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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

SONNY LE, 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.

BALBOA WATER GROUP LLC, an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: 30-2019-01042358-CU-OE-CXC

Honorable Peter J. Wilson
Department CX102

CLASS ACTION

**DECLARATION OF EDWIN AIWAZIAN
IN SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

[Plaintiff's Motion for Preliminary Approval of
Class Action Settlement; Declaration of
Proposed Class Representative (Sonny Le); and
[Proposed] Order filed concurrently herewith]

Date: April 21, 2022
Time: 2:00 p.m.
Department: CX102

Complaint Filed: January 7, 2019
FAC Filed: March 28, 2019
SAC Filed: December 30, 2021
Trial Date: None Set

DECLARATION OF EDWIN AIWAZIAN

I, Edwin Aiwarzian, 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 Sonny Le. 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.

EDUCATION

2. In May of 2004, I graduated from *Pepperdine University School of Law* with a Juris Doctor degree. I have 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, I have previously served as a *pro bono* mediator for the Los Angeles County Superior Court. In October of 2000, I obtained a Litigation Paralegal Certificate from the *UCLA Extension Program*. During the summer of 2000, I studied Legal Writing at *Harvard University*. In April of 1999, I obtained a Bachelor of Arts degree in Communication with a concentration in Natural Sciences from *Pepperdine University*.

JUDICIAL EXTERNSHIPS

3. From approximately September 2002 to approximately December 2002, I served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the *United States Court of Appeals for the Ninth Circuit*. From approximately June 2002 to approximately August 2002, I served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the *California Court of Appeal for the Second Appellate District*.

LITIGATION AND CLASS ACTION EXPERIENCE

4. In December of 2004, I obtained a license to practice law from the California State Bar. From approximately December 2004 to approximately August 2008, I was employed by the law firm of *Girardi & Keese*.

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1 5. At *Girardi & Keese*, my practice focused on class actions and other complex cases
2 involving toxic torts and products liability. In addition, I gained substantial experience on cases
3 involving insurance bad faith, premises liability, and medical negligence. While employed by
4 *Girardi & Keese*, I argued approximately 100 motions, took or defended approximately 150
5 depositions, and prepared dozens of expert witnesses for deposition or trial.

6 6. Since its inception, in or around October of 2008, *Lawyers for Justice, PC* has almost
7 exclusively focused on the prosecution of consumer and employment class actions, involving
8 wage-and-hour claims, race discrimination, unfair business practices or consumer fraud.
9 Currently, we are the attorneys of record in over a dozen employment-related putative class actions
10 in both state and federal courts in the State of California. Our firm has successfully litigated cases
11 involving the executive, administrative, and other overtime exemptions to the State of California
12 and federal overtime compensation requirements. During this relatively short time, in association
13 with other law firms, we have recovered millions of dollars on behalf of thousands of individuals
14 in California.

15 **EXAMPLES OF CLASS ACTION RESULTS**

16 7. What follows are just a few examples of the type of results we have achieved on
17 behalf of our clients:

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

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

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

6 d) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
7 and-hour class action against a national retailer involving allegations of misclassification of the
8 “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) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
12 and-hour class and representative action against a bank, involving allegations of misclassification
13 of the “Assistant Branch Manager” position. On August 27, 2013, the court granted final approval
14 of the class and representative action settlement. The Kern County Superior Court Case Number
15 is S-1500-CV-273194-LHB.

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

21 g) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
22 and-hour class action involving allegations of misclassification of the “Operations Manager”
23 position. On September 16, 2014, the court granted plaintiffs’ motion for class certification. The
24 Los Angeles County Superior Court Case Number is BC478769.

25 h) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
26 and-hour class and representative action against a national retailer of household items, on behalf
27 of hourly-paid or non-exempt employees. On May 27, 2015, the court granted final approval of
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1 the class and representative action settlement. The San Francisco County Superior Court Case
2 Number is CGC-13-532344.

3 i) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
4 and-hour class action involving allegations of misclassification of the salaried residential
5 “Property Manager” position. On September 17, 2015, the court granted plaintiffs’ motion for
6 class certification. The Los Angeles County Superior Court Case Number is BC474784.

7 j) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
8 and-hour class and representative action against a national retailer of upscale hardware and home
9 furnishings, on behalf of non-exempt employees. On April 28, 2016, the court granted final
10 approval of the class and representative action settlement. The Los Angeles County Superior
11 Court Case Number is JCCP4794.

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

17 l) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
18 and-hour class action against a national retailer of apparel, accessories, and home products,
19 involving allegations of misclassification of the “Department Manager” position. On August 12,
20 2016, the court granted the plaintiffs’ motion for class certification in part and certified a
21 class. The Alameda County Superior Court Case Number is RG13680477.

22 m) Our firm represented the plaintiffs in a representative action under the
23 Private Attorneys General Act, against a real estate and property management company, on behalf
24 of non-exempt employees. On November 4, 2016, the court granted approval of the settlement.
25 The Orange County Superior Court Case Number is 30-2015-00775439-CU-OE-CXC.

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1 n) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class action against a full-service bank, on behalf of non-exempt employees. On
3 November 18, 2016, the court granted final approval of the class action settlement. The San
4 Francisco County Superior Court Case Number is CJC-13-004839.

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

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

15 q) Our firm represented the plaintiffs in a wage-and-hour class and
16 representative action against a food company on behalf of non-exempt employees. On June 30,
17 2017, the court granted final approval of the class action settlement. The Sacramento County
18 Superior Court Case Number is 34-2015-00175871.

19 r) Our firm represented the plaintiffs in a wage-and-hour class and
20 representative action against a chocolate company on behalf of non-exempt employees. On July
21 19, 2017, the court granted final approval of the class and representative action settlement. The
22 Alameda County Superior Court Case Number is RG15764300.

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

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1 t) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
2 and-hour class and representative action against a bank on behalf of non-exempt employees. On
3 December 11, 2017, the court entered an order granting final approval of class and representative
4 action settlement. The Los Angeles County Superior Court Case Number is BC569646.

5 u) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
6 and-hour class and representative action against a property management company on behalf of
7 hourly-paid and non-exempt employees. On January 4, 2018, the court entered an order granting
8 final approval of the class and representative action settlement. The Los Angeles County Superior
9 Court Case Number is JCCP4819.

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

15 w) Our firm represented the plaintiffs in a wage-and-hour class and
16 representative action against a behavioral health service provider on behalf of non-exempt
17 employees. On November 13, 2018, the court granted final approval of the class and
18 representative action settlement. The Alameda County Superior Court Case Number is
19 RG16811450.

20 x) Our firm, in association with co-counsel, represented the plaintiff in a
21 representative action under the Private Attorneys General Act, against a global provider of
22 products and services to the energy industry, on behalf of hourly-paid and non-exempt employees.
23 On November 19, 2018, the Court granted approval of the settlement. The Kern County Superior
24 Court Case Number is S-1500-CV-280215-SDC.

25 y) Our firm represented the plaintiff in a wage-and-hour class action against a
26 parking company on behalf of non-exempt employees. On September 3, 2019, the court granted
27 the plaintiff's motion for class certification and certified a class. The Santa Clara County Superior
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1 Court Case Number is 16CV292208 and the Judicial Council Coordination Proceeding Number is
2 JCCP 4886.

3 z) Our firm, in association with other counsel, on behalf of the plaintiff and
4 respondent in a PAGA representative action, successfully opposed in the trial court, and briefed
5 and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a
6 notable decision from the California Supreme Court clarifying the law and finding, in part, that
7 employer arbitration agreements are unenforceable where they block a PAGA claim from
8 proceeding, *ZB, N.A. v. Superior Court*, 8 Cal.5th175 (2019).

9 aa) Our firm represents the plaintiffs in a wage-and-hour class and representative
10 action against a bank on behalf of non-exempt employees. On September 27, 2019, the court
11 granted the plaintiffs' motion for class certification in part and certified a class. The Alameda
12 County Superior Court Case Number is RG15757606 and the Judicial Council Coordination
13 Proceeding Number is JCCP 4921.

14 bb) Our firm represented the plaintiffs in a wage-and-hour class and
15 representative action against a national retailer of apparel and fashion accessories, on behalf of
16 non-exempt employees. On October 9, 2019, the court granted the plaintiffs' motion for class
17 certification in part and certified a class. The Sacramento County Superior Court Case Number is
18 34-2015-00175330-CU-OE-GDS.

19 cc) Our firm represented the plaintiff in a wage-and-hour class and PAGA
20 representative action against a medical equipment supplier on behalf of non-exempt employees.
21 On February 13, 2020, the court granted the plaintiff's motion for class certification and certified
22 a class. The San Bernardino County Superior Court Case Number is CIVDS1505744.

23 dd) Our firm, in association with other counsel, represented the plaintiff in a
24 wage-and-hour class and PAGA representative action against a large national drug testing
25 laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the
26 plaintiff's motion for class certification and certified a class. The San Diego County Superior
27 Court Case Number is 37-2018-00019611-CU-OE-CTL.

1 ee) Our firm represented the plaintiffs in a wage-and-hour class and
2 representative action against a national retailer of sportswear, footwear, and camping equipment
3 on behalf of non-exempt employees. On March 16, 2020, the court granted in part the plaintiff's
4 motion for class certification and certified a class. The Riverside County Superior Court Case
5 Number is RICJCCP4930.

6 ff) Our firm represented the plaintiffs in a wage-and-hour class and PAGA
7 representative action against a plastic packaging company on behalf of non-exempt employees.
8 On June 8, 2020, the court granted in part the plaintiffs' motion for class certification and certified
9 a class. The San Bernardino County Superior Court Case Number is CIVDS1507361.

10 gg) Our firm, in association with co-counsel, represented the plaintiffs in a wage-
11 and-hour class action against manufacturer and supplier of power products and services on behalf
12 of non-exempt employees. On July 31, 2020, the court granted in part the plaintiffs' motion for
13 class certification and certified a class. The San Diego County Superior Court Case Number is
14 37-2015-00025968-CU-OE-CTL.

15 hh) Our firm represented the plaintiff in a wage-and-hour class action against
16 nutritional products manufacturer on behalf of non-exempt production line employees. On
17 December 13, 2021, the court granted the plaintiff's motion for class certification in part and
18 certified a class. The Solano County Superior Court Case Number is FCS051001.

19 **PRELIMINARY APPROVAL**

20 8. Marked and attached hereto as "**EXHIBIT 1**" is the Joint Stipulation of Class Action
21 and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement")
22 entered into by and between Plaintiff Sonny Le ("Plaintiff"), individually and on behalf of all
23 others similarly situated and other aggrieved employees, on the one hand, and Defendant Balboa
24 Water Group LLC ("Defendant"), on the other hand (collectively, the "Parties"). The Parties and
25 their counsel have approved the proposed Notice of Class and Representative Action Settlement
26 ("Class Notice"), Request for Exclusion Form ("Exclusion Form"), and Notice of Objection Form
27 ("Objection Form") (collectively, "Notice Packet"), which are attached to the Settlement
28 Agreement as "Exhibit A," "Exhibit B," and "Exhibit C" and respectfully request that the Court

1 approve them as well.

2 9. Based on information provided by Defendant, as of June 24, 2021, the Class is
3 estimated to consist of at least one thousand and ninety-one (1,091) individuals.

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

12 11. Class Counsel has litigated the case for over three years, and was actively preparing
13 the matter for class certification and trial. The Parties have engaged in extensive settlement
14 negotiations and, on August 5, 2021, participated in a formal, full-day mediation conducted by
15 Jeffrey A. Ross, Esq., a well-respected mediator experienced in mediating complex labor and
16 employment matters. Prior to and during the mediation and settlement discussions, the Parties
17 exchanged class information and engaged in an extensive discussion regarding their evaluations
18 of the case and various aspects of the case, including but not limited to, the risks and delays of
19 further litigation, the risks to the Parties of proceeding with class certification and/or representative
20 adjudication, the law relating to off-the-clock theory, meal and rest periods, PAGA representative
21 actions, and federal and state wage-and-hour law and enforcement, as well as the evidence
22 produced and analyzed, and the possibility of appeals, among other things. During all settlement
23 discussions, the Parties conducted their negotiations at arm’s length in an adversarial position.
24 Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel
25 felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class
26 Counsel believed that they would be able to obtain class certification and prevail at trial. After
27 conducting investigations, formal and informal discovery, and exchange of information, extensive
28 settlement negotiations, and with the aid of the mediator’s evaluation, the Parties have agreed that

1 the matter is well-suited for settlement given the legal issues relating to Plaintiff's principal claims,
2 as well as the costs and risks to both sides that would attend further litigation. The Settlement is
3 a fair, reasonable, and adequate resolution of the Class Released Claims of Plaintiff and Settlement
4 Class Members and PAGA Released Claims of PAGA Members, against the Released Parties.

5 12. The Parties used the pre-mediation time to investigate the veracity, strength, and
6 scope of the claims, and Class Counsel was preparing the action for class certification and trial.
7 Prior to engaging in mediation, Plaintiff conducted significant investigation and formal and
8 informal discovery regarding the facts of the case, including and not limited to, the exchange,
9 review, and analysis of thousands of pages of documents and data obtained from Defendant and
10 other sources. Class Counsel propounded multiple sets of formal written discovery requests onto
11 Defendant (specifically, Requests for Production of Documents (Set One & Set Two), Special
12 Interrogatories (Set One, Two & Three), and Form Interrogatories (Set One)), reviewed
13 Defendant's responses to Plaintiff's discovery requests, and noticed the depositions of Defendant's
14 Person Most Knowledgeable designees. The volume of data and documents that Class Counsel
15 reviewed and analyzed included and was not limited to: Plaintiff's employment records, a detailed
16 sampling of Class Members' time and pay data, multiple iterations of Defendant's Employee
17 Handbook, company policy acknowledgements and agreements (including, but not limited to,
18 Defendant's Acknowledgement & Receipt of Company Handbook and Agreement to Resolve by
19 Reference Employment Disputes), internal memoranda, job descriptions, new hire orientation
20 checklists and guidelines, Defendant's operations and employment practices, forms, procedures,
21 and policies (including, but not limited to, Defendant's Rest & Meal Periods, Reporting to Work
22 When There is No Work, Overtime, and Expense Reimbursement policies), among other
23 information and documents. Class Counsel interviewed Plaintiff and other Class Members to
24 gather facts and to identify potential witnesses. Counsel for the Parties also met and conferred on
25 numerous occasions, e.g., to discuss issues relating to the pleadings, discovery, and the production
26 of documents and data prior to the mediation. Class Counsel also drafted pleadings and the
27 mediation brief and prepared for and attended court proceedings, mediation, and settlement
28 negotiations, among other tasks.

1 13. Counsel for the Parties have also invested time researching and investigating the
2 applicable law, which is constantly evolving as it relates to certification, representative PAGA
3 claims, California Labor Code and the Fair Labor Standards Act (“FLSA”) violations, off-the-
4 clock theory, meal and rest periods, federal and state wage-and-hour law and enforcement,
5 Plaintiff’s claims and damages, and Defendant’s defenses thereto, as well as facts discovered.
6 Based on our analysis, I submit that the result achieved in this litigation is fair, adequate, and
7 reasonable.

8 14. The Settlement provides for a Gross Settlement Amount of one million three
9 hundred sixty-two thousand five hundred dollars and zero cents (\$1,362,500.00). The Net
10 Settlement Amount is the Gross Settlement Amount less the following amounts subject to approval
11 by the Court: Attorneys’ Fees and Costs to Class Counsel, Service Award to Plaintiff, Settlement
12 Administration Costs to the Settlement Administrator, and penalties recoverable under the Private
13 Attorneys General Act, California Labor Code § 2698, *et seq.* (“PAGA Allocation”), of which
14 75%, or \$122,500, will be paid to the Labor and Workforce Development Agency (“LWDA
15 Payment”) and 25%, or \$37,500, will be distributed to PAGA Members (“PAGA Member
16 Amount”). Assuming that the amounts allocated under the Settlement toward these payments are
17 awarded by the Court, the Net Settlement Amount that will be available for distribution to
18 Settlement Class Members is currently estimated to be six hundred eighty thousand one hundred
19 twenty-five dollars (\$680,125.00). The Gross Settlement Amount will be fully distributed in
20 accordance with the terms of the Settlement and there is no reversion to Defendant.

21 15. The Parties have agreed to retain Simpluris, Inc. (“Simpluris” or “Settlement
22 Administrator”) to handle the notice and settlement administration process. The Parties
23 respectfully request that the Court appoint Simpluris to handle these procedures and serve as the
24 Settlement Administrator. Defendant will provide Simpluris with a complete list of all Class
25 Members and PAGA Members that Defendant will diligently and in good faith compile from its
26 records, which will include each Class Member’s last-known full name, mailing address,
27 telephone number, Social Security Number, and number of Workweeks during the Class Period
28 and, as applicable, during the PAGA Period (“Class and PAGA Data and List”), and Simpluris

1 will calculate each Settlement Class Member's estimated *pro rata* share of the Net Settlement
2 Amount ("Individual Settlement Share") and each PAGA Member's estimated *pro rata* share of
3 the PAGA Member Amount ("Individual PAGA Payment"). Simpluris will also receive requests
4 for exclusion from the Class Settlement, objections to the Class Settlement, and disputes regarding
5 Workweeks; provide necessary reports and declarations; calculate, subtract, and transmit
6 necessary taxes and withholdings; prepare and submit informational and other tax filings and
7 documents; issue and transmit all payments provided for by the Settlement, including and not
8 limited to, mailing Individual Settlement Payment checks to the Settlement Class Members and
9 Individual PAGA Payment checks to the PAGA Members; and perform any other usual and
10 customary duties for administering a class action settlement. Settlement Administration Costs are
11 currently estimated not to exceed thirteen thousand dollars and no cents (\$13,000.00) and will be
12 paid out of the Gross Settlement Amount, subject to approval of the Court.

13 16. Based on investigation and information discovered, Class Counsel believes that
14 there is sufficient evidence to support the allegations made in the lawsuit, including the allegations
15 that Defendant, with respect to Plaintiff and the Class Members, *inter alia*, failed to properly pay
16 overtime and minimum wages and associated premium pay, failed to provide compliant meal and
17 rest periods and to pay associated premium pay, failed to timely pay wages during employment
18 and upon termination of employment, failed to provide compliant wage statements, failed to
19 maintain requisite payroll records, and failed to reimburse necessary business expenses, and
20 thereby engaged in unfair business practices and conduct giving rise to penalties recoverable under
21 the Private Attorneys General Act of 2004 (California Labor Code sections 2698, et seq.). Plaintiff
22 also asserted that Class Members were expected to perform similar job duties and were subject to
23 the same or similar operations and employment policies, practices, and procedures. Additionally,
24 Plaintiff asserted that Defendant's recordkeeping practices with respect to Plaintiff and the Class
25 Members were substantially the same during the time period at issue. As a result, Plaintiff claims
26 that the Class Members, were uniformly not paid all of the compensation that was owed to them
27 by Defendant since January 7, 2015. Thus, in Class Counsel's view, it is clear that the outcome
28 of this litigation would be determined by Defendant's uniform operations and employment

1 practices, policies, and procedures that Plaintiff alleges applied across its non-exempt employees
2 in California during the Class Period.

3 17. Class Counsel is aware of the defenses and position of Defendant, but believes that
4 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff has also taken
5 into account the uncertainty and risk of the outcome of further litigation, and the difficulties and
6 delays inherent in such litigation, including those involved in class certification and/or
7 representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish
8 liability for the claims asserted in the lawsuit, Defendant's defenses, and the difficulties in
9 establishing entitlement to monetary recovery. Plaintiff has also considered the Parties' settlement
10 discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in
11 complex labor and employment matters.

12 18. Defendant, on the other hand, denied and continues to deny any liability and
13 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that
14 the lawsuit is appropriate for class treatment or representative adjudication for any purpose other
15 than this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides
16 have also had the opportunity to interview witnesses and review documents and information
17 relating to Plaintiff's and Class Members' employment with Defendant, and Defendant's
18 operations and employment policies, practices, and procedures. The Parties also reviewed and
19 analyzed thousands of pages of documents and data, including but not limited to a detailed
20 sampling of Class Members' time and pay information, to determine the potential value and
21 strength of the claims. The available information enabled Class Counsel to estimate the potential
22 claims of the Class and prepare damages/valuation models. Accordingly, the Parties have
23 conducted adequate investigation and discovery to be sufficiently informed of the nature and
24 extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for
25 its fairness, adequacy, and reasonableness. The Parties have agreed that the matter is well-suited
26 for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and
27 risks to both sides that would attend further litigation. The Settlement takes into account the
28 strengths and weaknesses of each side's position and the uncertainty of how the case might have

1 concluded at certification, trial, and/or appeals.

2 19. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees
3 in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount
4 (i.e., \$476,875.00) and expenses and costs in an amount not to exceed thirty-five thousand dollars
5 and no cents (\$35,000.00), which will be paid out of the Gross Settlement Amount, subject to
6 approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs
7 of litigation and will not receive any compensation until recovery is obtained.

8 20. The Settlement Agreement provides for payment of up to seven thousand five
9 hundred dollars and no cents (\$7,500.00) to Plaintiff as a Service Award, to be paid out of the
10 Gross Settlement Amount subject to approval by the Court. Plaintiff spent considerable time and
11 effort to produce relevant documents and past employment records, to provide the facts and
12 evidence necessary to attempt to prove the allegations, and to provide responses and supplemental
13 responses to Defendant's discovery requests. Plaintiff was available whenever Class Counsel
14 needed him and actively tried to obtain information that would benefit the Class. Accordingly, it
15 is appropriate and just for Plaintiff to receive a Service Award, in addition to his Individual
16 Settlement Payment, for his services on behalf of the Class.

17 21. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is
18 in the best interest of the Class Members, PAGA Members, and the State of California. Class
19 Counsel further submits that the Settlement is within an acceptable range of recovery for this type
20 of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further
21 litigation, and the costs and risks associated with class certification, representative adjudication,
22 trial, and/or appeals.

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

25 Executed on this 23rd day of March 2022, at Glendale, California.

26 

27 Edwin Aiwanian

EXHIBIT 1

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

2 This Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement,”
3 “Agreement” or “Settlement Agreement”) is made and entered into by and between Plaintiff Sonny Le
4 (“Plaintiff” or “Class Representative”), individually, on behalf of Class Members and on behalf of the
5 State of California with respect to PAGA Members, and Defendant Balboa Water Group LLC
6 (“Defendant”) (collectively, Plaintiff and Defendant are referred to as the “Parties”).

7 This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined
8 herein), the State of California as to the employment of PAGA Members (as defined herein) and on
9 Defendant, subject to the terms and conditions hereof and the approval of the Court.

10 **RECITALS**

11 1. On January 7, 2019, Plaintiff filed a Class Action Complaint for Damages, thereby
12 commencing a putative class action entitled *Sonny Le v. Balboa Water Group LLC.*, Superior Court of
13 California for the County of Orange, Case No. 30-2019-01042358-CU-OE-CXC (the “Action”) against
14 Defendant. On March 28, 2019, Plaintiff filed a First Amended Class Action Complaint for Damages.
15 On September 10, 2021, Plaintiff provided written notice by certified mail to the Labor and Workforce
16 Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code
17 that were violated, and on September 15, 2021, Plaintiff provided a follow-up notice as well (collectively,
18 “LWDA Notice”). On December 30, 2021, Plaintiff filed a Second Amended Class Action Complaint for
19 Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.*
20 (“Operative Complaint”). The Operative Complaint alleges twelve (12) causes of action against
21 Defendant for violations of the California Labor Code for failure to properly pay minimum and overtime
22 wages, provide compliant meal and rest periods and associated premium payments, timely pay wages
23 during and after employment and pay associated waiting-time penalties, provide compliant wage
24 statements, maintain complete and accurate payroll records, and reimburse necessary business-related
25 expenses, for violations of California Business and Professions Code Section 17200 *et seq.* based on the
26 aforementioned California Labor Code violations, civil penalties pursuant to the Private Attorneys General
27 Act (“PAGA”) for the aforementioned California Labor Code violations, and for violations of the Fair
28 Labor Standards Act for failure to pay minimum and overtime wages, on behalf of all current and former

hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the period from January 7, 2015 through final judgment.

2. Defendant denies all material allegations set forth in the Action and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Action and Released Claims.

3. Class Counsel in the Action diligently investigated the claims against Defendant, including any and all applicable defenses and the applicable law, and through formal and informal discovery methods, obtained and reviewed extensive information, data, and documents to assess the claims and allegations.

4. On August 5, 2021, the Parties participated in mediation with Jeffrey A. Ross, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions. 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 total 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 believes that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

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

DEFINITIONS

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

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1 a. “Attorneys’ Fees and Costs” means attorneys’ fees for Class Counsel’s litigation
2 and resolution of the Action and all actual costs incurred and to be incurred by Class Counsel in the
3 Action, as set forth in Paragraph 10 below.

4 b. “Class Counsel” means Edwin Aiwarzian, Arby Aiwarzian, and Joanna Ghosh of
5 Lawyers *for* Justice, P.C., counsel for Plaintiff, who will seek to be appointed counsel for the Class.

6 c. “Class and PAGA Data and List” means a complete list of all Class Members
7 and PAGA Members that Defendant will diligently and in good faith compile from its records and
8 provide to the Settlement Administrator within twenty-one (21) calendar days after Preliminary
9 Approval. The Class and PAGA Data and List will be password protected and formatted in a readable
10 Microsoft Office Excel spreadsheet and will include each Class Member’s last-known full name,
11 mailing address, telephone number, Social Security Number, and number of Workweeks (as defined
12 below) during the Class Period and, as applicable, during the PAGA Period. The Class and PAGA Data
13 and List shall not be used for any other purpose other than to administer the Settlement.

14 d. “Class Member(s)” or “Class” mean all individuals who worked for Defendant in
15 California as non-exempt employees at any time during the Class Period.

16 e. “Class Notice” means the Notice of Class and Representative Action Settlement,
17 substantially in the form attached as “**Exhibit A.**”

18 f. “Class Period” means the period from January 7, 2015 through December 20,
19 2021.

20 g. “Class Representative” or “Plaintiff” means Sonny Le.

21 h. “Class Released Claims” means any and all Released Claims other than those
22 arising under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* arising
23 during the Class Period.

24 i. “Class Settlement” means the settlement and resolution of all Class Released
25 Claims.

26 j. “Court” means the Superior Court of the State of California for the County of
27 Orange.

28 k. “Defendant” means Balboa Water Group LLC.

1 l. “Defendant’s Counsel” means Michael S. Kun and Kevin D. Sullivan of Epstein
2 Becker & Green, P.C.

3 m. “Effective Date” shall mean the first court date after both of the following have
4 occurred: (i) final approval of this settlement is granted by the Court, and (ii) judgment approving this
5 settlement becomes Final, as defined below.

6 n. “Employer Taxes” means the employer’s share of taxes and contributions in
7 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
8 in addition to the Gross Settlement Amount.

9 o. “Exclusion Form” means the Request for Exclusion Form, substantially in the
10 form attached as “**Exhibit B.**”

11 p. “Final,” as used in the definition of Effective Date, shall mean the latest of: (i) if
12 there is an appeal of the Court’s judgment, the date the judgment is affirmed on appeal, the date of
13 dismissal of such appeal, or the expiration of the time to file a petition for review in the California Supreme
14 Court; or (ii) if a petition for review is filed, the date of denial of the petition for review, or the date the
15 judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time
16 for filing or noticing any appeal from the judgment.

17 q. “Final Approval” means the determination by the Court that the Settlement is fair,
18 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

19 r. “Final Approval Hearing” means the hearing at which the Court will consider and
20 determine whether the Settlement should be granted Final Approval.

21 s. “Gross Settlement Amount” means the amount of One Million Three Hundred
22 Sixty-Two Thousand Five Hundred Dollars and Zero Cents (\$1,362,500.00) to be paid by Defendant in
23 full resolution of all Class Released Claims, PAGA Released Claims, and the Action, which is inclusive
24 of the Attorneys’ Fees and Costs, Service Award, PAGA Allocation, and Settlement Administration
25 Costs. Defendant shall pay the Employer Taxes in addition to the Gross Settlement Amount. The Gross
26 Settlement Amount is subject to increase, as provided in Paragraph 36 below.

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1 t. "Individual PAGA Payment" means a PAGA Member's *pro rata* share of the
2 PAGA Member Amount that a PAGA Member is eligible to receive for the PAGA Settlement, as
3 provided in Paragraph 15 below.

4 u. "Individual Settlement Payment" means the net payment of each Settlement Class
5 Member's Individual Settlement Share, after reduction for the employee's share of taxes and
6 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
7 Paragraph 25 below.

8 v. "Individual Settlement Share" means the *pro rata* share of the Net Settlement
9 Amount that a Class Member may be eligible to receive for the Class Settlement, to be calculated in
10 accordance with Paragraph 14.

11 w. "LWDA Payment" means the seventy-five percent (75%) portion of the PAGA
12 Allocation, or One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00) that the Parties have
13 agreed to pay to the LWDA for the PAGA Settlement, as set forth in Paragraph 13.

14 x. "Net Settlement Amount" means the portion of the Gross Settlement Amount that
15 is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less
16 the Court-approved Service Award, Settlement Administration Costs, PAGA Allocation, and Attorneys'
17 Fees and Costs.

18 y. "Non-Released Workweek(s)" means the Workweeks of Class Members who did
19 not sign an individual release and severance agreement with Defendant.

20 z. "Non-Released Workweek Value" means the value of a Non-Released
21 Workweek, calculated as seventy-one point fifty-six percent (71.56%) of the Net Settlement Amount
22 divided by all Non-Released Workweeks of all Class Members.

23 aa. "Notice of Objection" means an Objection Form or a Class Member's written
24 objection, which must include: (a) the case name and number of the Action; (b) the objector's full name,
25 signature, address, telephone number, and last four (4) digits of Social Security Number; (c) a written
26 statement of all grounds for the objection accompanied by any legal support for such objection; (d)
27 copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted
28 by fax or mail to the Settlement Administrator at the specified address and/or facsimile number,

1 postmarked or faxed on or before the Response Deadline.

2 bb. “Notice Packet” means the Class Notice, Exclusion Form, and Objection Form,
3 substantially in the forms attached as “Exhibit A,” “Exhibit B,” and “Exhibit C.”

4 cc. “Objection Form” means the Notice of Objection Form, substantially in the form
5 attached as “Exhibit C.”

6 dd. “PAGA Allocation” means the allocation of One Hundred Fifty Thousand Dollars
7 and Zero Cents (\$150,000.00) from the Gross Settlement Amount for the settlement and resolution of
8 the PAGA Released Claims. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Allocation,
9 or One Hundred Twelve Thousand Five Hundred Dollars (\$112,500.00) (i.e., the LWDA Payment), will
10 be paid to the LWDA, and the remaining twenty-five percent (25%), or Thirty-Seven Thousand Five
11 Hundred Dollars (\$37,500.00), will be distributed to PAGA Members on a *pro rata* basis based on their
12 Workweeks during the PAGA Period (i.e., the PAGA Member Amount).

13 ee. “PAGA Member(s)” means all individuals who worked for Defendant in
14 California as non-exempt employees at any time during the PAGA Period.

15 ff. “PAGA Member Amount” means the twenty-five percent (25%) portion of the
16 PAGA Allocation, or Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00), to be distributed to
17 PAGA Members on a *pro rata* basis based on their Workweeks during the PAGA Period.

18 gg. “PAGA Period” means the period from August 5, 2020 through December 20,
19 2021.

20 hh. “PAGA Released Claims” means any and all Released Claims arising under the
21 Private Attorneys General Act, California Labor Code Section 2698, *et seq.* arising during the PAGA
22 Period.

23 ii. “PAGA Settlement” means the settlement and resolution of PAGA Released
24 Claims.

25 jj. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either
26 Plaintiff or Defendant.

27 kk. “Preliminary Approval” means entry of the Court order granting preliminary
28 approval of the Settlement Agreement.

1 ll. “Released Claims” means any and all causes of action, claims, rights, damages,
2 penalties, liabilities, expenses, and losses, pleaded in the Operative Complaint or LWDA Notice or that
3 could have been pleaded based on the facts pleaded in the Operative Complaint or the LWDA Notice,
4 including but not limited to claims under the California Labor Code, California Industrial Welfare
5 Commission Wage Orders, regulations, and/or other provisions of law, for failure to pay overtime and
6 double time wages, including based on the alleged failure to include all remuneration into the calculation
7 of the regular rate of pay, properly round Class Members’ time worked, and properly compensate for
8 time spent purportedly off the clock, failure to pay minimum wages, including based on the alleged
9 failure to properly round Class Members’ time worked during or at the end of employment, failure to
10 provide compliant meal periods and associated premium pay, failure to provide compliant rest periods
11 and associated premium pay, failure to provide compliant wage statements, failure to timely pay wages
12 upon termination of employment, failure to timely pay wages during employment, failure to maintain
13 requisite time and payroll records, failure to reimburse for purportedly necessary business-related
14 expenses, unfair or unlawful business practices pursuant California Business and Professions Code §
15 17200, *et seq.* based on the aforementioned, civil penalties pursuant to PAGA, California Labor Code §
16 2698, *et seq.*, arising under the California Labor Code or Industrial Welfare Commission Wage Orders
17 based on the aforementioned, any violation of the California Labor Code arising from or related to the
18 aforementioned, including violation of California Labor Code sections 201-204, 210, 226, 226.3, 226.7,
19 510, 512, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, and violation
20 of the Fair Labor Standards Act (29 U.S.C. § 201, *et seq.*), expressly excluding all other claims,
21 including claims for wrongful termination, unemployment insurance, disability, social security, and
22 workers’ compensation.

23 mm. “Released Parties” means Defendant and any of its past and present parents,
24 subsidiaries, affiliates, and divisions, and their shareholders, officers, directors, employees, partners,
25 attorneys, insurers and reinsurers, predecessors, successors, successors-in-interest, assigns, accountants,
26 auditors, consultants, legal representatives, and any individual or entity that could be jointly or severally
27 liable for any of the Released Claims.

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1 nn. “Released Workweek(s)” means the Workweeks of Class Members who signed
2 an individual release and severance agreement with Defendant.

3 oo. “Released Workweek Value” means the value of a Released Workweek,
4 calculated as twenty-eight point forty-four percent (28.44%) of the Net Settlement Amount divided by
5 all Released Workweeks for all Class Members.

6 pp. “Request for Exclusion” means an Exclusion Form or timely and valid letter
7 submitted by a Class Member indicating a request to be excluded from the Class Settlement. The
8 Request for Exclusion must: (a) contain the case name and number of the Action; (b) contain the full
9 name, signature, and the last four digits of the Social Security Number of the Class Member requesting
10 exclusion; (c) clearly state that the Class Member does not wish to be included in the Class Settlement;
11 and (d) be submitted by fax or mail to the Settlement Administrator at the specified address and/or
12 facsimile number, postmarked or faxed on or before the Response Deadline. The date of the postmark
13 on the return mailing envelope or fax-stamp on the submission will be the exclusive means to determine
14 whether a Request for Exclusion has been timely submitted. A Class Member who does not request
15 exclusion from the Class Settlement will be deemed a Settlement Class Member and will be bound by
16 Class Settlement if the Settlement is granted Final Approval by the Court. A Class Member who submits
17 a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be
18 issued an Individual Settlement Payment, however, if the Class Member is also a PAGA Member, he or
19 she will be bound to the PAGA Settlement and will still be issued an Individual PAGA Payment,
20 irrespective of whether they submit a Request for Exclusion.

21 qq. “Response Deadline” means the deadline by which Class Members must submit
22 a Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which
23 shall be the date that is forty-five (45) calendar days from the initial mailing of the Notice Packet by the
24 Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the
25 Response Deadline will be extended to the next day on which the U.S. Postal Service is open. In the
26 event that a Notice Packet is re-mailed to a Class Member, the Response Deadline for that Class Member
27 shall be extended by fifteen (15) calendar days.

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1 rr. "Service Award" means the amount to be paid to Plaintiff Sonny Le in recognition
2 of his effort and work in prosecuting the Action on behalf of Class Members and PAGA Members, as
3 set forth in Paragraph 11 below.

4 ss. "Settlement Administrator" means Simpluris, Inc., or any other third-party class
5 action settlement administrator agreed to by the Parties and approved by the Court for purposes of
6 administering this Settlement. The Parties and their counsel each represent that they do not have any
7 financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement
8 Administrator that could create a conflict of interest.

9 tt. "Settlement Administration Costs" means the costs payable from the Gross
10 Settlement Amount, subject to Court approval, to the Settlement Administrator for administering the
11 Settlement, as set forth in Paragraph 12 below.

12 uu. "Settlement Class Members" means all Class Members who do not submit a
13 timely and valid Request for Exclusion (collectively referred to as "Settlement Class").

14 vv. "Workweek(s)" means weeks worked by Class Members during the Class Period,
15 which Defendant will calculate in a manner that credits one (1) Workweek for any period of seven
16 consecutive calendar days, beginning on Sunday at midnight and ending on Saturday at 11:59:59 PM,
17 during which a Class Member began at least one shift.

18 **CLASS CERTIFICATION**

19 7. For the purposes of this settlement only, the Parties stipulate to the certification of the
20 Class.

21 8. The Parties agree that certification for the purpose of settlement is not an admission that
22 certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
23 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part
24 of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be
25 admissible in connection with, the issue of whether or not certification would be inappropriate in a non-
26 settlement context.

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1 **TERMS OF AGREEMENT**

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

4 9. Funding and Disbursement of the Gross Settlement Amount. Within fifteen (15) calendar
5 days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting
6 of the amounts to be paid by Defendant pursuant to the terms of the Settlement Agreement. Within
7 thirty (30) calendar days of the Effective Date, Defendant will make a one-time deposit of the Gross
8 Settlement Amount plus an amount sufficient for Employer Taxes into a settlement account to be
9 established by the Settlement Administrator. Within seven (7) calendar days of the funding of the Gross
10 Settlement Amount and an amount sufficient for Employer Taxes, the Settlement Administrator will issue
11 payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement
12 Payments to Settlement Class Members; (b) Individual PAGA Payments to PAGA Members; (c) LWDA
13 Payment to the Labor and Workforce Development Agency; (d) Service Award to Plaintiff; (e)
14 Attorneys' Fees and Costs to Class Counsel; and (f) Settlement Administration Costs to itself (the
15 Settlement Administrator). The Settlement Administrator will also undertake filings and remittances in
16 connection with the employee's share of taxes on the wages portion of Individual Settlement Shares and
17 the Employer Taxes, that are necessary for administration of the Settlement.

18 10. Attorneys' Fees and Costs. Class Counsel will request attorneys' fees of up to thirty-five
19 percent (35%) of the Gross Settlement Amount (i.e., up to \$476,875 if the Gross Settlement Amount is
20 \$1,362,500) and reimbursement of actual costs and expenses associated with Class Counsel's litigation
21 and settlement of the Action, in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000), both
22 of which will be paid from the Gross Settlement Amount subject to Court approval. These amounts will
23 cover any and all work performed and any and all costs incurred by Class Counsel in connection with
24 the litigation of the Action, including without limitation all work performed and costs incurred to date,
25 and all work to be performed and all costs to be incurred in connection with obtaining the Court's
26 approval of this Settlement. Class Counsel shall be solely and legally responsible for correctly
27 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.
28 With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator may

1 purchase an annuity to utilize United States Treasuries and bonds or utilize other attorney fee deferral
2 vehicles, for Class Counsel, and any additional expenses for doing so shall be paid separately by Class
3 Counsel and shall not be included within the Settlement Administration Costs. Defendant and
4 Defendant's Counsel shall not be liable for any expenses associated with the purchase or use of any
5 attorney fee deferral vehicles for Class Counsel by the Settlement Administrator. Any portion of the
6 Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount
7 for the benefit of Settlement Class Members.

8 11. Service Award. In recognition of his efforts and work in prosecuting the Action,
9 Defendant agrees not to oppose or impede any application or motion for a Service Award in an amount
10 up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff Sonny Le. The Service Award, which
11 will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to any
12 other payment Plaintiff may be eligible to receive under the Settlement, e.g., his Individual Settlement
13 Payment and/or Individual PAGA Payment. The Settlement Administrator will issue an IRS Form 1099
14 to Plaintiff for the Service Award, and Plaintiff shall be solely and legally responsible for correctly
15 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.
16 Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes,
17 penalties, or interest arising as a result of the Service Award. Should the Court approve the Service
18 Award to Plaintiff in an amount that is less than that set forth above, the difference between the lesser
19 amount approved by the Court and the amount allocated toward the Service Award will be part of the
20 Net Settlement Amount for the benefit of Settlement Class Members.

21 12. Settlement Administration Costs. The Settlement Administrator will be paid for the
22 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
23 which is currently estimated not to exceed Thirteen Thousand Dollars (\$13,000). These costs, which
24 will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*,
25 printing, distributing, and tracking Notice Packets and other documents for this Settlement, calculating
26 and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required
27 tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and
28 other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties.

To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to Court approval. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact awarded or required to fulfill payment to the Settlement Administrator to undertake the requirement settlement administration duties will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

13. Labor and Workforce Development Agency Payment. Subject to Court approval, the Parties agree that the amount of \$150,000 from the Gross Settlement Amount will be allocated toward penalties under the Private Attorneys General, California Labor Code Section 2698, *et seq.* (i.e. the PAGA Allocation), of which seventy-five percent (75%), or \$112,500, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$37,500, will be distributed to PAGA Members (i.e., the PAGA Member Amount) on a *pro rata* basis, based on Workweeks during the PAGA Period (i.e., the Individual PAGA Payment).

14. Individual Settlement Share Calculations. Each Settlement Class Member's Individual Settlement Share will equal the total of the following: (a) his or her individual number of Released Workweeks multiplied by the Released Workweek Value and (b) his or her individual number of Non-Released Workweeks multiplied by the Non-Released Workweek Value.

15. Individual PAGA Payment Calculations. The PAGA Member Amount will be divided by the total number of Workweeks worked by all PAGA Members during the PAGA Period to produce a "Weekly PAGA Value." The Weekly PAGA Value will be multiplied by the number of Workweeks attributable to the individual PAGA Member to derive his or her Individual PAGA Payment.

16. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiff, PAGA Members, or any Settlement Class Member to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement, nor will it entitle Plaintiff, PAGA Members, or any Settlement Class Member to any increased retirement, 401K benefits or matching benefits, or deferred

1 compensation benefits (notwithstanding any contrary language or agreement in any benefit or
2 compensation plan document).

3 17. Delivery of the Class and PAGA Data and List. Within twenty-one (21) calendar days
4 of Preliminary Approval, Defendant will provide the Class and PAGA Data and List to the Settlement
5 Administrator.

6 18. Notice by First Class U.S. Mail.

7 a. Within ten (10) business days after receiving the Class and PAGA Data and List
8 from Defendant, the Settlement Administrator will perform a search based on the National Change of
9 Address Database or any other similar services available, such as provided by Experian, for information
10 to update and correct for any known or identifiable address changes, and will mail a Class Notice,
11 Exclusion Form, and Objection Form (i.e., Notice Packet) in English (in the forms attached as **Exhibit**
12 **A**, **Exhibit B**, and **Exhibit C** to this Settlement Agreement) to all Class Members via First-Class U.S.
13 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

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

17 19. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
18 number of Workweeks to which they have been credited, as reflected in their respective Class Notices.
19 In order to dispute Workweeks, Class Members must submit a written letter to the Settlement
20 Administrator that: (a) contains the case name and number of the Action; (b) is signed by the Class
21 Member; (c) contains the full name, address, telephone number, and the last four digits of the Social
22 Security Number of the disputing Class Member; (d) clearly states that the Class Member disputes the
23 number of Workweeks credited to him or her and what he or she contends is the correct number to be
24 credited to him or her; (e) includes information and/or attaches documentation demonstrating that the
25 number of Workweeks that he or she contends should be credited to him or her are correct; and (f) is
26 returned by fax or mail to the Settlement Administrator at the specified address and/or facsimile number,
27 postmarked or fax-stamped on or before the Response Deadline. The date of the postmark on the return
28 mailing envelope or fax-stamp on the submission will be the exclusive means to determine whether a

dispute has been timely submitted. Absent information and/or documentation demonstrating that Defendant's records and data are inaccurate as they pertain to the number of Workweeks to be credited to a disputing Class Member, Defendant's records will be presumed correct and determinative of the dispute. However, if a Class Member produces information and/or documents demonstrating that Defendant's records and data are inaccurate as they pertain to the number of Workweeks to be credited to a disputing Class Member, the Settlement Administrator will evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve and determine the number of eligible Workweeks that the disputing Class Member should be credited with under the Settlement. The Settlement Administrator shall make an initial determination on all disputes, however, the Court shall have the right to review any decision made by the Settlement Administrator on such disputes.

20. Settlement Checks. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA Members in accordance with this Settlement Agreement. The Settlement Administrator may, at its discretion, distribute the Individual Settlement Payment and Individual PAGA Payment by way of a single check that combines both payments (if applicable). The Settlement Administrator shall perform a skip-trace search on any checks that are returned as undeliverable within ninety (90) days of the initial mailing, and perform a single re-mailing to any address located. 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. Pursuant to California Code of Civil Procedure Section 384, all funds associated with such cancelled checks will be transmitted to Legal Aid at Work (the proposed *cy pres* recipient). The proposed *cy pres* recipient, Legal Aid at Work, operates the Workers' Rights Clinic throughout California, providing low-income and unemployed people with free, confidential information about their legal rights related to work in California, in multiple languages. The Parties and their counsel each represent that they do not have any financial interest in, or otherwise have a relationship with, the proposed *cy pres* recipient that could create a conflict of interest. The Settlement Administrator may, as necessary, 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. To the extent that the Settlement Administrator is able to obtain or receive the return or refund of the amounts that were transmitted to taxing authorities for the employer's and employees' share of taxes, contributions, and/or withholding associated with cancelled Individual Settlement Payments, all such amounts shall also be transmitted to Legal Aid at Work. Settlement Class Members whose Individual Settlement Payment checks are cancelled and PAGA Members whose Individual PAGA Payment checks are cancelled, shall, nevertheless, be bound by this Settlement Agreement.

21. Procedure for Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a written Request for Exclusion to the Settlement Administrator, by mail or fax, within the Response Deadline. The date of fax or the postmark on the return 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. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. However, if the Class Member is also a PAGA Member, he or she will be bound to the release of the PAGA Settlement and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

22. Procedures for Objecting to the 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 fax or 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 or fax-stamp 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 Class Members to object to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Settlement Class

Members may also present their objection orally at the Final Approval Hearing.

23. Reports By the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certify: (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 Notice Packets. 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.

24. 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.

25. Treatment of Individual Payments. Each Individual Settlement Share will be allocated as follows: one-third (1/3) wages and two-third (2/3) as penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portion allocated to interest, penalties, and non-wage damages will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold (and remit to the appropriate taxing authorities) 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 Payment (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Settlement Administrator shall also remit the Employer Taxes to the appropriate taxing authorities. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator.

26. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA Members, 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.

1 27. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel make no
2 representations or warranties as to the tax consequences, treatment, or legal effect of any payments made
3 under this Settlement Agreement, do not intend anything contained in this Settlement Agreement to
4 constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied
5 on as such. Plaintiff, PAGA Members, and Settlement Class Members understand and agree that, except
6 for Defendant's payment of the Employer Taxes, Plaintiff, PAGA Members, and Settlement Class
7 Members will be solely responsible for correctly characterizing any compensation received under the
8 Settlement on his/her personal income tax returns and paying any and all taxes due for any and all
9 amounts paid to them under the Settlement.

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

(REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

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

30. Release of Claims by Settlement Class Members and PAGA Members.

a. Class Settlement Release. Upon full funding of the Gross Settlement Amount and the Effective Date, 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 Class Released Claims he or she may have or had, except that only those Settlement Class Members who cash or deposit their Individual Settlement Payment check shall be deemed to opt-in to the Settlement and release of Class Released Claims that arise under the Fair Labor Standards Act.

b. PAGA Settlement Release. Upon full funding of the Gross Settlement Amount and the Effective Date, the State of California with respect to all PAGA Members, and all PAGA Members, will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

31. General Release of Claims by Plaintiff. In addition, upon full funding of the Gross Settlement Amount and the Effective Date, 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, 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 of execution of the Settlement Agreement. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives 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 understands and agrees 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 and release all claims he now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

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

Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's Motion for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the motion at least two business days before the filing it with the Court. Defendant agrees not to oppose the motion. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"):

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff as representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;

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1 e. Approving, as to form and content, the mutually-agreed upon and proposed
2 Notice Packet and directing its mailing to the Class by First Class U.S. Mail;

3 f. Approving the manner and method for Class Members to request exclusion from
4 the Class Settlement as contained herein and within the Class Notice; and

5 g. Scheduling a Final Approval Hearing at which the Court will determine whether
6 the Settlement should be finally approved as fair, reasonable, and adequate.

7 33. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
8 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted
9 to determine whether Final Approval of the Settlement should be granted, along with the amounts
10 properly payable for (a) Individual Settlement Payments; (b) Individual PAGA Payments; (c) LWDA
11 Payment; (d) Attorneys' Fees and Costs; (e) Service Award; and (f) Settlement Administration Costs.
12 The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the Response
13 Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final
14 Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the motion at
15 least four business days before filing it with the Court. By way of said motion, Plaintiff will apply for
16 the entry of the mutually-agreed upon proposed order and judgment ("Final Approval Order and
17 Judgment"), which will provide for, in substantial part, the following:

18 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
19 consummation of its terms and provisions;

20 b. Certification of the Settlement Class;

21 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

22 d. Approval of the application for Service Award to Plaintiff;

23 e. Setting a date when the Settlement Administrator shall report to the Court the
24 completion of the distribution process and the total amount that was actually paid to the Settlement
25 Class Members and PAGA Members;

26 f. Directing Defendant to fund all amounts due under the Settlement Agreement and
27 ordered by the Court; and

28 ///

g. Entering judgment in the Action while maintaining continuing jurisdiction, in conformity with California Rules of Court 3.769 and the Settlement Agreement.

34. Termination or Revocation of Settlement.

If five percent (5%) or more of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement Agreement by way of writing that is provided to Class Counsel within ten (10) calendar days after the Settlement Administrator notifies the Parties of the total number of timely and valid Requests for Exclusion received by the Response Deadline. If the Settlement is terminated due to Defendant's exercise of this option, Defendant will be responsible for paying all Settlement Administration Costs incurred by the Settlement Administrator.

35. Effects of Termination of the Settlement. Termination of the Settlement Agreement (pursuant to Paragraph 34) shall have the following effects:

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

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

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

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

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

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

1 36. Escalator Clause.

2 a. Defendant estimated that, as of June 24, 2021, there are approximately 1,109 Class
3 Members who worked at any time during the period January 7, 2015 to June 24, 2021. If it is determined
4 that the total number of Class Members during the period referenced actually exceed this amount by more
5 than ten percent (10%) (i.e., the Class Members during the period referenced are actually more than 1,220),
6 then the Gross Settlement Amount will increase on a proportional basis to the extent the threshold is
7 exceeded (e.g., if the number of the Class Members during the aforementioned time period is actually
8 11% more than 1,109, i.e., increases by 11% to 1,231, the Gross Settlement Amount will increase by
9 one percent (1%)).

10 b. Defendant represented that for the period of January 7, 2015 to June 24, 2021, there
11 were approximately 78,177 total Workweeks (of which 32,353 are Non-Released Workweeks and 45,824
12 are Released Workweeks). If it is determined that the total number of Workweeks during the period
13 referenced actually exceed this amount by more than ten percent (10%) (i.e., the Workweeks for the period
14 referenced are actually more than 85,995), then the Gross Settlement Amount will increase on a
15 proportional basis to the extent the threshold is exceeded (e.g., if the number of Workweeks during the
16 aforementioned time period is actually 11% more than 78,177, i.e., increases by 11% to 86,776
17 Workweeks, the Gross Settlement Amount will increase by one percent (1%)).

18 37. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
19 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
20 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
21 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
22 judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

23 38. Exhibits Incorporated by Reference. The terms of this Settlement Agreement include the
24 terms set forth in any attached exhibits, which are incorporated by this reference as though fully set
25 forth herein.

26 39. Limitation on Publicity. Neither Plaintiff nor Class Counsel will make any public
27 disclosure of the Settlement or discuss the Settlement with anyone other than those necessary to
28 effectuate the filing of the Motion for Preliminary Approval, until after the Motion for Preliminary

Approval is filed. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against any public disclosure of the Settlement until after the Motion for Preliminary Approval is filed. Prior to and following Preliminary Approval of the Settlement, neither Plaintiff nor Class Counsel will have any communications with any media other than to direct any media inquiries to the public records of the Action on file with the Court. Prior to and following Preliminary Approval of the Settlement, neither Plaintiff nor Class Counsel will publicize the Settlement, including on social media. Class Counsel will take all steps necessary to ensure Plaintiff is aware of, and will encourage him to adhere to, the restriction against any media or social media comment on the Settlement or its terms. Class Counsel further agrees not to use the Settlement or any of its terms for any marketing or promotional purposes. Nothing herein will restrict Class Counsel from including publicly available information regarding this Settlement in future judicial submissions regarding Class Counsel's qualifications and experience. Furthermore, Plaintiff and Class Counsel will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

40. Entire Agreement. Upon being fully-executed, this Settlement Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms, and no other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

41. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Action (including, and not limited to, the deadline to bring the Action to trial under California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

42. Amendment. Prior to the filing of the motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all of the Parties. After the filing of the motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement

except by written agreement signed by counsel for all of the Parties and subject to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

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

44. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Settlement Class Member execute this Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement as to the PAGA Members, and the release shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member and PAGA Member.

45. 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.

46. 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.

47. 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.

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1 48. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
2 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
3 this settlement after arm's-length negotiations and in the context of adversarial litigation, taking into
4 account all relevant factors, present and potential. The Parties further acknowledge that they are each
5 represented by competent counsel and that they have had an opportunity to consult with their counsel
6 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
7 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
8 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
9 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

10 49. Invalidity of Any Provision. Before declaring any provision of this Settlement
11 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
12 possible consistent with applicable precedents so as to find all provisions of this Settlement Agreement
13 valid and enforceable.

14 50. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by
15 signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate
16 to implement the Settlement.

17 51. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve
18 the dispute that has arisen between them and to avoid the burden, expense, and risk of continued
19 litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically
20 denies, that it has violated any state, federal, or local law; violated any regulations or guidelines
21 promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements;
22 breached any contract; violated or breached any duty; engaged in any misrepresentation or deception;
23 or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement
24 Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be
25 construed as an admission or concession by Defendant of any such violations or failures to comply with
26 any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement
27 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as
28 evidence in any action or proceeding to establish any liability or admission on the part of Defendant or

to establish the existence of any condition constituting a violation of, or a non-compliance with state, federal, local or other applicable law.

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

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

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

55. All Terms Subject to Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to Court approval.

56. 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 forth below, or such other addresses as either Party may designate in writing from time to time:

To Plaintiff and Class Counsel:

Edwin Aiwazian, Esq.
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203

To Defendant:

Michael S. Kun
Kevin D. Sullivan
EPSTEIN BECKER & GREEN, P.C.
1925 Century City Park East, Suite 500
Los Angeles, California 90067

57. 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 for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment, to the Class, will be required.

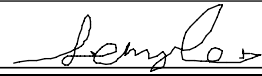
58. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of 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 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

IT IS SO AGREED.

PLAINTIFF SONNY LE

Dated: 02/28/2022, 2022

Electronically Signed 2022-03-01 05:16:35 UTC - 107.185.181.251
Nintex AssureSign®  050a5128-acc7-4fe3-accf-ae4b00114fe4

Sonny Le, Plaintiff

DEFENDANT BALBOA WATER GROUP LLC

Dated: _____, 2022

Mark Lydecker
Chief Financial Officer
On behalf of Balboa Water Group LLC

APPROVED AS TO FORM:

LAWYERS for JUSTICE, PC

Dated: 03/01/2022, 2022


Edwin Aiwanian
Attorneys for Plaintiff and Proposed Class Counsel

EPSTEIN BECKER & GREEN, P.C.

Dated: _____, 2022

Michael S. Kun
Kevin D. Sullivan
Attorneys for Defendant

58. 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 Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiff and Defendant:

IT IS SO AGREED.

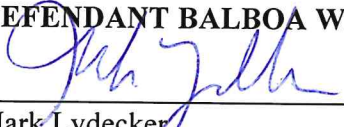
PLAINTIFF SONNY LE

Dated: _____, 2022

Sonny Le, Plaintiff

DEFENDANT BALBOA WATER GROUP LLC

Dated: _____, 2022



Mark Lydecker
Chief Financial Officer
On behalf of Balboa Water Group LLC

APPROVED AS TO FORM:

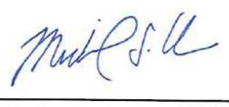
LAWYERS for JUSTICE, PC

Dated: _____, 2022

Edwin Aiwarzian
Attorneys for Plaintiff and Proposed Class Counsel

EPSTEIN BECKER & GREEN, P.C.

Dated: February 25, 2022



Michael S. Kun
Kevin D. Sullivan
Attorneys for Defendant

EXHIBIT A

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

Sonny Le v. Balboa Water Group LLC

Superior Court of California for the County of Orange, Case No. 30-2019-01042358-CU-OE-CXC

PLEASE READ THIS NOTICE CAREFULLY.

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

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiff Sonny Le (“Plaintiff”) and Defendant Balboa Water Group LLC (“Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”) in the case entitled *Sonny Le v. Balboa Water Group LLC*, Orange County Superior Court, Case No. 30-2019-01042358-CU-OE-CXC (“Action”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“**Class**” means all individuals who worked for Defendant in California as non-exempt employees at any time during the Class Period.

“**Class Member**” means a member of the Class.

“**Class Period**” means the period from January 7, 2015 through December 20, 2021.

“**Class Settlement**” means the settlement and resolution of all Class Released Claims (described in Section III.D below).

“**PAGA Members**” means all individuals who worked for Defendant in California as non-exempt employees at any time during the PAGA Period.

“**PAGA Period**” means the period from August 5, 2020 through December 20, 2021.

“**PAGA Settlement**” means the settlement and resolution of PAGA Released Claims (described in Section III.D below).

II. BACKGROUND OF THE LAWSUIT

On January 7, 2019, Plaintiff Sonny Le commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Orange County Superior Court, Case No. 30-2019-01042358-CU-OE-CXC.

On March 28, 2019, Plaintiff filed the First Amended Class Action Complaint for Damages.

On September 10, 2021, Plaintiff provided written notice by certified mail to the Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code that he contends were violated, and on September 15, 2021, Plaintiff provided a follow-up notice (collectively, “LWDA Notice”).

On December 30, 2021, Plaintiff filed a Second Amended Class Action Complaint for Damages & Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *et seq.* (“Operative Complaint”).

Plaintiff alleges that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks

and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code section 2698, *et seq.* (“PAGA”). Plaintiff also contended that Defendant failed to properly pay minimum and overtime wages pursuant to the Fair Labor Standards Act, 29 U.S.C. § 201, *et seq.* (“FLSA”). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendant denies Plaintiff’s allegations in the Action and denies that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement and Release (“Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Simpluris, Inc. as the administrator of the Settlement (“Settlement Administrator”), Plaintiff Sonny Le as representative of the Class (“Class Representative”), and the following Plaintiff’s attorneys as counsel for the Class (“Class Counsel”):

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

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Member, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiff, Class Members, or PAGA Members. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members and PAGA Members. The Court has made no ruling on the merits of the claims asserted in the Action and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Three Hundred Sixty-Two Thousand Five Hundred Dollars (\$1,362,500) (the “Gross Settlement Amount”), subject to possible increase if it is determined that the number of Class Members and/or Workweeks exceed a predetermined threshold. The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) Attorneys’ Fees and Costs, consisting of attorneys’ fees in an amount up to 35% of the Gross Settlement Amount (i.e., up to \$476,875 if the Gross Settlement Amount is \$1,362,500) and reimbursement of litigation costs and expenses in an amount up to Thirty-Five Thousand Dollars (\$35,000) to Class Counsel; (2) Service Award in an amount up to Seven Thousand Five Hundred Dollars (\$7,500) to Plaintiff for his services in the Action; (3) the amount of One Hundred Fifty Thousand Dollars (\$150,000) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Allocation”); and (4) Settlement Administration Costs in an amount not to exceed Thirteen Thousand Dollars (\$13,000) to the Settlement Administrator. The PAGA Allocation will be distributed 75% (i.e., \$112,500) to the LWDA (“LWDA Payment”) and the remaining 25% (i.e., \$37,500) will be

distributed to PAGA Members (“PAGA Member Amount”).

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on weeks worked by Class Members during the Class Period, which Defendant will calculate in a manner that credits one (1) Workweek for any period of seven consecutive calendar days, beginning on Sunday at midnight and ending on Saturday at 11:59:59 PM, during which a Class Member began at least one shift (“Workweeks”). “Non-Released Workweek(s)” means the Workweeks of Class Members who did not sign an individual release and severance agreement with Defendant. “Released Workweek(s)” means the Workweeks of Class Members who signed an individual release and severance agreement with Defendant. “Non-Released Workweek Value” means the value of a Non-Released Workweek, calculated as seventy-one point fifty-six percent (71.56%) of the Net Settlement Amount divided by all Non-Released Workweeks of all Class Members. “Released Workweek Value” means the value of a Released Workweek, calculated as twenty-eight point forty-four percent (28.44%) of the Net Settlement Amount divided by all Released Workweeks for all Class Members. Each Class Member’s Individual Settlement Share equals the total of the following: (a) his or her individual number of Released Workweeks multiplied by the Released Workweek Value and (b) his or her individual number of Non-Released Workweeks multiplied by the Non-Released Workweek Value. Settlement Class Members (i.e., Class Members who do not submit a timely and valid Request for Exclusion) will be issued payment of their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as one-third (1/3) wages, which will be reported on an IRS Form W2, and two-thirds (2/3) penalties, interests, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares (the net payment is referred to as “Individual Settlement Payment”). The employer’s share of payroll taxes and contributions with respect to the wages portion of Individual Settlement Shares shall be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Member Amount (“Individual PAGA Payment”), based on Workweeks during the PAGA Period. The Settlement Administrator has divided the PAGA Member Amount by the total number of Workweeks worked by all PAGA Members during the PAGA Period to produce a “Weekly PAGA Value.” The Weekly PAGA Value has been multiplied by the number of Workweeks attributable to the individual PAGA Member to derive his or her Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, which will be reported on an IRS Form 1099 (if applicable).

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

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

- **From January 7, 2015 to December 20, 2021 (i.e., Class Period), you are credited as having worked [REDACTED] Workweeks.**
- **From August 5, 2020 to December 20, 2021 (i.e., PAGA Period), you are credited as having worked [REDACTED] Workweeks.**

If you wish to dispute the Workweeks credited to you, you must submit a written letter to the Settlement Administrator that: (a) contains the case name and number of the Action (*Sonny Le v. Balboa Water Group LLC*, Case No. 30-2019-01042358-CU-OE-CXC); (b) is signed by you; (c) contains your full name, address, telephone number, and the last four digits of your Social Security Number; (d) clearly states that you dispute the number of Workweeks credited to you and what you contend is the correct number to be credited to you; (e) includes information and/or attaches documentation demonstrating that the number of Workweeks that you contend should be credited to you are correct; and (f) is returned by fax or mail to the Settlement Administrator at the specified address and/or facsimile number listed in Section IV.B below, postmarked or fax-

stamped on or before [Response Deadline]. The Settlement Administrator shall make an initial determination on all disputes, however, the Court shall have the right to review any decision made by the Settlement Administrator on such disputes.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment

As explained above, your estimated Individual Settlement Share and/or Individual PAGA Payment is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [redacted]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

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

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Notice is only an estimate. Your actual Individual Settlement Share and/or Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon full funding of the Gross Settlement Amount and the Effective Date, 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 Class Released Claims he or she may have or had, except that only those Settlement Class Members who cash or deposit their Individual Settlement Payment check shall be deemed to opt-in to the Settlement and release of Class Released Claims that arise under the Fair Labor Standards Act.

Upon full funding of the Gross Settlement Amount and the Effective Date, the State of California with respect to all PAGA Members, and all PAGA Members, will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all PAGA Released Claims.

“Class Released Claims” means any and all Released Claims other than those arising under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* arising during the Class Period.

“PAGA Released Claims” means any and all Released Claims arising under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* arising during the PAGA Period.

“Released Claims” means any and all causes of action, claims, rights, damages, penalties, liabilities, expenses, and losses, pleaded in the Operative Complaint or LWDA Notice or that could have been pleaded based on the facts pleaded in the Operative Complaint or the LWDA Notice, including but not limited to claims under the California Labor Code, California Industrial Welfare Commission Wage Orders, regulations, and/or other provisions of law, for failure to pay overtime and double time wages, including based on the alleged failure to include all remuneration into the calculation of the regular rate of pay, properly round Class Members’ time worked, and properly compensate for time spent purportedly off the clock, failure to pay minimum wages, including based on the alleged failure to properly round Class Members’ time worked during or at the end of employment, failure to provide compliant meal periods and associated premium pay, failure to provide compliant rest periods and associated premium pay, failure to provide compliant wage statements, failure to timely pay wages upon termination of employment, failure to timely pay wages during employment, failure to maintain requisite time and payroll records, failure to reimburse for purportedly necessary business-related expenses, unfair or unlawful business practices pursuant California Business and Professions Code § 17200, *et seq.* based on the aforementioned, civil penalties pursuant to PAGA, California Labor Code § 2698, *et seq.*, arising under the California Labor Code or Industrial Welfare Commission Wage Orders based on the aforementioned, any violation of the California Labor Code arising from or related to the aforementioned, including violation of California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 558, 1182.12, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 2802, and violation of the Fair Labor Standards Act (29 U.S.C. § 201, *et seq.*), expressly excluding all other claims, including claims for wrongful termination, unemployment insurance, disability, social security, and workers’ compensation.

“Released Parties” means Defendant and any of its past and present parents, subsidiaries, affiliates, and divisions, and their shareholders, officers, directors, employees, partners, attorneys, insurers and reinsurers, predecessors, successors, successors-in-interest, assigns, accountants, auditors, consultants, legal representatives, and any individual or entity that could be jointly or severally liable for any of the Released Claims.

E. Attorneys’ Fees and Costs to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., up to \$476,875 if the Gross Settlement Amount is \$1,362,500) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000) (collectively, “Attorneys’ Fees and Costs”), subject to approval by the Court. The Attorneys’ Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Service Award to Plaintiff

Plaintiff will seek the amount of Seven Thousand Five Hundred Dollars (\$7,500) (“Service Award”), in recognition of his services in connection with the Action. The Service Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payment and/or Individual PAGA Payment that he is entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Thirteen Thousand Dollars (\$13,000) (“Settlement Administration Costs”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Workweeks disputes, calculating Individual Settlement Shares, Individual Settlement Payments and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

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

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Class Released Claims described in Section III.D above.

If you are a PAGA Member, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the PAGA Released Claims described in Section III.D above.

Class Members and PAGA Members will not be separately responsible for the payment of attorney’s fees or litigation costs and expenses, unless they retain their own separate counsel, in which event they will be responsible for their own attorney’s fees and expenses.

B. Request Exclusion from the Settlement

Class Members who do not wish to participate in the Class Settlement, must seek exclusion from the Class Settlement by submitting a written letter indicating a request to be excluded from the Class Settlement, as described below, or by completing and submitting the attached Request for Exclusion Form (both of which are referred to as a “Request for Exclusion”) to the Settlement Administrator.

A Request for Exclusion must: (a) contain the case name and number of the Action (*Sonny Le v. Balboa Water Group LLC*, Case No. 30-2019-01042358-CU-OE-CXC); (b) contain the full name, signature, and the last four digits of the Social

Security Number of the Class Member requesting exclusion; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be submitted by fax or mail to the Settlement Administrator at the specified address and/or facsimile number below, postmarked or faxed on or before **[Response Deadline]**.

[Settlement Administrator]

[Mailing Address]

[Fax Number]

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

C. Object to the Settlement

Class Members can object to the terms of the Class Settlement as long as they have not submitted a Request for Exclusion, by submitting a written objection, as described below, or by completing and submitting the attached Notice of Objection Form (both of which are referred to as a “Notice of Objection”) to the Settlement Administrator.

A Notice of Objection must include: (a) the case name and number of the Action (*Sonny Le v. Balboa Water Group LLC*, Case No. 30-2019-01042358-CU-OE-CXC); (b) the objector’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by fax or mail to the Settlement Administrator at the specified address and/or facsimile number listed in section IV.B above, postmarked or faxed on or before **[Response Deadline]**.

Settlement Class Members may also present their objection orally at the Final Approval Hearing.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department CX102 of the Orange County Superior Court, located at the Civil Complex Center, 751 West Santa Ana Boulevard, Santa Ana, CA 92701, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys’ Fees and Costs to Class Counsel, Service Award to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

Please visit the Court’s website for the most up-to-date information regarding the impact of COVID-19 on the operations of the Court and any requirements that may apply for accessing Court facilities: <https://www.occourts.org/>

For more information regarding how to schedule yourself to appear remotely at the Final Approval Hearing by telephone, please visit: <https://www.courtcall.com/> (charges and fees may apply)

VI. ADDITIONAL INFORMATION

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

You may view the Settlement Agreement and other court records in the Action for a fee by using the computers located at the Central Justice Center, 700 Civic Center Drive West, Santa Ana, CA 92701. The documents filed in the Action can also be accessed online at the Orange County Superior Court’s website, known as “Public Case Access System,” at the following

web address:

<https://ocjustice.occourts.org/civilwebShoppingNS/Login.do;jsessionid=WqJ9HMgVbg04ZoOqp40Ea0sGKcGEkNnyf123MFmrZWfzwM0cYFux!241251178>

After navigating to the Orange County Superior Court's Public Case Access System website and clicking on 'Accept Terms,' enter Case Number '01042358' in the box provided, then enter the year '2019' in the box provided, click on the 'I'm not a robot' box and follow the instructions, and click 'SEARCH.' Thereafter, you should be able to view documents filed in the case which have been imaged by the Court and information that has been made available by the Court, for free or at a minimal charge.

The Final Approval Order and Judgment, if entered, will be posted on the Settlement Administrator's website: **[INSERT]**

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

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

EXHIBIT B

REQUEST FOR EXCLUSION FORM

USE AND RETURN THIS FORM ONLY IF YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT.

If you wish to exclude yourself from the Class Settlement, you must read and sign the following statement and return this form to the Settlement Administrator, by mail or fax, postmarked or faxed on or before **[RESPONSE DEADLINE]**, at the following mailing address and/or facsimile number:

TBD
[INSERT MAILING ADDRESS]
[INSERT FAX NUMBER]

I request to be excluded from the class action settlement in the matter of *Sonny Le v. Balboa Water Group LLC*. By excluding myself from the class action settlement, I understand that I will not be bound by the settlement and release of the Class Released Claims, and that I will not receive an Individual Settlement Payment. I understand that, nevertheless, if I am a PAGA Member, I will still be bound by the settlement and release of the PAGA Released Claims and will be issued an Individual PAGA Payment.

Date: _____

Full Name: _____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

If you do not wish to exclude yourself from the Class Settlement (and you wish to receive payment from the Class Settlement), you should not return this form – you do not need to take any action.

EXHIBIT C

Sonny Le v. Balboa Water Group LLC,

Superior Court of California, County of Orange, Case No. 30-2019-01042358-CU-OE-CXC

NOTICE OF OBJECTION FORM

USE AND RETURN THIS FORM ONLY IF YOU WISH TO OBJECT TO THE CLASS SETTLEMENT.

If you wish to object to the Class Settlement, you must state all grounds for your objection (space is provided below for doing so), accompanied by any legal support for such objection and copies of any papers, briefs, or other documents upon which your objection is based, sign on the following page, and return this form by mail or fax to the Settlement Administrator, at the following mailing address and/or facsimile address, postmarked on or before **RESPONSE DEADLINE**.

TBD

[INSERT MAILING ADDRESS]

[INSERT FAX NUMBER]

I wish to object to the Class Settlement on the following grounds:

[illegible]

Date: _____

Full Name: _____

Address: _____

Telephone Number: (____ ____ ____) ____ ____ ____ ____ ____ ____

Signature: _____

To ensure that this form is properly processed on your behalf and to avoid confusion in the event that multiple individuals having the same or similar names submit this form, please provide the last 4 digits of your Social Security Number to the administrator so that your identity may be confirmed:

____ _

If you do not wish to object to the Class Settlement, you should not return this form – you do not need to take any action. If the proposed settlement receives final approval from the Court, you will receive a check by U.S. Mail.