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HINOJOSA, individually and on behalf of
all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

MANUEL HINOJOSA, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

PERMANENT GENERAL COMPANIES,
INC., a Tennessee corporation; and DOES 1
through 50, inclusive,

Defendants.

CASE NO. CIVSB2135124

CLASS ACTION

[Assigned for all purposes to Hon. David
Cohn, Dept. S-26]

**STIPULATION OF CLASS ACTION
SETTLEMENT**

Complaint Filed: December 28, 2021
Trial Date: None set

1 IT IS HEREBY STIPULATED, by and between plaintiff Manuel Hinojosa, individually
2 and on behalf of all others similarly situated, on the one hand, and defendant Permanent General
3 Companies, Inc., on the other hand, and subject to the approval of the Court, that the claims
4 alleged in the Action are hereby compromised and settled pursuant to the terms and conditions set
5 forth in this Stipulation of Class Action Settlement (“Stipulation”) and that the Court shall make
6 and enter judgment, subject to the continuing jurisdiction of the Court as set forth below, and
7 subject to the definitions, recitals, and terms set forth herein which by this reference become an
8 integral part of this Stipulation.

9 **DEFINITIONS**

10 1. “Action” means the putative class action entitled *Hinojosa v. Permanent General*
11 *Companies, Inc.*, San Bernardino Superior Court Case No. CIVSB2135124.

12 2. “Aggrieved Employees” means all persons employed by Defendant as non-exempt
13 employees in California at any time during the PAGA Period.

14 3. “Class Counsel” means Matthew J. Matern, Launa Adolph, and Olivia Green of
15 Matern Law Group, PC.

16 4. “Class Counsel Award” means reasonable attorneys’ fees for Class Counsel’s
17 litigation and resolution of this Action (not to exceed one-third of the Maximum Settlement
18 Amount), and Class Counsel’s expenses and costs reasonably incurred in connection with this
19 Action.

20 5. “Class Information” means information regarding Class Members that Defendant
21 shall in good faith compile from its records and shall be authorized by the Court to transmit in a
22 secured manner to the Settlement Administrator. Class Information shall be transmitted in
23 electronic form and shall include each Class Member’s full name; last known address; Social
24 Security number; and total number of Compensable Workweeks.

25 6. “Class Members” means all persons employed by Defendant as non-exempt
26 employees in California at any time during the Class Period.

27 7. “Class Notice” means the Notice of Class Action Settlement, substantially in the
28 form attached hereto as **Exhibit 1**, which shall be subject to Court approval and which the

1 Settlement Administrator shall mail to each Class Member explaining the terms of this Stipulation
2 and the Settlement.

3 8. "Class Period" means the period from December 28, 2017, through the date of
4 execution of the Stipulation.

5 9. "Class Representative Service Award" means the amount the Court authorizes to
6 be paid to Plaintiff, in addition to Plaintiff's Individual Settlement Payment, in recognition of
7 Plaintiff's effort and risk in prosecuting the Action.

8 10. "Compensable Workweeks" means the total number of weeks during which a
9 Class Member or Aggrieved Employee performed work as a non-exempt employee of Defendant
10 in California during the Class Period and/or PAGA Period, based on Defendant's records, and
11 which shall be used to calculate Individual Settlement Payments.

12 11. "Defendant" means defendant Permanent General Companies, Inc.

13 12. "Defense Counsel" means Tae Kim and Dawn Collins of CollinsKim LLP.

14 13. "Effective Date" means the latter of: (a) if there are no objections to the
15 Settlement, the date upon which the Judgment is entered by the Court; (b) if there are objections
16 to the Settlement, and if an appeal, review or writ is not sought from the Judgment, the sixty-first
17 (61st) day after the date upon which the Judgment is entered; or (c) if an appeal, review or writ is
18 sought from the Judgment, the date upon which all appellate and/or other proceedings resulting
19 from the appeal, review or writ have been finally terminated in such a manner as to permit the
20 Judgment to take effect in substantially the form described herein.

21 14. "Employer Taxes" means Defendant's portion of payroll taxes, including but not
22 limited to taxes under the Federal Insurance Contributions Act, the Federal Unemployment Tax
23 Act, and/or any similar state taxes and contributions required of employers, on the portion of the
24 Individual Settlement Payments that constitutes wages. The Employer Taxes will be submitted
25 by Defendant to the Settlement Administrator in addition to the Maximum Settlement Amount.

26 15. "Final Approval Hearing" means the hearing to be conducted by the Court after
27 the filing of an appropriate motion by Plaintiff and following appropriate notice to Class
28 Members giving Class Members an opportunity to request exclusion from the class and

1 Settlement and to object to the Settlement, at which time Plaintiff shall request that the Court
2 finally approve the Settlement, enter the Judgment, and take other appropriate action.

3 16. "Individual Settlement Payment" means the amount payable from the Net
4 Settlement Amount to each Participating Class Member and Aggrieved Employee.

5 17. "Information Sheet" means the form that shall be prepared by the Settlement
6 Administrator and sent to each Class Member that sets forth the total number of Compensable
7 Workweeks and the estimated Individual Settlement Payment for the Class Member, substantially
8 in the form attached hereto as **Exhibit 2**.

9 18. "Judgment" means the judgment to be entered by the Court upon granting final
10 approval of the Settlement and this Stipulation as binding upon the Parties, Participating Class
11 Members, and Aggrieved Employees.

12 19. "LWDA" means the California Labor and Workforce Development Agency.

13 20. "LWDA Payment" means the portion of the PAGA Payment payable to the
14 LWDA.

15 21. "Maximum Settlement Amount" means the maximum amount Defendant shall
16 have to pay in connection with this Settlement, by way of a common fund, which shall be
17 inclusive of all Individual Settlement Payments to Participating Class Members, the Class
18 Counsel Award, the Class Representative Service Award, Settlement Administration Costs, and
19 the LWDA Payment. Subject to Court approval and the terms of this Stipulation, the Maximum
20 Settlement Amount that Defendant shall be required to pay is One Hundred Sixty Three
21 Thousand Dollars (\$163,000.00).

22 22. "Net Settlement Amount" means the Maximum Settlement Amount, less the Class
23 Counsel Award, the Class Representative Service Award, Settlement Administration Costs, and
24 the LWDA Payment.

25 23. "Notice of Objection" means a Class Member's written objection to the
26 Settlement.

27 24. "Notice Packet" means the packet of documents which shall be mailed to all Class
28 Members by the Settlement Administrator, including the Class Notice and Information Sheet.

1 25. “PAGA” means the Labor Code Private Attorneys General Act of 2004, California
2 Labor Code sections 2698, et seq.

3 26. “PAGA Payment” means the amount payable from the Maximum Settlement
4 Amount to resolve the PAGA claim alleged in the Action, of which seventy-five percent (75%)
5 shall be paid to the LWDA and twenty-five percent (25%) shall be paid to Aggrieved Employees.

6 27. “PAGA Period” means the period from October 24, 2020, through the date of
7 execution of the Stipulation.

8 28. “Participating Class Members” means Plaintiff and all other Class Members who
9 do not submit a valid and timely Request for Exclusion.

10 29. “Parties” means Plaintiff and Defendant.

11 30. “Plaintiff” means plaintiff Manuel Hinojosa.

12 31. “Preliminary Approval Order” means the order to be issued by the Court
13 approving and authorizing the mailing of the Notice Packet by the Settlement Administrator,
14 setting the date of the Final Approval Hearing and granting preliminary approval of the
15 Settlement set forth in this Stipulation, among other things.

16 32. “Released Parties” means Defendant and its present or former parents, owners,
17 subsidiaries, and any affiliated or related persons or entities and each of its officers, directors,
18 employees, partners, shareholders, attorneys and agents, and any other successors, assigns, or
19 legal representatives.

20 33. “Request for Exclusion” means a written request by a Class Member to opt out of,
21 or exclude oneself from, the class and Settlement.

22 34. “Response Deadline” means the date forty-five (45) days after the Settlement
23 Administrator mails the Notice Packets to Class Members and the last date on which Class
24 Members may submit a Request for Exclusion, Notice of Objection, or dispute regarding the
25 number of Compensable Workweeks stated on their respective Information Sheet.

26 35. “Settlement” means the final and complete disposition of the Action pursuant to
27 this Stipulation.

28

36. “Settlement Administration Costs” means the reasonable costs and fees of administering the Settlement to be paid from the Maximum Settlement Amount, including, but not limited to: (i) printing, mailing and re-mailing (if necessary) of Notice Packets to Class Members; (ii) preparing and submitting to Participating Class Members and government entities all appropriate tax filings and forms; (iii) computing the amount of and distributing Individual Settlement Payments, the Class Representative Service Award, the Class Counsel Award, and the LWDA Payment; (iv) processing and validating Requests for Exclusion and Notices of Objection; (v) establishing a Qualified Settlement Fund (“QSF”), as defined by the Internal Revenue Code; and (vi) calculating and remitting to the appropriate government agencies all employer and employee payroll tax obligations arising from the Settlement and preparing and submitting filings required by law in connection with the payments required by the Settlement.

37. “Settlement Administrator” means Phoenix Class Action Administration Solutions or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement.

RECITALS

38. Procedural History. On December 28, 2021, Plaintiff filed this wage and hour class action lawsuit against Defendant in San Bernardino County Superior Court. The complaint alleges causes of action for: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under PAGA, as a representative action. Defendant filed an answer to Plaintiff's complaint on March 29, 2022.

39. On August 26, 2022, the Parties participated in a private mediation session with experienced wage and hour mediator Lisa Klerman, Esq., but were unable to reach a resolution. Following the mediation, Ms. Klerman made a mediator's proposal outlining the material terms

1 of a proposed class action settlement. On August 31, 2022, the Parties accepted the mediator's
2 proposal, subject to the Parties entering into a more comprehensive written settlement agreement.

3 40. Benefits of Settlement to Plaintiff and the Class Members. Plaintiff and Class
4 Counsel recognize the expense and length of continued proceedings necessary to litigate
5 Plaintiff's claims in the Action through trial and through any possible appeals. Plaintiff also has
6 taken into account the uncertainty and risks of the outcome of further litigation, and the
7 difficulties and delays inherent in such litigation. Plaintiff and Class Counsel are also aware of
8 the burdens of proof necessary to establish liability for the claims asserted in the Action, both
9 generally and in response to Defendant's defenses thereto, and the difficulties in establishing
10 damages, penalties, restitution and other relief sought in the Action. Plaintiff and Class Counsel
11 also have taken into account Defendant's agreement to enter into a settlement that confers
12 substantial benefits upon the Class Members. Based on the foregoing, Plaintiff and Class
13 Counsel have determined that the Settlement set forth in this Stipulation is fair, adequate, and
14 reasonable and is in the best interests of all Class Members.

15 41. Defendant's Reasons for Settlement. Defendant has concluded that any further
16 defense of the Action would be protracted and expensive for all Parties. Substantial amounts of
17 Defendant's time, energy, and resources have been, and unless this Settlement is completed, shall
18 continue to be, devoted to the defense of the claims asserted by Plaintiff. Defendant has also
19 taken into account the risks of further litigation in reaching its decision to enter into this
20 Settlement. Even though Defendant contends it is not liable for any of the claims alleged by
21 Plaintiff in the Action, Defendant has agreed, nonetheless, to settle in the manner and upon the
22 terms set forth in this Stipulation and to put to rest the claims alleged in this Action. Defendant
23 has asserted and continues to assert that the claims alleged by Plaintiff have no merit and do not
24 give rise to any liability, damages, restitution, penalties or other payments. This Stipulation is a
25 compromise of disputed claims. Nothing contained in this Stipulation, no documents referred to
26 herein, and no action taken to carry out this Stipulation, shall be construed or used as an
27 admission by or against Defendant as to the merits or lack thereof of the claims asserted in the
28 Action. Defendant contends that it has complied with all applicable state, federal and local laws.

1 **TERMS OF SETTLEMENT**

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

4 42. Binding Settlement. This Settlement shall bind the Parties and all Participating
5 Class Members and Aggrieved Employees, subject to the terms and conditions hereof and the
6 Court's approval.

7 43. Tax Liability. The Parties make no representations as to the tax treatment or legal
8 effect of the payments specified herein, and Class Members are not relying on any statement or
9 representation by the Parties, Class Counsel, or Defense Counsel in this regard. Participating
10 Class Members and Class Counsel understand and agree that they shall be responsible for the
11 payment of all taxes and penalties assessed on the payments specified herein, and shall hold the
12 Parties, Class Counsel, and Defense Counsel free and harmless from and against any claims
13 resulting from treatment of such payments as non-taxable, including the treatment of such
14 payments as not subject to withholding or deduction for payroll and employment taxes.

15 44. Circular 230 Disclaimer. THE PARTIES ACKNOWLEDGE AND AGREE
16 THAT (1) NO PROVISION OF THIS STIPULATION, AND NO WRITTEN
17 COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES, CLASS
18 COUNSEL, OR DEFENSE COUNSEL AND OTHER ADVISERS, IS OR WAS INTENDED
19 TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE
20 OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING
21 OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS
22 AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
23 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR
24 ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS STIPULATION,
25 (B) HAS NOT ENTERED INTO THIS STIPULATION BASED UPON THE
26 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO
27 ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
28 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY

1 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
2 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
3 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
4 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
5 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
6 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
7 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
8 STIPULATION.

9 45. Stipulation of Class Certification. The Parties stipulate to the certification of the
10 class for purposes of settlement only. This Stipulation is contingent upon preliminary and final
11 approval and certification of the class for purposes of settlement only. Should the Settlement not
12 become final, for whatever reason, the fact that the Parties were willing to stipulate provisionally
13 to class certification as part of the Settlement shall have no bearing on, and shall not be
14 admissible in connection with, the issue of whether a class should be certified in a non-settlement
15 context in the Action. Defendant expressly reserves the right to oppose class certification should
16 this Settlement be modified or reversed on appeal or otherwise not become final.

17 46. Preliminary Approval of Settlement. Plaintiff shall move the Court to enter the
18 Preliminary Approval Order, thereby provisionally certifying the class for settlement purposes
19 only and setting a Final Approval Hearing date. The Parties agree to work diligently and
20 cooperatively to have this Settlement presented to the Court for preliminary approval. The
21 Preliminary Approval Order shall provide for, among other things, the Notice Packet to be sent to
22 Class Members as specified herein. Class Counsel will prepare the Motion for Preliminary
23 Approval.

24 47. Release of Claims.

25 a. Participating Class Members' Released Claims. Upon Defendant
26 providing the Maximum Settlement Amount to the Settlement Administrator, all Participating
27 Class Members shall be deemed to have released the Released Parties of any and all claims,
28 demands, rights, liabilities, and/or causes of action that were pleaded or could have been pleaded

1 based upon the factual allegations set forth in the operative complaint filed in this Action and
2 arising at any time during the Class Period, including claims for (1) failure to provide meal
3 periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4)
4 failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting
5 employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized
6 statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge
7 of duties; and (9) unfair and unlawful business practices.

8 b. Aggrieved Employees' Released Claims. In addition to the release
9 set forth in Paragraph 47.a. above, upon Defendant providing the Maximum Settlement Amount
10 to the Settlement Administrator, all Aggrieved Employees shall be deemed to have released the
11 Released Parties of any and all claims and/or causes of action under PAGA which are based upon
12 the factual allegations set forth in the operative complaint and arising at any time during the
13 PAGA Period.

14 c. Hinojosa's Released Claims. In addition to the release set forth in
15 Paragraphs 47.a. and 47.b. above, upon Defendant providing the Maximum Settlement Amount to
16 the Settlement Administrator, Plaintiff Hinojosa on behalf of himself and his estate, executors,
17 administrators, heirs and assigns, shall be deemed to have released the Released Parties from any
18 and all claims, damages, costs, obligations, causes of action, actions, demands, rights, and
19 liabilities of every kind, nature and description whatsoever, whether known or unknown, whether
20 anticipated or unanticipated, arising on or before the date the date each Plaintiff signs this
21 Agreement ("Plaintiff's Released Claims"). Plaintiff also acknowledges that he has read,
22 understands, and expressly waives and relinquishes the provisions, rights and benefits of Section
23 1542 of the California Civil Code, which provides: "A general release does not extend to claims
24 which the creditor or releasing party does not know or suspect to exist in his or her favor at the
25 time of executing the release, that if known by him or her, would have materially affected his or
26 her settlement with the debtor or released party." Expressly excluded from Plaintiff's Released
27 Claims are Plaintiff's claims for race, age, and sex discrimination and harassment, retaliation,
28 wrongful termination, and any related claims at issue in Plaintiff's charge filed with the Equal

1 Employment Opportunity Commission as Charge 480-2022-02372 and Plaintiff's complaint filed
2 with the California Civil Rights Department, Charge No. 202206-17194403. Plaintiff expressly
3 reserves his right to pursue such claims under the Fair Employment and Housing Act against
4 Defendant.

5 48. Settlement Administration.

6 a. Within fifteen (15) days of entry of the Preliminary Approval Order,
7 Defendant shall provide the Settlement Administrator with the Class Information for purposes of
8 mailing the Notice Packets to Class Members.

9 i. Notice by First Class U.S. Mail. Upon receipt of the Class
10 Information, the Settlement Administrator shall perform a search based on the National Change
11 of Address Database maintained by the United States Postal Service to update and correct any
12 known or identifiable address changes. Within ten (10) days after receiving the Class Information
13 from Defendant as provided herein, the Settlement Administrator shall mail copies of the Notice
14 Packet to all Class Members via regular First Class U.S. Mail. The Settlement Administrator
15 shall exercise its best judgment to determine the current mailing address for each Class Member.
16 The address identified by the Settlement Administrator as the current mailing address shall be
17 presumed to be the most current mailing address for each Class Member. The Parties agree that
18 this procedure for notice provides the best notice practicable to Class Members and fully
19 complies with due process.

20 ii. Undeliverable Notice Packets. Any Notice Packet returned to the
21 Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-
22 mailed to the forwarding address affixed thereto. If no forwarding address is provided, the
23 Settlement Administrator shall promptly attempt to determine a correct address by the use of
24 skip-tracing, or other type of automated search, using the name, address and/or Social Security
25 number of the Class Member involved, and shall then perform a re-mailing to the Class Member
26 whose Notice Packet was returned as non-deliverable, assuming another mailing address is
27 identified by the Settlement Administrator. If a Notice Packet is re-mailed to a Class Member
28 less than ten (10) days prior to the Response Deadline, the Class Member shall have their

1 Response Deadline extended by ten (10) days from the date the Settlement Administrator re-mails
2 the Notice Packet. If these procedures are followed, notice to Class Members shall be deemed to
3 have been fully satisfied, and if the intended recipient of the Notice Packet does not receive the
4 Notice Packet, the intended recipient shall nevertheless remain a Class Member and shall be
5 bound by all terms of the Settlement and the Judgment.

6 iii. Determination of Individual Settlement Payments. The Settlement
7 Administrator shall determine the eligibility for, and the amount of, each Individual Settlement
8 Payment under the terms of this Stipulation. The Settlement Administrator's determination of the
9 eligibility for and amount of each Individual Settlement Payment shall be binding upon the Class
10 Member and the Parties, yet subject to review by Class Counsel, Defense Counsel, and the Court.
11 In the absence of fraud or gross negligence, Defendant's records shall be presumed accurate.

12 iv. Disputes Regarding Administration of Settlement. Any dispute not
13 resolved by the Settlement Administrator concerning the administration of the Settlement shall be
14 resolved by the Court. Prior to any such involvement of the Court, counsel for the Parties shall
15 confer in good faith and make use of the services of mediator Lisa Klerman, if necessary, to
16 resolve the dispute without the necessity of involving the Court.

17 b. Exclusions. The Class Notice shall explain that Class Members who wish
18 to exclude themselves from the class and Settlement must submit a Request for Exclusion to the
19 Settlement Administrator by the Response Deadline. The Request for Exclusion must: (1)
20 contain the name, address, and telephone number of the person requesting exclusion; (2) be
21 signed by the Class Member; and (3) be postmarked by the Response Deadline and returned to
22 the Settlement Administrator at the specified address. Subject to review by Class Counsel,
23 Defense Counsel, and the Court, the date of the postmark on the return mailing envelope on the
24 Request for Exclusion shall be the exclusive means used by the Settlement Administrator to
25 determine whether a Class Member has timely requested exclusion from the class and Settlement.
26 Any Class Member who timely and properly requests to be excluded from the class and
27 Settlement shall not be entitled to any benefits under the Settlement and shall not be bound by the
28 terms of the Settlement nor shall the Class Member have any right to object to the Settlement or

1 appeal from the entry of the Judgment. Class Members who do not submit a valid and timely
2 Request for Exclusion on or before the Response Deadline shall be bound by all terms of the
3 Settlement and the Judgment entered in this Action if the Settlement is finally approved by the
4 Court. No later than ten (10) days after the Response Deadline, the Settlement Administrator
5 shall provide counsel for the Parties a complete list of all Class Members who submitted a timely
6 and valid Request for Exclusion. No later than twenty-five (25) days prior to the Final Approval
7 Hearing, the Settlement Administrator shall provide Defense Counsel and Class Counsel with a
8 declaration attesting to the completion of the notice process, including the number of attempts to
9 obtain valid mailing addresses for and re-sending of any returned Notices, as well as the number
10 of valid opt-outs and deficiencies which the Settlement Administrator received.

11 c. Objections. The Class Notice shall state that Class Members who wish to
12 object to the Settlement must submit to the Settlement Administrator a Notice of Objection by the
13 Response Deadline or appear at the Final Approval Hearing to explain their objection(s). A
14 Notice of Objection must (1) state the full name of the Class Member; (2) be signed by the Class
15 Member; (3) state the grounds for the objection; and (4) be postmarked by the Response Deadline
16 and returned to the Settlement Administrator at the specified address. The Settlement
17 Administrator shall immediately upon receipt transmit to Class Counsel and Defense Counsel
18 copies of all objections and supporting papers. Plaintiff shall file the objections and all
19 supporting papers with the Court at the same time that Plaintiff files the motion for final approval.
20 Subject to review by Class Counsel, Defense Counsel, and the Court, the date of the postmark on
21 the return mailing envelope on the Notice of Objection shall be the exclusive means used by the
22 Settlement Administrator to determine whether a Class Member has timely objected to the
23 Settlement. The Court, however, shall retain final authority with respect to the consideration and
24 admissibility of any Class Member objections. A Class Member may appear personally or
25 through an attorney, at his or her own expense, at the Final Approval Hearing to present his or her
26 objection directly to the Court. Class Members who do not submit a Notice of Objection or
27 appear at the Final Approval Hearing to explain their objection(s) shall be deemed to have waived
28 any objections and shall be foreclosed from making any objections (whether by appeal or

1 otherwise) to the Settlement. If a Class Member objects to this Settlement, the Class Member
2 will remain a member of the class and if the Court approves this Stipulation, the Class Member
3 will be bound by the terms of the Settlement and Judgment in the same way and to the same
4 extent as a Participating Class Member who does not object. At no time shall any of the Parties,
5 Class Counsel, or Defense Counsel seek to solicit or otherwise encourage or discourage Class
6 Members from objecting to the Settlement or filing an appeal from the Judgment.

7 d. Disputes Regarding the Number of Compensable Workweeks. If a Class
8 Members disagrees with the number of Compensable Workweeks stated on the Information
9 Sheet, the Class Member must send a letter to the Settlement Administrator by the Response
10 Deadline stating the reasons why he or she disputes the number of Compensable Workweeks and
11 provide any supporting documentation. The Settlement Administrator will evaluate the evidence
12 submitted by the Class Member, as well as any evidence submitted by Defendant, and make a
13 decision as to the number of Compensable Workweeks that should be applied and/or the
14 Individual Settlement Payment to which the Class Member is entitled. The Settlement
15 Administrator's decision as to the total number of Compensable Workweeks shall be final and
16 non-appealable, yet subject to review by the Court. The Settlement Administrator shall send
17 written notice of the decision on any such dispute to the Class Member, Class Counsel, and
18 Defense Counsel within ten (10) days of receipt of the dispute.

19 e. Monitoring and Reviewing Settlement Administration. The Parties have
20 the right to monitor and review the administration of the Settlement to verify that the monies
21 allocated under the Settlement are distributed in the correct amount, as provided for in this
22 Stipulation.

23 f. Best Efforts. The Parties agree to use their best efforts to carry out the
24 terms of this Settlement.

25 49. Funding and Allocation of Maximum Settlement Amount. No later than ten (10)
26 days after entry of Judgment, Defendant shall provide to the Settlement Administrator in any
27 feasible manner, including, but not limited to, by way of a wire transfer, the Maximum Settlement
28 Amount. If this Settlement is not finally approved by the Court in full, or is terminated,

1 rescinded, canceled or fails to become effective for any reason, or if the Effective Date does not
2 occur, then no portion of the Maximum Settlement Amount shall be paid.

3 a. Individual Settlement Payments. Class Members shall not be required to
4 submit a claim in order to receive a share of the Net Settlement Amount, and no portion of the
5 Maximum Settlement Amount shall revert to Defendant or result in an unpaid residue. Individual
6 Settlement Payments shall be paid by the Settlement Administrator from the Net Settlement
7 Amount pursuant to the formula set forth herein. Individual Settlement Payment payments shall
8 be mailed by the Settlement Administrator by regular First-Class U.S. Mail to each Participating
9 Class Member's last known mailing address within ten (10) days after Defendant provides the
10 Settlement Administrator with the Maximum Settlement Amount. Prior to mailing the Individual
11 Settlement Payments, the Settlement Administrator shall perform a search based on the National
12 Change of Address Database maintained by the United States Postal Service to update and correct
13 any known or identifiable address changes.

14 i. Each Participating Class Member's Individual Settlement Payment
15 shall be calculated solely by the Settlement Administrator according to the following formula:
16 Defendant shall provide the Settlement Administrator with the Compensable Workweeks for each
17 Participating Class Member. The Settlement Administrator shall then divide the Net Settlement
18 Amount by the total number of Compensable Workweeks for all Participating Class Members
19 resulting in a value for each week worked by the Participating Class Members during the Class
20 Period ("Workweek Value"). The Settlement Administrator shall then multiply the number of
21 Compensable Workweeks for each Participating Class Member by the Workweek Value. In
22 addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA
23 Payment allocated to Aggrieved Employees based on their Compensable Workweeks during the
24 PAGA Period.

25 ii. Individual Settlement Payments shall be made by check and shall
26 be made payable to each Participating Class Member as set forth in this Stipulation.

27 iii. Individual Settlement Payments shall be allocated as follows:
28 twenty percent (20%) as wages subject to all applicable tax withholdings, and eighty percent

(80%) as non-wage penalties, interest, and reimbursement of employment-related expenses not subject to payroll tax withholdings. The Settlement Administrator shall issue an IRS Form W-2 to each Participating Class Member and Aggrieved Employee for the portion of each Individual Settlement Payment allocated as wages and subject to all applicable tax withholdings. The Settlement Administrator shall issue an IRS Form 1099 to each Participating Class Member and Aggrieved Employee for the portion of each Individual Settlement Payment allocated as non-wage penalties, interest, and reimbursement of employment-related expenses not subject to payroll tax withholdings. The Settlement Administrator shall calculate the amount of the Employer Taxes and shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities in a timely manner.

iv. Individual Settlement Payment checks shall remain negotiable for one hundred eighty (180) days from the date of mailing. If an Individual Settlement Payment check remains uncashed after one hundred eighty (180) days from issuance, the Settlement Administrator shall distribute the value of the uncashed check to the State Controller's Office Unclaimed Property Fund in the name of the Participating Class Member and/or Aggrieved Employee. In such event, such Participating Class Members and/or Aggrieved Employees shall nevertheless remain bound by the Settlement.

v. All monies received by Class Members under the Settlement which are attributable to wages shall constitute income to such Class Members solely in the year in which such monies actually are received by the Class Members. It is expressly understood and agreed that the receipt of Individual Settlement Payments shall not entitle any Class Member to additional compensation or benefits under any collective bargaining agreement or under any bonus, contest or other compensation or benefit plan or agreement in place during the period covered by the Settlement, nor shall it entitle any Class Member to any increased pension and/or retirement, or other deferred compensation benefits. It is the intent of the Parties that Individual Settlement Payments provided for in this Stipulation are the sole payments to be made by Defendant to Class Members in connection with this Settlement, with the exception of Plaintiff, and that the Class Members are not entitled to any new or additional compensation or benefits as

1 a result of having received the Individual Settlement Payments. Furthermore, the receipt of
2 Individual Settlement Payments by Class Members shall not, and does not, by itself establish any
3 general, special, or joint employment relationship between and among the Class Member(s) and
4 Defendant.

5 b. Class Representative Service Award. Subject to Court approval, Plaintiff
6 shall be paid a Class Representative Service Award not to exceed Ten Thousand Dollars
7 (\$10,000.00), or any lesser amount as awarded by the Court, for his time and effort in bringing
8 and presenting the Action and for releasing his claims. Defendant shall not oppose or object to
9 Plaintiff's request for a Class Representative Service Award in an amount not to exceed Ten
10 Thousand Dollars (\$10,000.00). The Class Representative Service Award shall be paid to
11 Plaintiff from the Maximum Settlement Amount no later than ten (10) days after Defendant
12 provides the Settlement Administrator with the Maximum Settlement Amount. The Settlement
13 Administrator shall issue an IRS Form 1099 to Plaintiff for the Class Representative Service
14 Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on the
15 Class Representative Service Award and shall hold harmless Defendant, Class Counsel, and
16 Defense Counsel from any claim or liability for taxes, penalties, or interest arising as a result of
17 payment of the Class Representative Service Award. The Class Representative Service Award
18 shall be made in addition to Plaintiff's Individual Settlement Payment. Any amount requested by
19 Plaintiff for the Class Representative Service Award and not awarded by the Court shall become
20 part of the Net Settlement Amount and shall be distributed to Participating Class Members as part
21 of their Individual Settlement Payments.

22 c. Class Counsel Award. Subject to Court approval, Class Counsel shall be
23 entitled to receive reasonable attorneys' fees in an amount not to exceed one-third (1/3) of the
24 Maximum Settlement Amount, which amounts to Fifty Four Thousand Three Hundred Thirty
25 Three Dollars and Thirty Three Cents (\$54,333.33). In addition, subject to Court approval, Class
26 Counsel shall be entitled to an award of reasonable costs associated with Class Counsel's
27 prosecution of the Action in an amount not to exceed Fifteen Thousand Dollars (\$15,000.00).
28 Class Counsel shall provide the Settlement Administrator with a properly completed and signed

1 IRS Form W-9 in order for the Settlement Administrator to process the Class Counsel Award
2 approved by the Court. Defendant shall not oppose or object to Plaintiff's request for an award of
3 attorneys' fees in an amount not to exceed Fifty Four Thousand Three Hundred Thirty Three
4 Dollars and Thirty Three Cents (\$54,333.33) and request for an award of reasonable costs not to
5 exceed Fifteen Thousand Dollars (\$15,000.00). In the event the Court awards Class Counsel less
6 than Fifty Four Thousand Three Hundred Thirty Three Dollars and Thirty Three Cents
7 (\$54,333.33) in attorneys' fees and/or less than Fifteen Thousand Dollars (\$15,000.00) in costs,
8 the difference shall become part of the Net Settlement Amount and shall be distributed to
9 Participating Class Members as part of their Individual Settlement Payments. Class Counsel shall
10 be paid any Court-awarded attorneys' fees and costs no later than ten (10) days after Defendant
11 provides the Settlement Administrator with the Maximum Settlement Amount. Class Counsel
12 shall be solely and legally responsible to pay all applicable taxes on the Class Counsel Award.
13 The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Class
14 Counsel Award. This Settlement is not conditioned upon the Court awarding Class Counsel any
15 particular amount of attorneys' fees or costs.

16 d. PAGA Payment. Five Thousand Dollars (\$5,000.00) from the Maximum
17 Settlement Amount shall be allocated as penalties under PAGA, of which Three Thousand Seven
18 Hundred Fifty Dollars (\$3,750.00) shall be paid by the Settlement Administrator directly to the
19 LWDA. The remaining One Thousand Two Hundred Fifty Dollars (\$1,250.00) shall be
20 distributed to Aggrieved Employees as part of their Individual Settlement Payments.

21 e. Settlement Administration Costs. The Settlement Administration fees and
22 expenses, which are estimated not to exceed Five Thousand Dollars (\$5,000.00), shall be paid
23 from the Maximum Settlement Amount. Prior to Plaintiff filing a motion for final approval of the
24 Settlement, the Settlement Administrator shall provide the Parties with a statement detailing the
25 Settlement Administration Costs to date. The Parties agree to cooperate in the Settlement
26 Administration process and to make all reasonable efforts to control and minimize Settlement
27 Administration Costs.
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1 i. The Parties each represent they do not have any financial interest in
2 the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
3 that could create a conflict of interest.

4 ii. The Settlement Administrator shall keep the Parties timely apprised
5 of the performance of all Settlement Administrator responsibilities required by the Settlement.
6 The Settlement Administrator shall be authorized to establish a QSF pursuant to IRS rules and
7 regulations in which the Maximum Settlement Amount shall be placed and from which payments
8 required by the Settlement shall be made.

9 50. Final Settlement Approval Hearing and Entry of Judgment. Following expiration
10 of the Response Deadline, a Final Approval Hearing shall be conducted to determine whether to
11 grant final approval of the Settlement, including determining the amounts properly payable for:
12 (i) the Class Counsel Award; (ii) the Class Representative Service Award; and (iii) the PAGA
13 Payment. Prior to the Final Approval Hearing, the Settlement Administrator shall provide a
14 written report or declaration to the Parties describing the process and results of the administration
15 of the Settlement to date, which report or declaration shall be filed by Plaintiff with the Court
16 prior to the Final Approval Hearing. If the Court grants final approval of the Settlement, the
17 Settlement Administrator shall post notice of final judgment on its website within seven (7)
18 calendar days of entry of the Judgment.

19 51. Adjustment of Settlement Amount. The Maximum Settlement Amount was
20 negotiated and is premised on the understanding that there are approximately 27 Class Members
21 and 1,636 workweeks as of August 26, 2022. In the event that the total number of Class
22 Members or workweeks as of August 26, 2022 exceeds these numbers by ten percent (10%) or
23 more, Defendant shall have the option to increase the Maximum Settlement Amount
24 proportionately or, if Defendant declines to do so, Plaintiff shall have the option to withdraw from
25 the Settlement.

26 52. Right of Defendant to Reject Settlement. If five percent (5%) or more of the Class
27 Members submit valid Requests for Exclusion, Defendant will have the right, but not the
28 obligation, to void the Settlement and the Parties will have no further obligations under the

1 Settlement, including any obligation by Defendant to pay the Maximum Settlement Amount, or
2 any amounts that otherwise would have been owed under this Stipulation, except that Defendants
3 will pay the Settlement Administration Costs incurred as of the date that Defendant exercises its
4 right to void the Settlement. Defendant shall notify Class Counsel and the Court whether it is
5 exercising this right to void not later than seven (7) days after the Settlement Administrator
6 notifies the Parties of the number of valid Requests for Exclusion it has received.

7 53. Nullification of Settlement. In the event: (i) the Court does not enter the
8 Preliminary Approval Order; (ii) the Court does not grant final approval the Settlement; (iii) the
9 Court does not enter the Judgment; or (iv) the Settlement does not become final for any other
10 reason, this Stipulation shall be rendered null and void, any order or judgment entered by the
11 Court in furtherance of this Settlement shall be treated as void from the beginning and this
12 Stipulation and any documents related to it shall not be used by any Class Member or Class
13 Counsel to support any claim or request for class certification in the Action, and shall not be used
14 in any other civil, criminal or administrative action against Defendant or any of the other
15 Released Parties. In the event an appeal is filed from the order granting final approval or
16 Judgment, or any other appellate review is sought, administration of the Settlement shall be
17 stayed pending final resolution of the appeal or other appellate review. Any fees incurred by the
18 Settlement Administrator prior to it being notified of the filing of an appeal from the Judgment, or
19 any other appellate review, shall be paid by Defendant to the Settlement Administrator.

20 54. No Admission by Defendant. Defendant denies all claims alleged in this Action
21 and denies all wrongdoing whatsoever by Defendant. Neither this Stipulation, nor any of its
22 terms and conditions, nor any of the negotiations connected with it, is a concession or admission,
23 and none shall be used against Defendant as an admission or indication with respect to any claim
24 of any fault, concession, or omission by Defendant or that class certification is proper under the
25 standard applied to contested certification motions. The Parties stipulate and agree to the
26 certification of the proposed class for settlement purposes only. The Parties further agree that this
27 Stipulation shall not be admissible in this or any other proceeding as evidence that either (i) a
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1 class action should be certified or (ii) Defendant is liable to Plaintiff or any Class Member, other
2 than according to the terms of this Stipulation.

3 55. Exhibits and Headings. The terms of this Stipulation include the terms set forth in
4 any attached Exhibits, which are incorporated by this reference as though fully set forth herein.
5 The Exhibits to this Stipulation are an integral part of the Settlement. The descriptive headings of
6 any paragraphs or sections of this Stipulation are inserted for convenience of reference only.

7 56. Interim Stay of Action. The Parties agree to stay and to request that the Court stay
8 all proceedings in the Action, except such proceedings necessary to implement and complete the
9 Settlement and enter the Judgment.

10 57. Amendment or Modification. This Stipulation may be amended or modified only
11 by a written instrument signed by counsel for all Parties or their successors-in-interest.

12 58. Entire Agreement. This Stipulation and any attached Exhibits constitute the entire
13 agreement between the Parties, and no oral or written representations, warranties, or inducements
14 have been made to Plaintiff or Defendant concerning this Stipulation or its Exhibits other than the
15 representations, warranties, and covenants contained and memorialized in this Stipulation and its
16 Exhibits. No other prior or contemporaneous written or oral agreements may be deemed binding
17 on the Parties.

18 59. Authorization to Enter into Settlement Agreement. Class Counsel and Defense
19 Counsel warrant and represent they are expressly authorized by the Parties whom they represent
20 to negotiate this Stipulation and to take all appropriate actions required or permitted to be taken
21 by such Parties pursuant to this Stipulation to effectuate its terms, and to execute any other
22 documents required to effectuate the terms of this Stipulation. The Parties, Class Counsel, and
23 Defense Counsel shall cooperate with each other and use their best efforts to effect the
24 implementation of the Settlement. In the event the Parties are unable to reach agreement on the
25 form or content of any document needed to implement the Settlement, or on any supplemental
26 provisions that may become necessary to effectuate the terms of this Settlement, the Parties may
27 seek the assistance of the Court and/or mediator Lisa Klerman to resolve such disagreement. The
28 person signing this Stipulation on behalf of Defendant represents and warrants that he/she is

1 authorized to sign this Stipulation on behalf of Defendant. Plaintiff represents and warrants that
2 he is authorized to sign this Stipulation and that he has not assigned any claim, or part of a claim,
3 covered by this Settlement to a third-party. The Parties have cooperated in the drafting and
4 preparation of this Stipulation. Hence, in any construction made of this Stipulation, the same
5 shall not be construed against any of the Parties.

6 60. Binding on Successors and Assigns. This Stipulation shall be binding upon, and
7 inure to the benefit of, the successors and assigns of the Parties.

8 61. California Law Governs. All terms of this Stipulation and the Exhibits hereto shall
9 be governed by and interpreted according to the laws of the State of California, without giving
10 effect to any law that would cause the laws of any jurisdiction other than the State of California to
11 be applied.

12 62. Counterparts. This Stipulation may be executed in one or more counterparts. All
13 executed counterparts and each of them shall be deemed to be one and the same instrument.

14 63. Jurisdiction of the Court. Following entry of the Judgment, pursuant to Code of
15 Civil Procedure section 664.6, the Court shall retain jurisdiction of this Action solely for the
16 purpose of interpretation, implementation, and enforcement of the terms of this Stipulation and all
17 orders and judgments entered in connection therewith, and the Parties, Class Counsel, and
18 Defense Counsel submit to the jurisdiction of the Court for purposes of interpreting,
19 implementing, and enforcing the Settlement embodied in this Stipulation and all orders and
20 judgments entered in connection therewith.

21 64. Invalidity of Any Provision. Before declaring any term or provision of this
22 Stipulation invalid, the Parties request that the Court first attempt to construe the terms or
23 provisions valid to the fullest extent possible consistent with applicable precedents so as to define
24 all provisions of this Stipulation as valid and enforceable.

25 65. Binding Nature of Notice of Class Action Settlement. It is agreed that because the
26 Class Members are so numerous, it is impossible or impractical to have each Class Member
27 execute the Stipulation. The Class Notice shall advise all Class Members of the binding nature of
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EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT
Hinojosa v. Permanent General Companies, Inc.
San Bernardino Superior Court Case No. CIVSB2135124

A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.

IF YOU WORKED FOR PERMANENT GENERAL COMPANIES, INC. AS A NON-EXEMPT EMPLOYEE IN CALIFORNIA AT ANY TIME BETWEEN DECEMBER 28, 2017 AND [DATE OF EXECUTION OF SETTLEMENT AGREEMENT], THIS CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

Why should you read this Notice?

A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Hinojosa v. Permanent General Companies, Inc.*, San Bernardino Superior Court Case No. CIVSB2135124 (the “Action”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Action and to inform you of your rights and options in connection with the Action and the proposed Settlement. The proposed Settlement will resolve all claims in the Action.

A hearing concerning the Settlement (the “Settlement Hearing”) will be held before the Hon. David Cohn on [REDACTED], 2023 at [REDACTED] in Department S-26 of the San Bernardino Superior Court, located at 247 W. 3rd Street, San Bernardino, California 92415, to determine whether the Settlement is fair, adequate and reasonable.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST EXCLUSION FROM THE SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	If you do nothing, you will be considered part of the Class and will receive an Individual Settlement Payment. You will also give up the right to pursue a separate legal action against Permanent General Companies, Inc. (“Defendant”) and affiliated persons and entities, as explained more fully below.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS	You have the option to pursue separate legal action against Defendant about the claims in this lawsuit. If you choose to do so, you must exclude yourself, in writing, from the Settlement. As a result, you will not receive any benefits under the Settlement.
OBJECT	To object to the Settlement, you must submit a written statement explaining why you do not like the Settlement or explain your objections in person at the Settlement Hearing. This option is available only if you do not exclude yourself from the Settlement.

Who is affected by this proposed Settlement?

The Court has certified, for settlement purposes only, the following class (the “Class”):

All persons employed by Defendant as non-exempt employees in California at any time during the period from December 28, 2017 to [date of execution of settlement agreement] (the “Class Period”).

According to Defendant’s records, you are a member of the Class (“Class Member”).

What is this case about?

In the Action, plaintiff Manuel Hinojosa (“Plaintiff”) alleges on behalf of himself and the Class the following claims against Defendant: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (9) unfair and unlawful business practices; and (10) penalties under the Labor Code Private Attorneys General Act (“PAGA”), as a representative action. Plaintiff seeks unpaid wages, statutory penalties, restitution, interest, attorneys’ fees, and costs.

Defendant denies all liability and is confident it has strong legal and factual defenses to these claims.

This Settlement is a compromise reached after good faith, arm’s length negotiations between Plaintiff and Defendant (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendant. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiff also believes the Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiff’s claims or Defendant’s defenses.

Who are the attorneys representing the Parties?

The attorneys representing the Parties in the Action are:

Class Counsel

Matthew J. Matern
Launa Adolph
Olivia Green
MATERN LAW GROUP, PC
1230 Rosecrans Ave., Suite 200
Manhattan Beach, California 90266
310-531-1900

Defense Counsel

Tae Kim
Dawn Collins
CollinsKim, LLP
515 South Flower Street, 18th Floor
Los Angeles, California 90071
213-314-0238

What are the Settlement terms?

Subject to final Court approval, Defendant will pay \$163,000.00 (the “Maximum Settlement Amount”) for: (a) Individual Settlement Payments to Class Members who do not request to be excluded from the Settlement (“Participating Class Members”); (b) the Court-approved Service Award to Plaintiff; (c) the Court-approved attorneys’ fees and costs to Class Counsel; (d) the costs of administering the Settlement; and (e) the PAGA Payment to be paid to the California Labor and Workforce Development Agency (“LWDA”) and non-exempt employees who worked for Defendant during the PAGA Period, which is October 24, 2020 to [date of execution of settlement agreement] (“Aggrieved Employees”).

Individual Settlement Payments. After deduction from the Maximum Settlement Amount for Class Counsel’s attorneys’ fees and costs, the Service Award to Plaintiff, the PAGA Payment, and the costs of administering the Settlement, there will be a Net Settlement Amount. From the Net Settlement Amount, each Participating Class Member will receive an Individual Settlement Payment. The Net Settlement Amount shall be divided pro rata among all Participating Class Members based on the total number of weeks worked during the Class Period. In addition, all Aggrieved Employees shall receive a pro rata share of the portion of the PAGA Payment allocated to Aggrieved Employees based on their Compensable Workweeks during PAGA Period.

Your estimated Individual Settlement Payment is listed on the enclosed Information Sheet.

If a settlement check remains uncashed after 180 days from issuance, the Settlement Administrator will pay over the amount represented by the check to the State Controller's Office Unclaimed Property Fund, with the identity of the Class Members to whom the funds belong. In such event, the Class Member will remain bound by the terms of the Settlement and all Court orders.

For tax reporting purposes, the payments to Participating Class Members will be allocated 20% as wages and 80% as non-wages. The wage portion of the Individual Settlement Payments shall be subject to the withholding of applicable local, state, and federal taxes, and the Settlement Administrator shall deduct applicable payroll taxes from the wage portion of the Individual Settlement Payments.

The Parties and their attorneys do not make any representations concerning the tax consequences of this Settlement or your participation in it and are unable to offer tax advice. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement.

Class Counsel Attorneys' Fees and Costs, Service Award, Settlement Administration Costs and PAGA Payment. Class Counsel will ask the Court to award attorneys' fees up to \$53,333.33 (one-third of the Maximum Settlement Amount) and reimbursement of actual and reasonable costs incurred in the Action not to exceed \$15,000.00. In addition, Class Counsel will ask the Court to authorize a Service Award payment of up to \$10,000.00 to Plaintiff for his effort in prosecuting the Action on behalf of the Class. The Parties estimate the cost of administering the Settlement will not exceed \$5,000.00. In addition, \$5,000.00 will be allocated to penalties under PAGA, of which 75%, or \$3,750.00, will be paid to the LWDA, and the remaining 25%, or \$1,250.00, will be distributed to Aggrieved Employees. Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount and will be distributed to Participating Class Members, as set forth above.

What claims are being released by the proposed Settlement?

Release by Participating Class Members. Upon Defendant providing the Maximum Settlement Amount to the Settlement Administrator, Plaintiff and all Participating Class Members shall be deemed to have fully, finally, and forever released the Released Parties from any and all claims, demands, rights, liabilities, and/or causes of action that were pleaded or could have been pleaded based upon the factual allegations set forth in the operative complaint filed in this Action and arising at any time during the Class Period, including claims for (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay minimum wages; (4) failure to pay overtime wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to maintain required records; (7) failure to furnish accurate itemized statements; (8) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (9) unfair and unlawful business practices.

Release by Aggrieved Employees. Upon Defendant providing the Maximum Settlement Amount to the Settlement Administrator, all Aggrieved Employees shall be deemed to have released the Released Parties of any and all claims and/or causes of action under PAGA which are based upon the factual allegations set forth in the operative complaint and arising at any time during the PAGA Period.

The "Released Parties" are Defendant and its present or former parents, owners, subsidiaries, and any affiliated or related persons or entities and each of its officers, directors, employees, partners, shareholders, attorneys and agents, and any other successors, assigns, or legal representatives.

What are my options in this matter?

You have two options under this Settlement, each of which is further discussed below. You may: (A) remain in the Class and receive an Individual Settlement Payment; or (B) exclude yourself from the Settlement. If you choose option (A), you may also object to the Settlement, as explained below.

OPTION A. Remain in the Settlement Class. If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment, **you do not need to take any action.** By remaining in the Class, you consent to the release of claims as described above. If you remain in the Class, you will be

represented at no cost by Class Counsel.

Object to the Settlement: If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may object to it. To object, you must appear at the Settlement Hearing to explain your objection or submit a written brief or statement of objection (“Notice of Objection”) to the Settlement Administrator. The Notice of Objection must: (1) state your full name; (2) state the grounds for the objection; (3) be signed by you; and (4) be postmarked on or before [REDACTED], 2023 and returned to the Settlement Administrator at the following address:

Hinojosa v. Permanent General Companies, Inc.
P.O. Box [REDACTED]
[City], [State] [Zip]

You can also hire an attorney at your own expense to represent you in your objection. Any Class Member who does not object in writing or at the Settlement Hearing shall be deemed to have waived any objections and shall be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of claims as set forth above, unless the Settlement is not finally approved by the Court.**

OPTION B. Request Exclusion from the Settlement. If you do not want to be part of the Settlement, you must submit a written request to be excluded from the Settlement (“Request for Exclusion”). In order to be valid, your Request for Exclusion must (1) state your full name, address, and telephone number and the last four digits of your Social Security Number (for identification purposes only); (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Hinojosa v. Permanent General Companies, Inc.*; (3) be signed by you; and (4) be postmarked on or before [REDACTED], 2023 and returned to the Settlement Administrator at the following address:

Hinojosa v. Permanent General Companies, Inc.
P.O. Box [REDACTED]
[City], [State] [Zip]

If you do not submit a valid Request for Exclusion, you will be deemed a Participating Class Member and you will be bound by the release of claims as described above and all other terms of the Settlement. If you submit a valid Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefit as a result of the Action and Settlement and will not be entitled to or permitted to object to the Settlement.

What is the next step in the approval of the Settlement?

The Court will hold a hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, on [REDACTED], 2023 at [REDACTED] in Department S-26 of the San Bernardino Superior Court. The Settlement Hearing may be continued without further notice to Class Members. You are not required to attend the Settlement Hearing to receive an Individual Settlement Payment.

If the Court grants final approval of the Settlement, notice of final judgment will be posted on the Settlement Administrator’s website (www.[REDACTED]) within seven (7) calendar days after entry of the Final Order and Judgment.

How can I get additional information?

This Notice summarizes the Action and the basic terms of the Settlement. More details are in the Settlement Agreement. You may also request a copy of the Settlement Agreement from Class Counsel, at the address and telephone number listed above. If you have questions regarding the Settlement, you may contact the Settlement Administrator at 1-[REDACTED].

PLEASE DO NOT CONTACT THE COURT REGARDING THIS SETTLEMENT.

1 the Settlement, and the release of Released Claims and shall have the same force and effect as if
2 this Stipulation were executed by each Participating Class Member.

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4 Dated: 11/2, 2022

Manuel Hinojosa

Manuel Hinojosa (Nov 2, 2022 21:51 PDT)

Plaintiff Manuel Hinojosa

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7 Dated: , 2022

Permanent General Companies, Inc.

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9 By:

10 Its:

1 the Settlement, and the release of Released Claims and shall have the same force and effect as if
2 this Stipulation were executed by each Participating Class Member.

3
4 Dated: _____, 2022

Plaintiff Manuel Hinojosa

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7 Dated: October 21, 2022

Jennifer Durrer
Permanent General Companies, Inc.

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9 By: Jennifer Durrer

10 Its: Manager, HR Consulting
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Approved as to form and content:

Dated: 11/2, 2022

MATERN LAW GROUP, PC

By:



MATTHEW J. MATERN

LAUNA ADOLPH

OLIVIA GREEN

Attorneys for Plaintiff MANUEL HINOJOSA,
individually and on behalf of all others similarly
situated

Dated: November 9, 2022

COLLINSKIM, LLP

By:



TAE KIM

DAWN COLLINS

Attorneys for Defendant PERMANENT
GENERAL COMPANIES, INC.