments. The Administrator will calculate and apportion from the 25% of the PAGA Penalty Amount payable to the Aggrieved Employees, based on the Aggrieved Employees’ Workweeks during the PAGA Period.
- v. Taxes Owed on Payments to Class Members. Plaintiff and SCE FCU are asking the Court to approve an allocation of 10% of each Individual Settlement Payment to taxable wages (“Wage Portion”) and 90% to penalties and interest (“Non-Wage Portion.”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. SCE FCU will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. Any payment for an Individual PAGA Payment will be allocated as 100% penalties, will not be subject to taxes or withholdings, and will be reported by the Administrator on IRS 1099 Forms, if necessary.

Although Plaintiff and SCE FCU have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- vi. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will irrevocably lost to you because they will be paid to a non-profit organization or foundation, Los Angeles Legal Aid Foundation (“Cy Pres”).
- vii. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [REDACTED], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [REDACTED] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a) the case name and number of the Action; (b) be signed by the Class Member; (c) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion; and (d) clearly state that the Class Member does not wish to be included in the Class Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against SCE FCU. Aggrieved Employees cannot be excluded from the PAGA portion

of the Settlement.

- viii. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and SCE FCU have agreed that, in either case, the Settlement will be void: SCE FCU will not pay any money and Class Members will not release any claims against SCE FCU.
- ix. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion or Objections. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
- x. Participating Class Members’ Release. After the Judgment is final and SCE FCU has fully funded the Total Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against SCE FCU or related entities for wages based on the Class Period facts, as alleged in the Action and resolved by this Settlement. The Participating Class Members will be bound by the following release:

“Released Class Claims” means any and all claims under state, federal, or local law, that were or could have been brought based on arising out of the facts alleged in the Operative Complaint, arising during the Class Period, including but not limited to claims under the California Labor Code (including, inter alia, §§ 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802), Industrial Welfare Commission Wage Orders (including inter alia, Wage Order No. 4-2001), regulations, and/or other provisions of law for failure to pay overtime wages, 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, failure to timely pay wages during employment, 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.

#### **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- i. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- ii. Individual PAGA Payments. Individual PAGA Payments will be calculated and apportioned from the 25% of
- iii. the PAGA Penalty Amount payable to Aggrieved Employees, based on the

## Aggrieved Employees'

- iv. Workweeks during the PAGA Period, as follows: the Settlement Administrator will divide 25% of the PAGA Penalty Amount by the Workweeks of all Aggrieved Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply each Aggrieved Employee's individual Workweeks
- v. during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.
- vi. Workweek Challenges. The number of Class Workweeks you worked during the Class Period, as recorded in SCE FCU's records, are stated in the first page of this Notice. You have until \_\_\_\_\_ to challenge the number of Workweeks. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept SCE FCU's calculation of Workweeks based on SCE FCU's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and SCE FCU's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out).

**Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.**

## 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as \_\_\_\_\_, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by \_\_\_\_\_, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and SCE FCU are asking the Court to approve. At least \_\_\_\_\_ days before the \_\_\_\_\_ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the

reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website \_\_\_\_\_ or the Court's website \_\_\_\_\_.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is \_\_\_\_\_.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action \_\_\_\_\_ and include your name, current address, telephone number, and approximate dates of employment for SCE FCU and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

#### **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

You can, but don't have to, attend the Final Approval Hearing on \_\_\_\_\_ at \_\_\_\_\_ in Department [7] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Total Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) personally or virtually via LACourtConnect <https://www.lacourt.org/lacc/>. Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website \_\_\_\_\_ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

#### **9. HOW CAN I GET MORE INFORMATION?**

The Agreement sets forth everything SCE FCU and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to \_\_\_\_\_'s website at \_\_\_\_\_. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. \_\_\_\_\_. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.**

**Class Counsel:**

Arby Aiwazian

Arby@calljustice.com

Joanna Ghosh

Joanna@calljustice.com

Elizabeth Parker-Fawley

Elizabeth@calljustice.com

**LAWYERS *for* JUSTICE, PC**

410 West Arden Avenue, Suite 203

Glendale, California 91203

Tel: (818) 265-1020

Fax: (818) 265-1021

**Settlement Administrator:**

Phoenix Class Action

Administration Solutions

Email Address:

Mailing Address:

Telephone:

Fax Number:

**10. WHAT IF I LOSE MY SETTLEMENT CHECK?**

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you will have no way to recover the money.

**11. WHAT IF I CHANGE MY ADDRESS?**

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.