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GENERAL ATOMICS and GENERAL ATOMICS
17 AERONAUTICAL SYSTEMS, INC.

18 SUPERIOR COURT OF THE STATE OF CALIFORNIA

19 COUNTY OF SAN DIEGO

20
21 MELISSA WEISMAN, individually, and on
behalf of other members of the general public
22 similarly situated,

23 Plaintiff,

24 v.

25 GENERAL ATOMICS, a California
corporation; GENERAL ATOMICS
26 AERONAUTICAL SYSTEMS, INC., a
California corporation; and DOES 1-100,
27 inclusive,

28 Defendants.

Case No. 37-2021-00000331-CU-OE-CTL

**SETTLEMENT OF CLASS ACTION
AND PAGA REPRESENTATIVE
ACTION**

Judge: Hon. Katherine Bacal
Dept.: C-69

Complaint Filed: January 5, 2021
FAC Filed: July 22, 2021
Trial Date: None Set

1 This Settlement is made and entered into, as of the date set forth below, between Plaintiffs
2 Melissa Weisman and Scott Athey, as individuals and as representatives of the proposed Class
3 described herein, and Athey as PAGA representative for the State of California (collectively,
4 “Plaintiffs”), and Defendants General Atomics and General Atomics Aeronautical Systems, Inc.
5 (collectively, “Defendants”) who are parties to the above-captioned litigation and/or the related
6 PAGA Action filed by Athey (together, the “Parties”).¹

7 **1. THE CONDITIONAL NATURE OF THIS SETTLEMENT**

8 1.1 This Settlement and all associated exhibits or attachments are made for the sole
9 purpose of settling the Action. This Settlement is made in compromise of disputed claims.
10 Because this Action is being settled as a class and representative action, this Settlement must
11 receive preliminary and final approval by the Court. Accordingly, the Parties enter into this
12 Settlement on a conditional basis. If the Court does not enter the Order of Final Approval, the
13 proposed Judgment does not become a Final Judgment for any reason, and/or the Effective Date
14 does not occur, this Settlement shall be deemed null and void *ab initio*; it shall be of no force or
15 effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and the
16 negotiation, terms and entry of the Settlement and associated pleadings shall remain subject to the
17 provisions of California Evidence Code sections 1119 and 1152, Federal Rule of Evidence 408,
18 and any other analogous rules of evidence that are applicable.

19 1.2 Defendants deny all claims as to liability, damages, penalties, interest, fees,
20 restitution, injunctive relief and all other forms of relief, as well as deny the class and
21 representative action allegations asserted in the *Weisman* lawsuit and the PAGA Action, as those
22 terms are defined below. Defendants have agreed to resolve the *Weisman* lawsuit and the PAGA
23 Action via this Settlement, but to the extent this Settlement is deemed void or the Effective Date
24 does not occur, Defendants do not waive, but rather expressly reserve, all rights to challenge all
25 such claims and allegations in the *Weisman* lawsuit and the PAGA Action upon all procedural,
26

27 ¹ As provided herein, Weisman will amend the First Amended Complaint to add Athey as a
28 named representative and to add the PAGA claims and alleged Labor Code violations asserted in
the related PAGA Action. Athey will dismiss the PAGA Action without prejudice, so that only
the above-captioned *Weisman* litigation remains and proceeds for approval by the Court.

merit, and factual grounds, including, without limitation, the ability to challenge class and representative action treatment on any grounds, as well as asserting any and all other privileges and potential defenses. Plaintiffs and Class Counsel (as defined below) agree that Defendants retain and reserve these rights, and Plaintiffs and Class Counsel agree not to argue or present any argument, and hereby waive any argument, that based on this Settlement, Defendants cannot contest class certification or representative action treatment on any grounds whatsoever or assert any and all other privileges or potential defenses if the *Weisman* lawsuit and the PAGA Action were to proceed.

2. DEFINITIONS

The following terms, when used in this Settlement, shall have the following meanings:

2.1 “Action” means the action currently entitled, *Melissa Weisman, individually, and on behalf of other members of the general public similarly situated v. General Atomics, et al.*, San Diego Superior Court Case No. 37-2021-00000331-CU-OE-CTL, that will be amended to include Scott Athey as a named plaintiff and include the PAGA claims alleged by Athey in the PAGA Action and will be reflected in the Operative Complaint.

2.2 “Class” or “Class Members” means all current and former non-exempt employees of General Atomics who performed work for any of the General Atomics Releasees within the State of California at any time during the Class Period.

2.3 “Class Counsel” means the attorneys of Justice Law Corporation.

2.4 “Class Period” means the time period from July 11, 2016, through January 16, 2023.

2.5 “Class Representatives” or “Plaintiffs” means Plaintiffs Melissa Weisman and Scott Athey.

2.6 “Class Representatives’ Released Claims” means any and all claims, obligations, demands, actions, rights, causes of action, and liabilities against the General Atomics Releasees, of whatever kind and nature, character, and description, whether in law or equity, whether sounding in tort, contract, federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law or contract, whether known or unknown, and whether anticipated or

1 unanticipated, including all unknown claims covered by California Civil Code Section 1542, as
2 quoted below, by the Class Representatives, arising at any time up to and including the date on
3 which the Court enters the Order of Final Approval, for any type of relief, including without
4 limitation claims for wages, premium and other forms of pay, unpaid/unreimbursed costs,
5 penalties (including waiting time penalties), general damages, compensatory damages, liquidated
6 damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses,
7 restitution, and equitable and declaratory relief. The Class Representatives' Released Claims also
8 include, but are not limited to, the Released Class Claims and the Released PAGA Claims as well
9 as any other claims under any provision of the Fair Labor Standards Act, the California Labor
10 Code², any applicable California Industrial Welfare Commission Wage Orders, any city or county
11 Living Wage Ordinances, and claims under state or federal discrimination statutes, including,
12 without limitation, the California Government Code; the Unruh Civil Rights Act, California Civil
13 Code; the California Constitution; the California Business and Professions Code, including but
14 not limited to Sections 17200 *et seq.*; the United States Constitution; the Age Discrimination in
15 Employment Act and the Older Workers Benefit Protection Act; the Uniformed Services
16 Employment and Reemployment Rights Act, Title VII of the Civil Rights Act of 1964, 42 U.S.C.
17 § 2000 *et seq.*; the Civil Rights Act of 1991; the Family and Medical Leave Act, to the extent not
18 prohibited by law; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee
19 Retirement Income Security Act of 1974, 29 U.S.C. § 1001 *et seq.*; the Equal Pay Act; the Fair
20 Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Worker
21 Adjustment and Retraining Notification Act; the Sarbanes-Oxley Act of 2002; the California
22 Family Rights Act; and all of their implementing regulations and interpretive guidelines; any and
23 all claims for monetary recovery and personal or individual relief, except as prohibited by law;
24 and any premiums, penalties, interest, punitive damages, costs, attorneys' fees, injunctive relief,
25 declaratory relief, or accounting based on any of the foregoing claims. For the avoidance of
26 doubt, this is a complete and general release to the maximum extent permitted by law.

27 Notwithstanding the foregoing, the release of the Class Representatives' Released Claims do not

28 ² References to the "Labor Code" herein shall be to the California Labor Code.

1 include (i) any claim or right for workers' compensation benefits; or (ii) any claim or right that is
2 not waivable as a matter of law.

3 2.7 "Court" means the Superior Court of the State of California, County of San Diego.

4 2.8 "Database" shall mean the data file maintained by the Settlement Administrator in
5 electronic form, that will include a list of each Class Member, including each person's name, last
6 known address, social security number, and number of Eligible Workweeks and Eligible Pay
7 Periods.

8 2.9 "Defendants' Counsel" means the attorneys of Morgan, Lewis & Bockius LLP.

9 2.10 "Effective Date" means the date on which the Judgment becomes a Final
10 Judgment.

11 2.11 "Eligible Workweek" shall mean a week during the Class Period in which a Class
12 Member performed work within California.

13 2.12 "Eligible Pay Period" shall mean a pay period during the PAGA Period in which a
14 PAGA Member performed work within California.

15 2.13 "Final Approval Date" means the date on which the Court enters the Order of
16 Final Approval.

17 2.14 "Final Approval Hearing" means a hearing set by the Court, to take place on a date
18 established by the Court, for the purpose of (i) determining the fairness, adequacy, and
19 reasonableness of the Settlement pursuant to class action procedures and requirements;
20 (ii) determining the amount of the award of attorneys' fees and costs to Class Counsel;
21 (iii) determining the amounts of the Service Payments to the Class Representatives; and
22 (iv) entering the Judgment.

23 2.15 "Final Judgment" means the latest of the following dates: (i) if no Class Member
24 files an objection to the Settlement, then the date the Court enters the Judgment and an Order of
25 Final Approval of the Settlement; (ii) if a Class Member files an objection to the Settlement, then
26 after the applicable date for seeking appellate review of the Court's Order of Final Approval of
27 the Settlement has passed, assuming no appeal or request for review is filed; or (iii) if an appeal is
28 filed, the final resolution of that appeal (including any requests for rehearing and/or petitions for

1 writ of certiorari) resulting in the final judicial approval of the Settlement.

2 2.16 “General Atomics Releasees” means General Atomics, and all affiliated parties
3 and entities (including past and present affiliates, parents, subsidiaries, related entities, including,
4 but not limited to, General Atomics Aeronautical Systems, Inc., Diazyme Laboratories, Inc. and
5 General Atomics Systems Integration, LLC), and each of their respective predecessors, related
6 entities, owners, members, successors, shareholders, divisions, and each of these entities’
7 respective past and present directors, officers, employees, partners, shareholders, members and
8 representatives.

9 2.17 “Individual PAGA Payment” means the individual amounts paid from the PAGA
10 Payment to the individual PAGA Members for settlement of claims for civil penalties under
11 PAGA.

12 2.18 “Individual Settlement Payment” means the settlement amount due each
13 Settlement Class Member from the Settlement Pool.

14 2.19 “Judgment” means the judgment to be executed and filed by the Court pursuant to
15 this Settlement following the Final Approval Hearing. Notice of the Judgment will be given to
16 the Class via the Settlement Administrator’s website.

17 2.20 “LWDA” means the California Labor and Workforce Development Agency.

18 2.21 “LWDA Payment” means the payment to the LWDA from the PAGA Payment for
19 settlement of claims for civil penalties under PAGA.

20 2.22 “Maximum Settlement Amount” means the total maximum amount payable under
21 the terms of this Agreement by Defendant General Atomics, which is the gross sum of Seven
22 Million Five Hundred Thousand Dollars and Zero Cents (\$7,500,000.00), except that the
23 Maximum Settlement Amount shall not include the employer’s share of payroll taxes, which
24 Defendant General Atomics shall pay with respect to any amounts paid to Settlement Class
25 Members that are attributable to the resolution of wage claims as described herein. The
26 Maximum Settlement Amount shall be used to pay, as approved by the Court, Class Counsel’s
27 attorneys’ fees and costs, Service Payments to Class Representatives, Settlement Administration
28 Costs; and the PAGA Payment to the LWDA and the PAGA Members, and the Individual

1 Settlement Payments to the Settlement Class Members. The General Atomics Releasees shall not
2 be required to pay anything above or beyond the Maximum Settlement Amount, under any
3 circumstance, as a result of this Settlement, except Defendants' obligation to pay the employer's
4 share of payroll taxes with respect to the wage portions of Settlement Class Members' Individual
5 Settlement Payments, and except as may be increased pursuant to the express terms of section
6 7.2.2.

7 2.23 "Notice of Class Action Settlement" means the document provided to Class
8 Members to notify them of the settlement, substantially in the form attached as **Exhibit 1**, subject
9 to Court approval.

10 2.24 "Operative Complaint" shall mean the proposed Second Amended Complaint,
11 attached hereto as **Exhibit 2**, which shall include Scott Athey as a named Plaintiff and include the
12 PAGA claims alleged in the PAGA Action.

13 2.25 "Order of Final Approval" means the order entered by the Court granting final
14 approval of the Parties' Settlement and ordering the funding of the Maximum Settlement
15 Amount.

16 2.26 "PAGA Action" means the action entitled *Scott Athey, individually, and on behalf*
17 *of aggrieved employees pursuant to the Private Attorneys General Act ("PAGA") v. General*
18 *Atomics, et al.*, San Diego Superior Court Case No. 37-2022-00020346-CU-OE-CTL.

19 2.27 "PAGA Members" means all current and former non-exempt employees of
20 General Atomics who performed work within California for any of the General Atomics
21 Releasees at any time during the PAGA Period.

22 2.28 "PAGA Payment" means the payment in settlement of all claims for PAGA
23 penalties, 75% of which will be distributed as the LWDA Payment to the LWDA and 25% of
24 which will be distributed as Individual PAGA Payments to the PAGA Members.

25 2.29 "PAGA Period" means the time period from July 11, 2020 through January 16,
26 2023.

27 2.30 "Parties" means Defendants and Plaintiffs collectively.

28 2.31 "Preliminary Approval Date" means the date the Court enters the Preliminary

1 Approval Order.

2 2.32 “Preliminary Approval Order” means the order from the Court granting
3 preliminary approval of the Settlement and providing for notice to the Class, an opportunity to opt
4 out of the Settlement Class, an opportunity to submit timely objections to the Settlement, and
5 setting the Final Approval Hearing.

6 2.33 “Qualified Settlement Fund” means the account or trust established by the
7 Settlement Administrator to handle and administer the funding and payments related to the
8 Settlement.

9 2.34 “Released Class Claims” shall mean all claims, rights, demands, liabilities, and
10 causes of action asserted in the Operative Complaint, all claims that could have been reasonably
11 asserted based on and/or related to the facts alleged in the Operative Complaint, the PAGA
12 Action, and ascertained in the course of the Action and the PAGA Action, including causes of
13 action for (a) unpaid overtime premiums under Labor Code §§ 510 and 1198; (b) unpaid meal
14 period premiums under Labor Code §§ 226.7 and 512(a) and the applicable California Industrial
15 Welfare Commission Wage Order; (c) unpaid rest period premiums under Labor Code § 226.7;
16 (d) unpaid minimum wages under Labor Code §§ 1194 and 1197; (e) failure to timely pay final
17 wages under Labor Code §§ 201, 202, and 203; (f) failure to maintain and provide accurate
18 itemized wage statements under Labor Code § 226, 226.2, and 226.3; (g) failure to reimburse
19 business expenses under Labor Code §§ 2800 and 2802; (h) failure to provide paid sick leave
20 under Labor Code § 246; (i) all claims for the alleged violation of California Business &
21 Professions Code §§ 17200, *et seq.*, based upon the alleged failure to pay overtime premiums,
22 provide compliant meal and rest breaks, failure to provide accurate and itemized wage statements,
23 failure to pay all wages, failure to timely pay wages, and/or failure to reimburse business
24 expenses; and (j) all claims for interest, penalties, attorneys’ fees, costs and any other monetary
25 relief based upon the claims described above and including, but not limited to, pursuant to Labor
26 Code §§210, 218.5, 218.6, Code of Civil Procedure §1021.5, and/or Civil Code §§ 3287(b) and
27 3289, costs, attorneys’ fees, injunctive relief, declaratory relief, or accounting that are based on or
28 related to the alleged Labor Code and Business & Professions Code violations referenced in sub-

1 sections (a) through (i) above, that accrued or accrue through the Class Period.

2 2.35 “Released PAGA Claims” means all claims for civil penalties under PAGA
3 asserted in the Operative Complaint, asserted in any PAGA letters sent by Plaintiff Athey to the
4 LWDA, and all claims that could have been reasonably alleged in the Operative Complaint and
5 the PAGA Action arising from and/or related to the same alleged facts alleged in the Operative
6 Complaint and/or the PAGA Action and ascertained in the course of the Action and PAGA
7 Action, during the PAGA Period including for (a) failure to pay minimum and overtime wages
8 under Labor Code §§ 510, 1194, 1197, and 1198; (b) failure to provide paid sick leave under
9 Labor Code § 246; (c) failure to provide meal periods and rest breaks and pay any associated
10 premiums due under Labor Code §§ 226.7 and 512; (d) failure to timely pay wages during
11 employment under Labor Code §§ 204 and 210; (e) failure to timely pay wages upon termination
12 under Labor Code §§ 201-203; (f) failure to provide complete and accurate wage statements
13 under Labor Code §§ 226, 226.3, and 1174; (g) failure to keep complete and accurate payroll
14 records under Labor Code § 1174; and (h) failure to reimburse all necessary business expenses
15 under Labor Code §§ 2800 and 2802.

16 2.36 “Service Payments” means the amounts approved by the Court to be paid to the
17 Class Representatives and payable from the Maximum Settlement Amount, in recognition of their
18 efforts in coming forward as Class Representatives and as consideration for a full, general, and
19 comprehensive release of the Class Representatives’ Released Claims, which shall be in addition
20 to their portion of the Settlement Pool.

21 2.37 “Settlement” shall mean this written Settlement, signed by the Class
22 Representatives, Defendants, and counsel for all of the Parties.

23 2.38 “Settlement Administration Costs” means the costs payable from the Maximum
24 Settlement Amount to the Settlement Administrator for administering this Settlement in
25 accordance with the Settlement Administrator’s responsibilities outlined in this Settlement
26 Agreement.

27 2.39 “Settlement Administrator” means CPT Group, Inc. who shall be responsible for
28 the administration of the Settlement, distribution of any amounts owed under this Settlement, and

1 matters necessarily related thereto, pursuant to the terms of this Settlement, and subject to
2 appointment by the Court.

3 2.40 “Settlement Class” or “Settlement Class Members” mean all Class Members who
4 do not timely submit a signed and valid Opt-Out Request to the Settlement Administrator.

5 2.41 “Settlement Pool” is the portion of the Maximum Settlement Amount available for
6 distribution to the Settlement Class, which shall equal the Maximum Settlement Amount minus
7 the PAGA Payment, Court-approved attorneys’ fees and costs, Settlement Administration Costs,
8 and the Court-approved Class Representative Service Payments.

9 **3. DESCRIPTION OF THE LITIGATION**

10 3.1 On January 5, 2021, Plaintiff Melissa Weisman filed a putative class action
11 complaint against Defendants in the California Superior Court, County of San Diego, captioned
12 *Melissa Weisman, individually, and on behalf of others similarly situated v. General Atomics, et*
13 *al.*, Case No. 37-2021-00000331-CU-OE-CTL. The *Weisman* lawsuit alleged claims for: (1)
14 unpaid overtime; (2) unpaid meal period premiums; (3) unpaid rest period premiums; (4) unpaid
15 minimum wages; (5) failure to timely pay all wages; (6) failure to provide accurate wage
16 statements; (7) failure to reimburse business expenses; and (8) unfair business practices in
17 violation of Business and Profession Code section 17200, *et seq.* Plaintiff Weisman brought the
18 *Weisman* lawsuit on behalf of a proposed class of all current and former California non-exempt
19 hourly employees of Defendants. On July 21, 2021, Plaintiff Weisman filed a First Amended
20 Complaint reasserting the same alleged wage and hour violations.

21 3.2 On May 27, 2022, Plaintiff Scott Athey filed a representative action complaint
22 against Defendants in the California Superior Court, County of San Diego, captioned *Scott Athey,*
23 *individually, and on behalf of aggrieved employees pursuant to the Private Attorneys General Act*
24 *(“PAGA”)* v. *General Atomics, et al.*, Case No. 37-2022-00020346-CU-OE-CTL. The PAGA
25 Action alleged on behalf of all current and former aggrieved California-based hourly non-exempt
26 employees of Defendants claims for civil penalties under PAGA for: (1) failure to pay minimum
27 and overtime wages; (2) failure to provide paid sick leave; (3) failure to provide meal periods and
28 rest breaks and pay any associated premiums; (4) failure to timely pay wages during employment

1 (5) failure to timely pay wages upon termination; (6) failure to provide complete and accurate
2 wage statements; (7) failure to keep complete and accurate payroll records; and (8) failure to
3 reimburse all necessary business expenses.

4 3.3 Through substantial and extensive formal and informal discovery, Defendants
5 provided Plaintiffs' counsel with company documents and records, data, and written policies
6 reflecting and relating to employees' time worked, rates of pay, workweeks, wages paid, and
7 meal and rest break premiums paid during the Class Period, among other records.

8 3.4 The Parties had numerous discussions and negotiations regarding the claims and
9 defenses in the cases. On November 16, 2022, the Parties attended a full-day mediation
10 conducted by an experienced wage and hour mediator, Jeff Ross, and eventually reached an
11 agreement on settlement. All of the terms of that settlement are contained within this Settlement.
12 At all times, the Parties' settlement negotiations have been non-collusive, adversarial, and at
13 arm's length.

14 3.5 Discussions between counsel for the Parties, formal and informal discovery, as
15 well as the respective investigation and evaluation of Plaintiffs' claims by the Parties, have
16 permitted each side to assess the relative merits of the claims and the defenses to those claims.
17 The Parties agree that the above-described investigation and evaluation, as well as informal
18 discovery and the information exchanged during the settlement negotiations, are sufficient to
19 assess the merits of the respective Parties' positions and to compromise the issues on a fair and
20 equitable basis.

21 4. **CONDITIONS PRECEDENT TO SETTLEMENT TAKING EFFECT**

22 4.1 The Parties enter into this Settlement on a conditional basis. This Settlement will
23 become final and effective only upon the occurrence of all of the following events:

24 4.1.1 Plaintiff Weisman will amend her currently pending First Amended
25 Complaint to include and add a cause of action for the alleged failure to provide paid sick leave
26 under Labor Code § 246, to include and add Plaintiff Scott Athey as a named Plaintiff, and to
27 include and add a PAGA cause of action asserting all of the allegations and Labor Code
28 violations in Plaintiff Athey's PAGA Complaint and LWDA letter, with this Second Amended

1 Complaint becoming the Operative Complaint that will be the pleading through which the Parties
2 effectuate the Settlement with the Court;

3 4.1.2 Plaintiff Athey will dismiss without prejudice the PAGA Action;

4 4.1.3 The Court enters the Preliminary Approval Order consistent with all of the
5 material terms of the Settlement;

6 4.1.4 The Court enters the Order of Final Approval consistent with all of the
7 material terms of the Settlement; and

8 4.1.5 The Effective Date occurs, and any challenge to the Settlement, whether by
9 objection or appeal, is resolved in favor of enforcement of the Settlement.

10 4.2 Unless the Court orders otherwise or as agreed to in writing by the Parties, this
11 Settlement shall be deemed null and void *ab initio* upon the failure of any one or more of the five
12 (5) conditions identified *supra* in Section 4.1 to occur.

13 **5. BENEFITS OF THE SETTLEMENT TO THE PARTIES**

14 5.1 Based on their own independent investigations and evaluations, Class Counsel is of
15 the opinion that the Settlement with Defendants for the consideration and terms set forth herein,
16 considering the representative and class claims, and the risk of loss, is fair, reasonable, and adequate
17 in light of all known facts and circumstances, and is in the best interests of the Class. Class Counsel
18 is also of the opinion that the total consideration and payment set forth in this Settlement is adequate
19 in light of the uncertainties surrounding the risk of further litigation, the possibility of losing class
20 certification, that the PAGA claim could be deemed unmanageable, and the defenses that
21 Defendants have asserted and/or could assert as to the substantive merits of the claims.

22 5.2 Class Counsel has weighed the monetary benefit under the Settlement to the
23 Settlement Class against the expenses and length of continued proceedings that would be necessary
24 to prosecute the Action against Defendants through class certification, through manageability
25 motions, summary judgment, trial and possible appeals. Class Counsel has also taken into account
26 the uncertain outcome and risk of any litigation, especially in complex actions such as class and
27 representative actions, as well as the difficulties and delay inherent in such litigation. As a result,
28

1 Class Counsel has determined that the settlement set forth in this Settlement is in the best interests
2 of the Class.

3 **6. DEFENDANTS' POSITION**

4 6.1 Defendants and the General Atomics Releasees specifically and generally deny
5 any and all liability or wrongdoing of any sort with regard to the claims alleged, make no
6 concessions or admissions of liability of any sort, and contend that for any purpose other than
7 Settlement, the Action is not appropriate for class or representative action treatment.
8 Nonetheless, Defendants have concluded that further conduct of the Action would be protracted,
9 distracting and expensive, and that it is desirable that the Action be fully and finally settled in the
10 manner and upon the terms and conditions set forth in this Settlement. Defendants have also
11 taken into account the uncertainty and risks inherent in any litigation. Defendants have therefore
12 determined that it is desirable and beneficial to them to settle the Action in the manner and upon
13 the terms and conditions set forth in this Settlement.

14 6.2 Neither this Settlement, nor any document referred to in it, nor any actions taken
15 pursuant to this Settlement, is or should be construed as an admission by Defendants of any fault,
16 wrongdoing, or liability whatsoever. Nor should the Settlement be construed as an admission that
17 Plaintiffs could meet any of the class action requirements or that any PAGA claim would be
18 manageable. There has been no final determination by any court as to the merits of the claims
19 asserted by Plaintiffs against Defendants, as to whether a class action should be certified, or that
20 any PAGA claim is manageable.

21 6.3 Defendants have concluded that it is desirable that the Action be settled in a
22 manner and upon such terms and conditions set forth herein in order to avoid further expense,
23 inconvenience and distraction of further legal proceedings, and the risk of the outcome of the
24 Action. Therefore, Defendants have determined that it is desirable and beneficial to resolve the
25 claims in the Action.

26 **7. OPERATIVE TERMS OF SETTLEMENT**

27 The Parties agree as follows:

28 7.1 Conditional Class Certification

1 7.1.1 The Parties stipulate, for settlement purposes only, to the certification by the
2 Court of the Class.

3 7.1.2 If, for any reason, the Court does not approve this Settlement, fails to enter
4 the Judgment, or if this Settlement is terminated for any other reason, the Class will be decertified
5 and Defendants shall, and hereby do, retain the right to dispute the appropriateness of class
6 certification.

7 7.2 Maximum Settlement Amount

8 7.2.1 Defendants shall pay a non-reversionary amount not to exceed the
9 Maximum Settlement Amount to resolve the Action on a class and representative basis, subject to
10 section 7.2.2. The Maximum Settlement Amount shall be used to pay, as approved by the Court,
11 Class Counsel's attorneys' fees and costs, Service Payments to Plaintiffs, Settlement
12 Administration Costs; and the PAGA Payment to the LWDA and the PAGA Members, and the
13 Individual Settlement Payments to the Settlement Class Members. Notwithstanding the
14 foregoing, in addition to the Maximum Payment Amount, Defendants will pay the employer's
15 share of payroll taxes, including FICA and FUTA, on the portion of each Individual Settlement
16 Payment allocated as unpaid wages.

17 7.2.2 This Settlement is based on an estimated count of approximately 1.4 million
18 workweeks by Settlement Class Members through November 16, 2022. If during the Class
19 Period the Settlement Class Members have collectively worked more than 1.54 million Eligible
20 Workweeks (*i.e.*, a more than 10% increase in the 1.4 million workweeks estimated at the time of
21 mediation), then the Maximum Settlement Amount will be increased in proportion to the Eligible
22 Workweeks greater than 1.54 Million in excess of the 10% (*e.g.*, if the Eligible Workweeks
23 increase by 12%, then the Maximum Settlement Amount shall increase by 2%), or, at
24 Defendants' option, the Class Period and Class Release shall end as of the date the actual number
25 of Eligible Workweeks exceed 1.54 Million.

26 7.3 Class Representative Service Payments

27 7.3.1 The Class Representatives' Service Payments, which are in addition to their
28 Individual Settlement Payments from the Settlement Pool and Individual PAGA Payments as

1 PAGA Members will, subject to Court approval, be paid out of the Maximum Settlement Amount
2 and will not exceed \$10,000 for Plaintiff Weisman and \$10,000 for Plaintiff Athey for their
3 services and assistance to the Class. For purposes of tax withholding, the Service Payments will
4 be reported on an IRS Form 1099. Class Representatives shall be solely and legally responsible
5 for paying any and all applicable taxes on their Service Payments and shall indemnify, defend,
6 and hold General Atomics Releasees harmless from any claim or liability for taxes, penalties or
7 interest arising as a result of the Service Payments. Any amount of the Class Representatives
8 Service Payments that is not awarded by the Court shall revert to the Settlement Pool.

9 7.4 Attorneys' Fees and Costs

10 7.4.1 Class Counsel shall apply to the Court for an award of reasonable attorneys'
11 fees not to exceed approximately one third of the Maximum Settlement Amount (\$2,500,00.00),
12 and will seek an award of costs for reimbursement of Class Counsel's out-of-pocket costs
13 incurred up to an additional \$25,000, to be paid out of the Maximum Settlement Amount.
14 Defendants will not oppose an application by Class Counsel in accordance with the terms of this
15 Settlement. The Settlement Administrator shall issue IRS Forms 1099 to Class Counsel for the
16 payments made pursuant to this section. Class Counsel shall be solely and legally responsible for
17 paying any and all applicable taxes on their fees and costs award and shall indemnify, defend, and
18 hold General Atomics Releasees harmless from any claim or liability for taxes, penalties or
19 interest arising as a result of any payments received by Class Counsel pursuant to this Agreement.
20 Any amount of Class Counsel's requested fees and costs that is not awarded by the Court shall
21 revert to the Settlement Pool.

22 7.5 Settlement Administrator

23 7.5.1 The Settlement Administration Costs incurred by the Settlement
24 Administrator as a result of the procedures and processes expressly required by this Settlement
25 shall be paid out of the Maximum Settlement Amount and are estimated not to exceed
26 \$50,500.00. Under no circumstances will Defendants be required to contribute additional funds,
27 above and in addition to the Maximum Settlement Amount, to cover any additional Settlement
28 Administration Costs. The Settlement Administration Costs shall include: all costs of

1 administering the Settlement, including all tax document preparation, custodial fees, and
2 accounting fees incurred by the Settlement Administrator; all costs and fees associated with
3 establishing and maintaining a Qualified Settlement Fund; all costs and fees associated with
4 preparing, issuing and mailing the Notice of Class Action Settlement and other correspondence to
5 Class Members; all costs and fees associated with communicating with Class Members, Class
6 Counsel, and Defendants' Counsel; all costs and fees associated with computing, processing,
7 reviewing, and paying the payments due under this Settlement, and resolving disputed claims; all
8 costs and fees associated with calculating tax withholdings and payroll taxes, making related
9 payment to federal and state tax authorities, and issuing tax forms relating to payments made
10 under the Settlement; all costs and fees associated with preparing any tax returns and any other
11 filings required by any governmental taxing authority or agency; all costs and fees associated
12 with preparing any other notices, reports, or filings to be prepared in the course of administering
13 payments due under this Settlement; and any other costs and fees incurred and/or charged by the
14 Settlement Administrator in connection with the execution of its duties under this Settlement.

15 The Settlement Administrator will also maintain a website with the URL
16 WeismanClassActionSettlement.com or a substantially similar URL, subject to the Parties'
17 approval, on which the Settlement Administrator will post any orders and the Judgment entered in
18 the Action as well as a copy of the Notice of Class Action Settlement and contact information for
19 Class Counsel and the Settlement Administrator. The Settlement Administrator will keep the
20 website active for 60 days after the Effective Date at which time the site will be taken down.

21 7.5.2 The actions of the Settlement Administrator shall be governed by the terms
22 of this Settlement and any Orders from the Court and any agreement by Class Counsel and
23 Defendants' Counsel regarding communications with the Settlement Administrator. Absent any
24 agreement, Defendants and Defendants' Counsel may communicate with the Settlement
25 Administrator without notice and/or copies to Class Counsel.

26 7.5.3 In the event that either Defendants' Counsel or Class Counsel take the
27 position that the Settlement Administrator is not acting in accordance with the terms of the
28 Settlement, such Defendants' Counsel or Class Counsel shall meet and confer first with opposing

counsel and/or, if necessary, with the Settlement Administrator or the Court to attempt to resolve the issue.

7.6 Calculation of Individual Settlement Payments

7.6.1 Each Settlement Class Member will be entitled to receive an Individual Settlement Payment, which will be paid out of the Settlement Pool. The amount of each Individual Settlement Payment will be calculated on a pro rata basis, based on the Eligible Workweeks each Settlement Class Member worked during the Class Period. There is no need for a Settlement Class Member to submit a claim form in order to be eligible for and to receive an Individual Settlement Payment.

7.6.2 To determine each Class Member's estimated "Individual Settlement Payment," the Settlement Administrator will use the following formula: estimated Individual Settlement Payment = (individual Eligible Workweeks ÷ all Class Member Eligible Workweeks) × Settlement Pool.

7.6.3 The Parties recognize that the Individual Settlement Payments to be paid to Class Members reflect settlement of a dispute over claimed wages, interest, penalties, and other alleged damages.

7.6.4 All Individual Settlement Payments to Settlement Class Members shall be allocated as follows for tax purposes: 70% of each Individual Settlement Payment reflects compromise of a claim for alleged unpaid wages; 30% of each Individual Settlement Payment reflects compromise of a claim for alleged interest and penalties. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings (for the employee portion only) and will be reported on an IRS Form W-2. Settlement Class Members will each indemnify and hold harmless General Atomics Releasees for any taxes due or owing by them with respect such payments and/or any penalties and interest owed by General Atomics Releasees for the failure to withhold with respect to such payments. The Settlement Administrator shall make appropriate tax withholdings from the portion of each Individual Settlement Payment designated as unpaid wages, and shall pay the employer portion of payroll taxes with funds separate from the Maximum Settlement Payment to

1 be furnished by Defendants. Settlement Class Members will be responsible for paying all other
2 taxes due on their Individual Settlement Payments. Other than as set forth above, the Settlement
3 Administrator will not make any deductions, withholdings, or additional payments, including
4 without limitation, medical or other insurance payments or premiums, employee 401(k)
5 contributions or matching employer contributions, wage garnishments to the extent permitted by
6 law, or charity withholdings, from or with respect to the Individual Settlement Payments, and
7 entry of the Order of Final Approval by the Court shall be deemed authority not to make any such
8 deductions, withholdings, or additional payments.

9 7.7 PAGA Payment

10 7.7.1 A total amount of \$350,000 from the Maximum Settlement Amount will be
11 allocated as the PAGA Payment to be paid as penalties under PAGA, seventy-five percent (75%)
12 of this amount will be the LWDA Payment to paid to the LWDA and the remaining twenty-five
13 (25%) shall be distributed to the PAGA Members as Individual PAGA Payments. Any portion of
14 the PAGA Payment not approved by the Court shall be added to the Settlement Pool and any
15 additional amount ordered by the Court shall be paid from the Maximum Settlement Amount.

16 7.7.2 The 25% of the PAGA Payment to be distributed to the PAGA Members as
17 Individual PAGA Payments and shall be distributed based on a pro rata share based on the
18 number of Eligible Pay Periods each PAGA Member worked during the PAGA Period.

19 7.7.3 All Individual PAGA Payments shall be allocated as 100% penalties, for
20 which a 1099 will be issued, if required. PAGA Members will be responsible for paying all taxes
21 due on their Individual PAGA Payments. The Settlement Administrator will not make any
22 deductions, withholdings, or additional payments, including without limitation, medical or other
23 insurance payments or premiums, employee 401(k) contributions or matching employer
24 contributions, wage garnishments to the extent permitted by law, or charity withholdings, from or
25 with respect to the Individual PAGA Payments.

26 7.8 Circular 230 Disclaimer

27 7.8.1 Each Party to this Settlement (for purposes of this section, the
28 “acknowledging party” and each Party to this Settlement other than the acknowledging party, an

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

15 7.9 No Effect on Employee Benefits

16 7.9.1 Neither the Settlement nor any amounts paid under the Settlement will
17 modify any previously credited hours or service under any employee benefit plan, policy, or
18 bonus program sponsored by General Atomics Releasees. Such amounts will not form the basis
19 for additional contributions to, benefits under, or any other monetary entitlement under General
20 Atomics Releasees’ sponsored benefit plans, policies, or bonus programs. The payments made
21 under the terms of this Settlement shall not be applied retroactively, currently, or on a going
22 forward basis, as salary, earnings, wages, or any other form of compensation for the purposes of
23 the General Atomics Releasees’ benefit plans, policies, or bonus programs. The General Atomics
24 Releasees retain the right to modify the language of their benefit plans, policies and bonus
25 programs to effectuate such intent.

26 7.10 Releases

27 7.10.1 Class Representatives’ Release. Upon the Effective Date, the Class
28 Representatives shall be deemed to have fully, finally, and forever released the General Atomics

1 Releasees from all Class Representatives' Released Claims through the Final Approval Date.
2 Class Representatives' Released Claims do not extend to any claims or actions to enforce this
3 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,
4 social security benefits, workers' compensation benefits that arose at any time, or based on
5 occurrences outside the Class Period. The Class Representatives may hereafter discover claims
6 or facts in addition to, or different from, those which they now know or believe to exist, but Class
7 Representatives expressly agree to fully, finally and forever settle and release any and all claims
8 against the General Atomics Releasees, known or unknown, suspected or unsuspected, which
9 exist or may exist on behalf of or against the other at the time of execution of this Agreement.
10 The Class Representatives shall be deemed to have expressly waived and relinquished, to the
11 fullest extent permitted by law, the provisions, rights, and benefits they may otherwise have had
12 relating to the Class Representatives' Released Claims pursuant to Section 1542 of the California
13 Civil Code, which provides as follows:

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

18 7.10.2 Settlement Class Member Release. Upon the Effective Date, the Settlement
19 Class Members, shall be deemed to have fully, finally, and forever released the General Atomics
20 Releasees from the Released Class Claims for the Class Period.

21 7.10.3 PAGA Member Release. Upon the Effective Date, Class Representatives,
22 as representatives of the State of California and on behalf of the LWDA and the PAGA Members,
23 fully and finally release the General Atomics Releasees from the Released PAGA Claims for the
24 PAGA Period.

25 8. NOTICE TO CLASS

26 8.1 Preliminary Approval

27 8.1.1 Class Counsel and Defendants' Counsel shall jointly submit to the Court
28 this Settlement and exhibits thereto for preliminary approval by the Court. Class Counsel will

1 prepare and file the motion for preliminary approval and supporting papers for the Court. Class
2 Counsel will provide copies of all documents to be filed with the Court to Defendants at least five
3 (5) business days before the documents are filed, for review and comment by Defendants. The
4 Court's preliminary approval of this Settlement shall be embodied in an order certifying the Class
5 for settlement purposes only, preliminarily approving the Settlement and providing for Notice of
6 Class Action Settlement to be mailed to the Class in materially the same format attached hereto as
7 **Exhibit 1**, and which will also set the date for the Final Approval Hearing.

8 8.2 Notice

9 8.2.1 No later than twenty (20) calendar days after the Court issues the
10 Preliminary Approval Order, Defendants shall provide to the Settlement Administrator in
11 electronic form, a list of each Class Member, including each person's name, last known address,
12 social security number, and number of Eligible Workweeks and Eligible Pay Periods, that will
13 become the Database. The Database shall be based on Defendants' personnel, payroll, and/or
14 other business records and provided in a format reasonably acceptable to the Settlement
15 Administrator. The Settlement Administrator shall maintain the Database, and all data contained
16 within the Database, as private and confidential and shall not disclose such data to any persons or
17 entities other than counsel for Defendants, unless otherwise required by law. The confidential
18 nature of the Database shall not inhibit Class Counsel's ability to do its fiduciary duty to the
19 Class. For purposes of carrying out the Settlement and resolving issues with the Settlement,
20 Class Counsel will have access to the information specific to Eligible Workweeks and Eligible
21 Pay Periods and only to the extent necessary to carry out the fiduciary duties necessary of Class
22 Counsel. To the extent the Settlement Administrator receives inquiries from individual Class
23 Members, the Settlement Administrator will apprise the Parties of the fact of the inquiry without
24 disclosing the Class Member's name. The Settlement Administrator will attempt to resolve any
25 such inquiry and may involve the Parties' respective counsel to the extent necessary. In the event
26 that the inquiry cannot be resolved adequately by the Settlement Administrator and, if necessary,
27 the Parties, the Parties shall meet and confer in good faith regarding whether disclosure of the
28 individual Class Member's name to Class Counsel will assist in resolution of the inquiry. If Class

1 Counsel is contacted by a Class Member regarding his/her data, the Settlement Administrator
2 shall identify and disclose that specific Class Member's data upon the request of Class Counsel.
3 The information in the Database is being supplied solely for purposes of the administration of the
4 settlement and cannot be used by the Settlement Administrator for any purpose other than to
5 administer the Settlement. Upon receipt of the Database, the Settlement Administrator shall
6 check with the U.S. Postal Service National Change of Address Database and update any
7 addresses for the Class Members.

8 8.2.2 Within thirty-five (35) calendar days of the Preliminary Approval Date, the
9 Settlement Administrator will send via United States first class mail the Notice of Class Action
10 Settlement to the Class Members. The Notice of Class Action Settlement shall advise Class
11 Members of their options, which include: submitting an Opt-Out Request to the class settlement;
12 submitting an objection to the Settlement and receiving an Individual Settlement Payment and an
13 Individual PAGA Payment (if applicable); or taking no action and receiving an Individual
14 Settlement Payment and an Individual PAGA Payment (if applicable).

15 8.2.3 If any Notice of Class Action Settlement is returned to the Settlement
16 Administrator as undeliverable, the Settlement Administrator shall run a skip-trace using that
17 Class Member's social security number in an effort to attempt to ascertain the current address of
18 the Class Member. If such an address(es) is ascertained, the Settlement Administrator shall re-
19 mail the Notice of Class Action Settlement within three (3) business days. If alternative
20 addresses are obtained for a Class Member, the Settlement Administrator shall send the Notice of
21 Class Action Settlement to up to two (2) alternative addresses. If any Notice of Class Action
22 Settlement is returned to the Settlement Administrator with a forwarding address, the Settlement
23 Administrator will promptly re-mail the Notice of Class Action Settlement to the address within
24 three (3) business days of receipt.

25 8.2.4 Class Members, except for the Class Representatives, will have forty-five
26 (45) calendar days from the date on which the Notice of Class Action Settlement is first mailed to
27 Class Members ("Response Deadline") within which to opt-out of the class portion of this
28 Settlement; however, exercising this option has no effect on the PAGA portion of this settlement,

1 PAGA Members will be mailed an Individual PAGA Payment and be bound by the release of the
2 Released PAGA Claims regardless of whether they opt out of the class settlement. Class
3 Members who want to opt out must timely submit a signed and dated written request to be
4 excluded from the class portion of the Settlement to the Settlement Administrator (“Opt-Out
5 Request”). The Opt-Out Request must be postmarked on or before the Response Deadline,
6 include the case name, case number, the Class Member’s name, address, and last four of their
7 social security number, must be signed by the Class Member, and must state in substance that the
8 Class Member wishes to exclude themselves or opt out of the settlement. Class Members who do
9 not timely submit an executed Opt-Out Request shall be deemed a Settlement Class Member and
10 bound by this Settlement, including the Class Released Claims. Class Members who timely
11 submit an executed Opt-Out Request will not be bound by the Class Released Claims and will not
12 receive an Individual Settlement Payment. The Notice of Class Action Settlement shall advise
13 Class Members of their ability to opt-out of the class portion of the Settlement and of the
14 consequences thereof, and further inform them that they cannot opt out of the PAGA settlement.
15 Neither the Parties nor any of their counsel will solicit any Class Member to submit an Opt-Out
16 Request.

17 8.2.5 Class Members, except for the Class Representatives, may object to the
18 Settlement in person at the Final Approval Hearing and/or in writing. Class Members, except for
19 the Class Representatives, will have until the Response Deadline within which to mail a written
20 objection to the Settlement and a notice of intention to appear at the Final Approval Hearing, to
21 the Settlement Administrator. Only Class Members who have not filed an Opt-Out Request may
22 object to the Settlement. The written objection should state the Class Member’s name and
23 address and describe the reason(s) why the Class Member objects to the Settlement and include or
24 attach any documents upon which the objection is based. The Parties and their counsel agree that
25 they will not solicit, encourage, counsel or advise any individual to object to the Settlement.

26 8.2.6 Within seven (7) calendar days after the Response Deadline, the Settlement
27 Administrator shall provide to Class Counsel and Defendants’ Counsel a status report setting
28 forth the number of Notices of Class Action Settlement returned as undeliverable, the number of

1 Opt-Out Requests and the number of objections, if any.

2 8.2.7 If five percent (5%) or more of the total number of Class Members (or a
3 number of Class Members whose Individual Settlement Payments collectively would be worth
4 more than 5% of all Class Members' combined Individual Settlement Payments) submit timely
5 and valid Opt-Out Requests, then Defendants shall have the option, in their sole and exclusive
6 discretion, to void the Settlement. To exercise this option, Defendants must send written
7 notification to Class Counsel within ten (10) calendar days of receiving the report from the
8 Settlement Administrator stating the total number of timely and valid Opt-Out Requests. If
9 Defendants choose to exercise this option, the effect will be precisely the same as if Final
10 Approval did not occur, as discussed herein. In the event Defendants exercise this option,
11 Defendants will be solely responsible for any Settlement Administration Costs incurred to the
12 date of revocation.

13 8.3 Final Approval

14 8.3.1 Prior to the Final Approval Hearing, Plaintiff will move the Court for entry
15 of the Order of Final Approval (and associated entry of Judgment): (a) certifying the Class for
16 Settlement purposes only, (b) finding the Settlement fair, reasonable, adequate, and in the best
17 interests of the Class Members, (c) approving the PAGA Payment to the LWDA and the PAGA
18 Members; (d) approving Class Counsel's application for an award of attorneys' fees and costs, (e)
19 approving Class Representatives' application for Service Payments, (f) approving the payment of
20 reasonable Settlement Administration Costs, and (g) releasing and barring any further Released
21 Class Claims by Settlement Class Members and Released PAGA Claims by or on behalf of the
22 PAGA Members. The Parties and their respective counsel shall make all reasonable efforts to
23 secure entry of the Order of Final Approval. The proposed Order of Final Approval (and the
24 associated proposed Judgment) shall be filed with the Court with the motion for final approval, or
25 as otherwise directed by the Court.

26 8.3.2 Class Representatives and Class Counsel agree that they shall be responsible
27 for justifying the amount of the Service Payments and attorneys' fees and costs to the Court, and
28 they agree to submit, as appropriate, the necessary materials to justify these payments. If the

1 Court (or any appellate court) awards less than the amount requested for attorneys' fees and/or
2 costs, or less than the amount requested for the Service Payments for the Class Representatives,
3 only the awarded amounts shall be paid and shall constitute satisfaction of the obligations of
4 Defendants under this Settlement.

5 8.3.3 Defendants shall have the sole right to void and withdraw from this
6 Agreement if at any time prior to the Final Approval Date: (a) five percent (5%) or more of all
7 Class Members (or a number of Class Members whose Individual Settlement Payments
8 collectively would be worth more than 5% of all Class Members' combined Individual Settlement
9 Payments) opt out of the Settlement; or (b) the Settlement is construed in such a fashion that
10 Defendants would be required to pay more than the Maximum Settlement Amount, exclusive of
11 the employer's share of payroll taxes; or (c) the Court does not certify the settlement class, or
12 does not certify a class releasing all of the Released Class Claims and Released PAGA Claims set
13 defined in this Agreement, or does not approve the PAGA settlement, or otherwise makes an
14 order inconsistent with any of the material terms (as determined by Defendants) of this
15 Agreement.

16 8.3.4 If an appeal results in an order materially modifying, setting aside, or
17 vacating any portion of the Settlement, with the exception of any modification of the amount of
18 attorneys' fees or costs to be paid to Class Counsel, or the amount of the Service Payments paid
19 to the Class Representatives, each party adversely impacted by the order shall have the absolute
20 right, at its sole discretion, to treat such order as an event preventing Final Approval. To exercise
21 this right, the party must inform the other party and the Settlement Administrator, in writing, of
22 the exercise of this right, within ten (10) calendar days of receiving notice of any order
23 modifying, setting aside, or vacating any portion of the Settlement. Before either Party elects to
24 exercise its right to treat such order as an event permanently preventing Final Approval, that Party
25 must meet and confer in good faith with the other Party to determine if an agreement can be
26 reached modifying this Settlement to the mutual satisfaction of the Parties.

27 8.3.5 If the Final Approval or Final Judgment does not occur, or if this Settlement
28 is terminated or canceled pursuant to its terms, the Parties to this Settlement shall be deemed to

1 have reverted to their respective status as of the date and time immediately prior to the execution
2 of this Settlement. In such an event, if the Settlement is not approved by the Court substantially
3 in the form agreed to by the Parties, or if the Settlement is terminated, cancelled, declared void, or
4 fails to become effective in accordance with its terms, or if the Judgment does not become a Final
5 Judgment, or if the Final Approval Date does not occur, this Settlement (except for those
6 provisions relating to non-admission, denial of liability set forth herein, and the confidentiality
7 agreements entered into by the Parties) shall be deemed null and void, its terms and provisions
8 shall have no further force and effect and shall not be used in this Action or in any other
9 proceeding for any purpose, and any Judgment or order entered by the Court in accordance with
10 the terms of the Settlement shall be treated as vacated, *nunc pro tunc*. Notwithstanding any other
11 provision of this Settlement, no order of the Court, or modification or reversal on appeal of any
12 order of the Court, reducing the amount of any attorneys' fees or costs to be paid to Class
13 Counsel, or reducing the amount of any Service Payment paid to the Class Representatives, shall
14 constitute grounds for cancellation or termination of the Settlement, or grounds for limiting any
15 other provision of the Judgment.

16 8.4 Funding and Distribution of the Settlement Proceeds

17 8.4.1 Within fifteen (15) calendar days after the Effective Date, Defendants shall
18 pay the Maximum Settlement Amount and an amount sufficient to pay the employer's share of
19 payroll taxes, into the Qualified Settlement Fund set up, held, and controlled by the Settlement
20 Administrator.

21 8.4.2 Within thirty (30) calendar days of the Effective Date, the Settlement
22 Administrator shall issue Individual Settlement Payments to Settlement Class Members and the
23 Individual PAGA Payments to the PAGA Members.

24 8.4.3 After one hundred eighty (180) calendar days of issuance, funds from
25 undeposited Individual Settlement Payment and Individual PAGA Payment checks will be held
26 by the Settlement Administrator; if the Class Member or PAGA Member to whom the
27 undeposited check is issued does not contact Class Counsel or the Settlement Administrator
28 concerning his or her settlement payment check(s) within one-hundred eighty (180) calendar days

1 of issuance, the Settlement, including its release, will be binding on that Settlement Class
2 Member or PAGA Member, and the amount of that uncashed settlement payment shall be
3 transmitted to the State of California, to be held and disposed of by the Controller in accordance
4 with California's Unclaimed Property Law for the benefit of those Settlement Class Members and
5 PAGA Members who did not cash their checks until such time that they claim their property. The
6 Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure
7 Code § 384, as the entire Settlement Pool will be paid out to Settlement Class Members, whether
8 or not they all cash their Individual Settlement Payments.

9 8.4.4 Within thirty (30) calendar days of the Effective Date, the Settlement
10 Administrator shall issue the LWDA Payment to the LWDA.

11 8.4.5 Within thirty (30) calendar days of the Effective Date, the Settlement
12 Administrator shall pay the Court-approved attorneys' fees and costs to Class Counsel. Class
13 Counsel shall provide to the Settlement Administrator, the pertinent taxpayer identification
14 number and IRS Form W-9 within ten (10) calendar days after the Final Approval Date.

15 8.4.6 Within thirty (30) calendar days of the Effective Date, the Settlement
16 Administrator shall send a check by mail for the Court-approved Service Payments to the Class
17 Representatives or Class Counsel.

18 9. **MISCELLANEOUS PROVISIONS**

19 9.1 Neither the acceptance nor the performance by Defendants of the terms of this
20 Settlement, nor any of the related negotiations or proceedings, is or shall be claimed to be,
21 construed as, or deemed to be, an admission by Defendants of the truth of any of the allegations
22 in the Complaint, the representative character of the Action, the validity of any of the claims that
23 were or could have been asserted by Plaintiffs, Class Members and/or PAGA Members in the
24 Action, or of any liability or guilt of Defendants in the Action. Nothing in this Settlement shall
25 be construed to be or deemed an admission by Defendants of any liability, culpability, negligence,
26 or wrongdoing toward Plaintiffs, the Class Members, or any other person, and Defendants
27 specifically disclaim any liability, culpability, negligence, or wrongdoing toward Plaintiff, the
28 Class Members, and any other person. Each of the Parties has entered into this Settlement with

1 the intention to avoid further disputes and litigation with the attendant inconvenience, expenses,
2 and contingencies.

3 9.2 The Parties agree to cooperate fully with one another to accomplish and implement
4 the terms of this Settlement. Such cooperation shall include, but not be limited to, execution of
5 such other documents and the taking of such other action as may reasonably be necessary to
6 fulfill the terms of this Settlement. The Parties to this Settlement shall exercise reasonable
7 efforts, including all efforts contemplated by this Settlement and any other efforts that may
8 become necessary by Court order, or otherwise, to effectuate this Settlement and the terms set
9 forth herein.

10 9.3 Unless otherwise specifically provided herein, all notices, demands, or other
11 communications given hereunder shall be in writing and shall be deemed to have been duly given
12 as of the third business day after mailing by United States certified mail, return receipt requested,
13 addressed as follows:

14 To the Class Counsel:

15 Douglas Han
16 Shunt Tatavos-Gharajeh
17 Lizette Rodriguez
18 JUSTICE LAW CORPORATION
19 751 N. Fair Oaks Avenue, Suite 101
20 Pasadena, CA 91103

21 To Defendants:

22 Eric Meckley
23 Andrew Frederick
24 Nicole Beckley
25 Morgan, Lewis & Bockius LLP
26 One Market, Spear Street Tower
27 San Francisco, California 94105-1126

28 9.4 The Parties hereto agree that the terms and conditions of this Settlement are the
result of lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement
shall not be construed in favor of or against any party by reason of the extent to which any party
or its counsel participated in the drafting of this Settlement.

9.5 Plaintiffs, Class Counsel and all attorneys associated with Class Counsel agree that

1 they will not issue any press releases, initiate any contact with the press, provide any information
2 to the press, or otherwise publicize or cause to be publicized this case, this settlement, or the facts
3 leading up to the case or settlement, and represent that they have not done so prior to signing this
4 Agreement. As an absolute condition of this Agreement, Class Counsel will not post anything
5 relating to this matter on any website or other form of social media. Any communication about
6 the Settlement to Class Members other than Plaintiffs prior to the Court-approved mailing will be
7 limited to a statement that a settlement has been reached and the details will be communicated in
8 a forthcoming Court-approved Notice of Class Action Settlement.

9 9.6 The Class Representatives, by signing this Settlement, are bound by the terms
10 herein and further agrees not to request to be excluded from the Settlement and not to object to
11 any terms of this Settlement. Any such request for exclusion or objection shall therefore be void
12 and of no force or effect. Defendants, Class Counsel, and the Class Representatives waive their
13 rights to file an appeal, writ, or any challenge whatsoever to the terms of this Settlement, except
14 either Party may appeal in the event an objector's objection is upheld by the trial court.

15 9.7 Neither Class Counsel nor any other attorneys acting for, or purporting to act for,
16 the Class, Class Members, or Plaintiffs, may recover or seek to recover any amounts for fees,
17 costs, or disbursements from the Defendants or the General Atomics Releasees except as
18 expressly provided herein.

19 9.8 This Settlement may not be changed, altered, or modified, except in writing signed
20 by the Parties hereto and approved by the Court. This Settlement may not be discharged except
21 by performance in accordance with its terms or by a writing used by the Parties hereto.

22 9.9 This Settlement shall be binding upon and inure to the benefit of the Parties hereto
23 and their respective heirs, trustees, executors, administrators, successors, and assigns.

24 9.10 The Parties agree that it is impossible or impractical to have each Class Member
25 sign this Settlement. It is agreed therefore, that for purposes of seeking approval of the Class
26 Settlement, this Settlement may be executed on behalf of the proposed Class by Class Counsel
27 and the Class Representatives.

28 9.11 This Settlement shall become effective upon its execution by all of the

undersigned. The Parties may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

9.12 The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement. Any action to enforce this Settlement shall be commenced and maintained only in the Court.

9.13 Paragraph titles or captions contained in the Settlement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement, or any provision thereof.

IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

AGREED TO AND UNDERSTOOD.

DATED: 01/15/2023, 2023


MELISSA WEISMAN

DATED: 01/15/2023, 2023


SCOTT ATHEY

DATED: _____, 2023

GENERAL ATOMICS

By: _____

Its: _____

DATED: _____, 2023

GENERAL ATOMICS AERONAUTICAL SYSTEMS,
INC.

By: _____

Its: _____

undersigned. The Parties may execute this Settlement in counterparts, and execution of counterparts shall have the same force and effect as if all Parties had signed the same instrument.

9.12 The Court shall retain jurisdiction with respect to the implementation and enforcement of the terms of the Settlement, and all Parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement. Any action to enforce this Settlement shall be commenced and maintained only in the Court.

9.13 Paragraph titles or captions contained in the Settlement are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement, or any provision thereof.

IN WITNESS WHEREOF, this Settlement is executed by the Parties and their duly authorized attorneys, as of the day and year herein set forth.

AGREED TO AND UNDERSTOOD.

DATED: _____, 2023

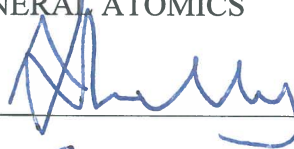
MELISSA WEISMAN

DATED: _____, 2023

SCOTT ATHEY

DATED: 01/24 /, 2023

GENERAL ATOMICS

By: 

Its: CFO

DATED: January 24, 2023

GENERAL ATOMICS AERONAUTICAL SYSTEMS,
INC.

By: 

Its: Treasurer

1 **APPROVED AS TO FORM**
2

3 Dated: January 16, 2023
4



Douglas Han
Shunt Tatavos-Gharajeh
Lizette Rodriguez
Justice Law Corporation
Counsel for Plaintiffs

5
6
7
8
9
10 Dated: _____

Eric Meckley
Andrew Frederick
Nicole Beckley
Morgan, Lewis & Bockius LLP
Counsel for Defendants

1
2 **APPROVED AS TO FORM**

3 Dated: _____

4 _____
5 Douglas Han
6 Shunt Tatavos-Gharajeh
7 Lizette Rodriguez
8 Justice Law Corporation
9 Counsel for Plaintiffs

10 Dated: January 24, 2023

11 
12 Eric Meckley
13 Andrew Frederick
14 Nicole Beckley
15 Morgan, Lewis & Bockius LLP
16 Counsel for Defendants
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EXHIBIT 1

*A court has authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
Your legal rights are affected whether you act or do not act.*

NOTICE OF CLASS ACTION AND PAGA REPRESENTATIVE SETTLEMENT

To: All current and former non-exempt employees of General Atomics who performed work within the State of California at any time from July 11, 2016, through January 16, 2023 (the “Class”). The Class includes non-exempt employees who performed work for General Atomics and affiliated companies including General Atomics Aeronautical Systems, Inc. (“GA-ASI”), Diazyme Laboratories, Inc. (“Diazyme”), and General Atomics Systems Integration, LLC (“SI”).

CLASS MEMBERS ARE ELIGIBLE TO RECEIVE A MONETARY PAYMENT FROM THE CLASS AND PAGA SETTLEMENT DESCRIBED IN THIS NOTICE.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	To receive a settlement payment, you do not need to do anything. Your payment will be mailed to you automatically after the Court grants final approval of the settlement.
CHANGE AND UPDATED CONTACT AND ADDRESS INFORMATION	Update your address with the Settlement Administrator in the event you change your address to ensure your check is sent to the correct address. You must keep a current address on file with the Settlement Administrator to ensure receipt of your check.
EXCLUDE YOURSELF FROM THE CLASS SETTLEMENT	If you do not want to participate in the class settlement, you may exclude yourself of the class portion of the settlement (referred to as “opting out”). If you exclude yourself from the class settlement, you will not receive any payment from the Settlement Pool (defined below). This is the only option that would allow you the ability to pursue your own potential claims in a separate lawsuit against General Atomics relating to the claims being resolved by this Settlement. If you are a California Private Attorneys’ General Act (“PAGA”) Member (defined below), however, even if you exclude yourself from the class settlement, you still will receive a payment related to the settlement of PAGA claims and will be bound by the release of PAGA claims.
OBJECT TO THE CLASS SETTLEMENT	You may write to the Court to assert any contention that the settlement is not fair, adequate or reasonable.
GO TO THE HEARING BEFORE THE COURT	You may ask to address the Court at the hearing regarding whether the settlement is fair, adequate and reasonable.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN GREATER DETAIL BELOW.**
- **GENERAL ATOMICS, GA-ASI, DIAZYME AND SI WILL NOT RETALIATE IN ANY MANNER AGAINST YOU FOR PARTICIPATING OR CHOOSING NOT TO PARTICIPATE IN THIS SETTLEMENT.**

BACKGROUND REGARDING THE LAWSUIT

1. Why did I receive this notice?

You received this notice because General Atomics' records identify you as someone who performed work for General Atomics, GA-ASI, Diazyme or SI at some time from July 11, 2016, through January 16, 2023, which makes you a Class Member during the Class Period. The purpose of this notice is to explain the Lawsuit, the pending Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court responsible for approving the settlement is the Superior Court of the State of California, County of San Diego, and the case is known as *Melissa Weisman, et al. v. General Atomics, et al.*, Case No. 37-2021-00000331-CU-OE-CTL ("Action"). There was a hearing on [REDACTED], 2023 in the Court at which time the Court preliminarily approved the Settlement and directed that you receive this notice. The Court will hold a Final Approval Hearing concerning the Settlement on [REDACTED], 2023 at [REDACTED], in Department C-69 of the San Diego County Superior Court, Hall of Justice located at 330 West Broadway, San Diego, California 92101. The Final Approval Hearing may be continued to another date without further notice.

2. What is this Class and PAGA Lawsuit about?

Plaintiff Melissa Weisman filed her putative class action complaint against General Atomics and GA-ASI on January 5, 2021, alleging claims against General Atomics and GA-ASI for (1) failure to pay minimum and overtime wages under Labor Code §§ 510, 1194, 1197, and 1198; (2) failure to provide meal periods and rest breaks and pay any associated premiums due under Labor Code §§ 226.7 and 512; (3) failure to timely pay wages during employment under Labor Code §§ 204 and 210; (4) failure to timely pay wages upon termination under Labor Code §§ 201-203; (5) failure to provide complete and accurate wage statements under Labor Code §§ 226, 226.3, and 1174; (6) failure to reimburse all necessary business expenses under Labor Code §§ 2800 and 2802; and (7) unfair business practices under Business and Profession Code section 17200, *et seq.*

Plaintiff Scott Athey filed a representative action complaint against General Atomics and GA-ASI on May 27, 2022, alleging a single cause of action for civil penalties under PAGA for (1) failure to pay minimum and overtime wages under Labor Code §§ 510, 1194, 1197, and 1198; (2) failure to provide paid sick leave under Labor Code § 246; (3) failure to provide meal periods and rest breaks and pay any associated premiums due under Labor Code §§ 226.7 and 512; (4) failure to timely pay wages during employment under Labor Code §§ 204 and 210; (5) failure to timely pay wages upon termination under Labor Code §§ 201-203; (6) failure to provide complete and accurate wage statements under Labor Code §§ 226, 226.3, and 1174; (7) failure to keep complete and accurate payroll records under Labor Code § 1174; and (8) failure to reimburse all necessary business expenses under Labor Code §§ 2800 and 2802 (the "PAGA Action").

On [REDACTED], 2023, Plaintiffs filed an amended complaint in the Action, alleging claims for (1) failure to pay minimum and overtime wages under Labor Code §§ 510, 1194, 1197, and 1198; (2) failure to provide meal periods and rest breaks and pay any associated premiums due under Labor Code §§ 226.7 and 512; (3) failure to timely pay wages during employment under Labor Code §§ 204 and 210; (4) failure to timely pay wages upon termination under Labor Code §§ 201-203; (5) failure to provide complete and accurate wage statements under Labor Code §§ 226, 226.3, and 1174; (6) failure to reimburse all necessary business expenses under Labor Code §§ 2800 and 2802; (7) unfair business practices under Business and Profession Code section 17200, *et seq.*; (8) failure to provide paid sick leave under Labor Code § 246; and (9) penalties under PAGA, California Labor Code §§2698, *et seq.*, based upon alleged Labor Code violations described above.

General Atomics and GA-ASI deny all allegations in the Lawsuit and contend that they have fully complied with the California Labor Code. The settlement is not an admission of any wrongdoing by General Atomics, GA-ASI, Diazyme or SI or an indication that any law was violated or that this case was suitable for class or

representative treatment. As a result of arms-length negotiations at a mediation on November 16, 2022, with an experienced wage and hour mediator, Jeffrey A. Ross, Esq., the Parties reached a class action and PAGA representative action settlement that is subject to Court approval.

3. Why is there a settlement?

The Court has not decided in favor of Plaintiffs Melissa Weisman or Scott Athey, or in favor of General Atomics and GA-ASI, nor has the Court made any decision as to whether this case could proceed on a class or representative basis. There was no trial. Instead, both sides agreed to a no-fault settlement of the Lawsuit.

4. Who are the Parties in this Lawsuit?

Plaintiffs Melissa Weisman and Scott Athey were employed by General Atomics in California and performed work for GA-ASI.

Defendants are General Atomics and GA-ASI.

5. Who are the Attorneys for the Parties?

Counsel for Plaintiffs and the Class

JUSTICE LAW CORPORATION
Douglas Han
Shunt Tatavos-Gharajeh
Lizette Rodriguez
751 N. Fair Oaks Avenue, Suite 101
Pasadena, CA 91103
Telephone: (818) 230-7502

Counsel for General Atomics and GA-ASI

MORGAN, LEWIS & BOCKIUS LLP
Eric Meckley
Andrew Frederick
One Market, Spear Street Tower
San Francisco, CA 94105-1596
Telephone: (415) 442-1000

THE TERMS OF THE SETTLEMENT

6. What is the Settlement Amount?

The proposed Settlement provides for a maximum payment of \$7,500,000.00 (referred to as the “Maximum Settlement Amount”). From the Maximum Settlement Amount, Class Counsel will apply to the Court for attorneys’ fees of \$2,500,000.00 and \$25,000.00 in costs; a Class Representative service payment of \$10,000.00 to Ms. Melissa Weisman and \$10,000.00 to Mr. Scott Athey for their work and efforts prosecuting this case, for undertaking the risks of payment of costs (in the event of an unsuccessful outcome of this Lawsuit); a \$350,000 payment to the California Labor Workforce Development Agency (“LWDA”) and to the PAGA Members as settlement for claims for civil penalties under PAGA (the “PAGA Payment”); and settlement administration expenses to CPT Group, Inc., estimated at \$50,500.00. The exact amount of the attorneys’ fees, litigation costs, class representative service payment, and settlement administration expenses will be determined by the Court at the Final Approval hearing. The remaining portion of the Maximum Settlement Amount, the “Settlement Pool,” is currently estimated to be approximately \$4,554,500.00. The Settlement Pool will be apportioned and paid out as Individual Settlement Payments to the Settlement Class Members, who are the Class Members who do not request to be excluded (“opt out”) of the settlement.

7. How will the Individual Settlement Payments to Settlement Class Members be calculated?

Settlement Class Members will receive Individual Settlement Payments from the Settlement Pool. **A claim form is not required.** Class Members who opt out of the class settlement will not receive an Individual Settlement Payment and will not be bound by the class portion of this Settlement.

Each Settlement Class Member's Individual Settlement Payment will be a pro rata share of the Settlement Pool based on the number of workweeks that each Class Member performed work as a non-exempt employee while employed by General Atomics during the Class Period (July 11, 2016, through January 16, 2023) ("Eligible Workweeks") as a proportion of all Eligible Workweeks for all Settlement Class Members.

All Individual Settlement Payments to Settlement Class Members shall be allocated as follows for tax purposes: 70% of each Individual Settlement Payment reflects a compromise of a claim for alleged unpaid wages; 30% of each Individual Settlement Payment reflects compromise of a claim for alleged interest and penalties. The portion of the Individual Settlement Payment attributable to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings and will be reported on an IRS Form W-2. Settlement Class Members will receive an IRS Form 1099 for the portion of the Settlement Payment attributable to alleged interest and penalties if required by law. Settlement Class Members will be responsible for correctly characterizing the Individual Settlement Payment for tax purposes and paying taxes due, if any.

Your total estimated Eligible Workweeks is [REDACTED]. Based on that, your anticipated approximate Individual Settlement Payment is [REDACTED].

8. How will the PAGA Payment be allocated to the LWDA and PAGA Members?

The Parties will ask the Court to approve the \$350,000 PAGA Payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Payment, or \$262,500.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Payment, or \$87,500.00, will be distributed to the PAGA Members as Individual PAGA Payments.

Not all Class Members are PAGA Members entitled to an Individual PAGA Payment. If you are a PAGA Member, you are entitled to receive an Individual PAGA Payment; no claim form is required. Because PAGA Members cannot opt out of the PAGA settlement, if you are a PAGA Member and you opt out of the class settlement, you will still receive an Individual PAGA Payment and be bound by the PAGA settlement.

Each PAGA Member's Individual PAGA Payment will be a pro rata share of the 25% of the PAGA Payment to be distributed to PAGA Members. It will be based on the number of pay periods that each PAGA Member performed work as a non-exempt employee while employed by General Atomics during the PAGA Period (July 11, 2020, through January 16, 2023) ("Eligible Pay Periods") as a proportion of all Eligible Pay Periods for all PAGA Members. For tax purposes, 100% of the Individual PAGA Payments will be allocated as penalties for which an IRS Form 1099 will be issued, if required by law.

Your total estimated Eligible Pay Periods is [REDACTED]. Based on that, your anticipated approximate Individual PAGA Payment is [REDACTED].

HOW TO GET A PAYMENT

9. How can I get a settlement payment?

If you do nothing, you will automatically receive your Individual Settlement Payment and Individual PAGA Payment (if any) approximately 45 days after the Court approves the Settlement at a Final Approval Hearing. You must notify the Settlement Administrator of any change in your name, mailing address and/or telephone number if the information shown on this Notice is not correct. **It is your responsibility to keep the**

Settlement Administrator informed of any change in your address. Settlement payments will be mailed to the last known address the Settlement Administrator has on file for you. You can contact the Settlement Administrator by U.S. Mail, email or phone at [REDACTED] if you need to update contact information.

10. What do I do if I believe my Eligible Workweeks or Eligible Pay Periods are incorrect?

If you believe the Eligible Workweeks and Eligible Pay Periods above are not correct, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before [REDACTED], 2023. *[45 days within mailing of Notice]* Note: if the original mailing of this Notice to you was returned to the Settlement Administrator as undeliverable, then the 45-day period for your response will run from the date of re-mailing the Notice to you. You should include any documents or other information which supports what you believe support that you worked a different number of Eligible Workweeks or Eligible Pay Periods. The Settlement Administrator will resolve any dispute regarding these issues based on General Atomics' records and any information you provide.

11. When can I expect to receive a settlement check?

Individual Settlement Payments and Individual PAGA Payments will be mailed to Settlement Class Members and PAGA Members approximately 45 days after the Court grants final approval of the Settlement.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Settlement Class Member and/or PAGA Member who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

WHAT HAPPENS IF THE COURT APPROVES THE SETTLEMENT

12. What am I giving up to get an Individual Settlement Payment?

If the Court approves this Settlement and unless you exclude yourself, you will become a Settlement Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against General Atomics concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the claims described below:

Release of Claims: Upon Final Approval, the Settlement Class Members, shall be deemed to have fully, finally, and forever released General Atomics and all affiliated parties and entities (including past and present affiliates, parents, subsidiaries (including, but not limited to, General Atomics Aeronautical Systems, Inc., Diazyme Laboratories, Inc. and General Atomics Systems Integration, LLC), predecessors, related entities, owners, members, successors, shareholders, divisions, and each of these entities' past and present directors, officers, employees, partners, shareholders, members and representatives) ("General Atomics Releasees"), from all claims, rights, demands, liabilities, and causes of action for (a) unpaid overtime premiums under Labor Code §§ 510 and 1198; (b) unpaid meal period premiums under Labor Code §§ 226.7 and 512(a) and the applicable California Industrial Welfare Commission Wage Order; (c) unpaid rest period premiums under Labor Code § 226.7 and the applicable California Industrial Welfare Commission Wage Order; (d) unpaid minimum wages under Labor Code §§ 1194 and 1197; (e) failure to timely pay final wages under Labor Code §§ 201, 202, and 203; (f) failure to maintain and provide accurate itemized wage statements under Labor Code §§ 226, 226.2, and 226.3; (g) failure to reimburse business expenses under Labor Code §§ 2800 and 2802; (h) failure to provide paid sick leave under Labor Code § 246; (i) all claims for the alleged violation of California Business & Professions Code §§ 17200, *et seq.*, based upon the alleged failure to pay overtime premiums, provide compliant meal and rest breaks, failure to provide accurate and itemized wage

statements, failure to pay all wages, failure to timely pay wages, and/or failure to reimburse business expenses; and (j) all claims for interest, penalties, attorneys' fees, costs and any other monetary relief based upon the claims described above and including, but not limited to, pursuant to Labor Code §§210, 218.5, 218.6, Code of Civil Procedure §1021.5, and/or Civil Code §§ 3287(b) and 3289, costs, attorneys' fees, injunctive relief, declaratory relief, or accounting that are based on or related to the alleged Labor Code and Business & Professions Code violations referenced in sub-sections (a) through (i) above, that accrued or accrue through the Class Period (the "Released Class Claims").

13. What PAGA Claims are released by this Settlement?

If the Court approves this Settlement, then Plaintiffs, as representatives of the State of California and on behalf of the LWDA and the PAGA Members, will fully and finally release the General Atomics Releasees from all claims for civil penalties under PAGA asserted in the PAGA Action, asserted in any PAGA letters sent by Plaintiff Athey to the LWDA, and all claims that could have been reasonably alleged in the Action and the PAGA Action arising from the same alleged facts alleged in the Operative Complaint and/or the PAGA Action and ascertained in the course of the Action and PAGA Action, during the PAGA Period including for (a) failure to pay minimum and overtime wages under Labor Code §§ 510, 1194, 1197, and 1198; (b) failure to provide paid sick leave under Labor Code § 246; (c) failure to provide meal periods and rest breaks and pay any associated premiums due under Labor Code §§ 226.7 and 512 and the applicable California Industrial Welfare Commission Wage Order; (d) failure to timely pay wages during employment under Labor Code §§ 204 and 210; (e) failure to timely pay wages upon termination under Labor Code §§ 201-203; (f) failure to provide complete and accurate wage statements under Labor Code §§ 226, 226.3, and 1174; (g) failure to keep complete and accurate payroll records under Labor Code § 1174; and (h) failure to reimburse all necessary business expenses under Labor Code §§ 2800 and 2802 (the "Released PAGA Claims").

EXCLUDING YOURSELF FROM THE CLASS SETTLEMENT

14. How do I opt out of the class settlement?

If you wish to pursue your own separate lawsuit against General Atomics and/or GA-ASI for the claims asserted in the Lawsuit, or if you otherwise wish not to participate in the class settlement for whatever reason, you should exclude yourself from this case (that is, opt out of the class portion Settlement). However, you cannot opt out of the PAGA portion of the settlement. Class Members who opt out of this Settlement and who are also PAGA Members will still be bound by the PAGA portion of the Settlement and will receive an Individual PAGA Payment.

To opt out of the class portion of the Settlement and the Released Class Claims, you must provide a signed and dated letter to the Settlement Administrator requesting to be excluded. The letter must state in substance:

"I want to opt out of the class action settlement in the lawsuit entitled *Melissa Weisman, et al. v. General Atomics, et al.*, Case No. 37-2021-00000331-CU-OE-CTL filed in the Superior Court of California, County of San Diego."

The opt out request letter must include the case name, case number, your full name, current address, and last four digits of your social security number, must be signed by you, and must be postmarked and mailed to the Settlement Administrator at the following address (or in the enclosed envelope) on or before [REDACTED], 2023. [45 days within mailing of Notice] Note: if the original mailing of this Notice to you was returned to the Settlement Administrator as undeliverable, then the 45-day period for you to opt out will run from the date of re-mailing the Notice to you. Requests to opt out postmarked after the deadline will be invalid.

Melissa Weisman, et al. v. General Atomics, et al.
Settlement Administrator
c/o CPT Group, Inc.
P. O. Box _____
_____, _____

15. If I don't exclude myself from the class settlement, can I sue General Atomics for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the General Atomics Releasees for the claims being released by this Settlement, the Released Class Claims. If you have a claim or lawsuit already filed against General Atomics or any of the General Atomics Releasees, you should speak to your lawyer in that case immediately. You may need to exclude yourself from this Settlement to continue your own lawsuit. You cannot exclude yourself from the PAGA portion of the Settlement.

OBJECTING TO THE SETTLEMENT

16. How do I tell the Court that I don't like the Settlement?

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, 2023, [45 days within mailing of Notice] at the following address:

Melissa Weisman, et al. v. General Atomics, et al.
Settlement Administrator
c/o CPT Group, Inc.
P. O. Box _____
_____, _____

Note: if the original mailing of this Notice to you was returned to the Settlement Administrator as undeliverable, then the 45-day period for you to opt out will run from the date of re-mailing the Notice to you. The written objection should state your name, address and describe all legal and factual reasons that you object to the terms of the settlement. You should also include or attach any documents upon which your objection is based.

THE COURT'S FINAL APPROVAL HEARING

17. When and where will the Court decide whether to grant final approve the settlement?

The Court will hold a Final Approval hearing in Department 6-69 of the Superior Court of California, County of San Diego, Hall of Justice located at 330 West Broadway, San Diego, California 92101 on _____ 2023, at _____ p.m. At this hearing the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and costs, the Class Representatives' service payment, and the Settlement Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has filed a Notice of Intention to Appear at the Final Fairness hearing will be notified by Class Counsel of any rescheduling of the date and time of the Final Fairness hearing.

18. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Judge may have. But you are welcome to come at your own expense. If you timely submit a written objection, you don't have to come to Court to talk about it. You may also hire and pay your own lawyer to attend if you so desire.

GETTING MORE INFORMATION

19. Whom may I contact if I have questions about the settlement?

You may contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also contact the court-appointed Settlement Administrator, CPT Group, Inc., by calling toll free 1-800 [REDACTED], or you can write to *Melissa Weisman, et al. v. General Atomics, et al.*, Class Action Settlement Administrator at [address].

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR ANY MANAGERS, SUPERVISORS, OR ATTORNEYS OF GENERAL ATOMICS, GA-ASI, DIAZYME, OR SI FOR INFORMATION.

EXHIBIT 2

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
LIZETTE RODRIGUEZ (SBN 335182)
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
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Telephone: (818) 230-7502
Facsimile: (818) 230-7259
Attorneys for Plaintiffs

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

MELISSA WEISMAN, individually, and
on behalf of other members of the general
public similarly situated;

Plaintiff,

v.

GENERAL ATOMICS, a California
corporation; GENERAL ATOMICS
AERONAUTICAL SYSTEMS, INC., a
California corporation; and DOES 1
through 100, inclusive;

Defendants.

Case No.: 37-2021-00000331-CU-OE-CTL

**SECOND AMENDED CLASS ACTION
COMPLAINT**

- (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid Overtime);
- (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period Premiums);
- (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums)
- (4) Violation of California Labor Code §§ 1194 and 1197 (Unpaid Minimum Wages);
- (5) Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid);
- (6) Violation of California Labor Code § 226(a) (Non-Compliant Wage Statements);
- (7) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses);
- (8) Violation of California Labor Code § 246 (Paid Sick Leave);
- (9) Violation of California Labor Code §§ 2698, *et seq.* (Private Attorneys General Act of 2004);
- (10) Violation of California Business & Professions Code §§ 17200, *et seq.*

DEMAND FOR JURY TRIAL

COMES NOW, Plaintiffs MELISSA WEISMAN and SCOTT ATHEY (“Plaintiffs”), individually, and on behalf of other members of the general public similarly situated, and alleges as follows:

JURISDICTION AND VENUE

1. This class action is brought pursuant to the California Code of Civil Procedure section 382. The monetary damages and restitution sought by Plaintiffs exceed the minimal jurisdiction limits of the Superior Court and will be established according to proof at trial.

2. This Court has jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, which grants the superior court “original jurisdiction in all other causes” except those given by statute to other courts. The statutes under which this action is brought do not specify any other basis for jurisdiction.

3. This Court has jurisdiction over Defendants because, upon information and belief, Defendants are citizens of California, have sufficient minimum contacts in California, or otherwise intentionally avail themselves of the California market so as to render the exercise of jurisdiction over them by the California courts consistent with traditional notions of fair play and substantial justice.

4. Venue is proper in this Court because, upon information and belief, Defendants maintain offices, have agents, and/or transact business in the State of California, including the County of San Diego. The majority of the acts and omission alleged herein relating to Plaintiffs took place in the State of California, County of San Diego. Defendants employed Plaintiffs within the State of California, County of San Diego.

PARTIES

5. Plaintiffs MELISSA WEISMAN and SCOTT ATHEY are individuals residing in the State of California.

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1 6. Defendants GENERAL ATOMICS and GENERAL ATOMICS
2 AERONAUTICAL SYSTEMS, INC., at all times herein mentioned, were and are, upon
3 information and belief, California corporations, and at all times herein mentioned, were and
4 are, employers whose employees are engaged throughout the State of California, including the
5 County of San Diego.

6 7. At all relevant times, Defendants GENERAL ATOMICS and GENERAL
7 ATOMICS AERONAUTICAL SYSTEMS, INC. were the “employer” of Plaintiffs within the
8 meaning of all applicable California laws and statutes.

9 8. At all times herein relevant, Defendants GENERAL ATOMICS and GENERAL
10 ATOMICS AERONAUTICAL SYSTEMS, INC. and DOES 1 through 100, and each of them,
11 were the agents, partners, joint venturers, joint employers, representatives, servants,
12 employees, successors-in-interest, co-conspirators and assigns, each of the other, and at all
13 times relevant hereto were acting within the course and scope of their authority as such agents,
14 partners, joint venturers, joint employers, representatives, servants, employees, successors,
15 co-conspirators and assigns, and all acts or omissions alleged herein were duly committed
16 with the ratification, knowledge, permission, encouragement, authorization, and consent of
17 each defendant designated herein.

18 9. The true names and capacities, whether corporate, associate, individual or
19 otherwise, of Defendants DOES 1 through 100, inclusive, are unknown to Plaintiffs, who sues
20 said defendants by such fictitious names. Plaintiffs are informed and believes, and based on
21 that information and belief allege, that each of the Defendants designated as a DOE is legally
22 responsible for the events and happenings referred to in this Complaint, and unlawfully caused
23 the injuries and damages to Plaintiffs and the other class members as alleged in this Complaint.
24 Plaintiffs will seek leave of court to amend this Complaint to show the true names and
25 capacities when the same have been ascertained.

26 ///

27 ///

- 1 b. Typicality: Plaintiffs' claims are typical of all other class members'
- 2 claims as demonstrated herein. Plaintiffs will fairly and adequately
- 3 protect the interests of the other class members with whom he has a well-
- 4 defined community of interest.
- 5 c. Adequacy: Plaintiffs will fairly and adequately protect the interests of
- 6 each class member, with whom they have a well-defined community of
- 7 interest and typicality of claims, as demonstrated herein. Plaintiffs have
- 8 no interest that is antagonistic to the other class members. Plaintiffs'
- 9 attorneys, the proposed class counsel, are versed in the rules governing
- 10 class action discovery, certification, and settlement. Plaintiffs have
- 11 incurred, and during the pendency of this action will continue to incur,
- 12 costs and attorneys' fees, that have been, are, and will be necessarily
- 13 expended for the prosecution of this action for the substantial benefit of
- 14 each class member.
- 15 d. Superiority: A class action is superior to other available methods for the
- 16 fair and efficient adjudication of this litigation because individual joinder
- 17 of all class members is impractical.
- 18 e. Public Policy Considerations: Certification of this lawsuit as a class
- 19 action will advance public policy objectives. Employers of this great
- 20 state violate employment and labor laws every day. Current employees
- 21 are often afraid to assert their rights out of fear of direct or indirect
- 22 retaliation. However, class actions provide the class members who are
- 23 not named in the complaint anonymity that allows for the vindication of
- 24 their rights.

25 16. There are common questions of law and fact as to the class members that

26 predominate over questions affecting only individual members. The following common

27 questions of law or fact, among others, exist as to the members of the class:

28

- 1 a. Whether Defendants' failure to pay wages, without abatement or
2 reduction, in accordance with the California Labor Code, was willful;
- 3 b. Whether Defendants failed to pay their hourly-paid or non-exempt
4 employees within the State of California for all hours worked, missed
5 meal periods and rest breaks in violation of California law;
- 6 c. Whether Defendants required Plaintiffs and the other class members to
7 work over eight (8) hours per day and/or over forty (40) hours per week
8 and failed to pay the legally required overtime compensation to Plaintiffs
9 and the other class members;
- 10 d. Whether Defendants properly calculated the regular rate for Plaintiffs
11 and the other class members to worked overtime and earned incentive
12 pay;
- 13 e. Whether Defendants deprived Plaintiffs and the other class members of
14 meal and/or rest periods or required Plaintiffs and the other class
15 members to work during meal and/or rest periods without compensation;
- 16 f. Whether Defendants failed to pay minimum wages to Plaintiffs and the
17 other class members for all hours worked;
- 18 g. Whether Defendants failed to pay all wages due to Plaintiffs and the other
19 class members within the required time upon their discharge or
20 resignation;
- 21 h. Whether Defendants failed to timely pay all wages due to Plaintiffs and
22 the other class members during their employment;
- 23 i. Whether Defendants complied with wage reporting as required by the
24 California Labor Code, including, inter alia, section 226;
- 25 j. Whether Defendants failed to reimburse Plaintiffs and the other class
26 members for necessary business-related expenses and costs;
- 27 k. Whether Defendants' conduct was willful or reckless;
- 28

- 1 l. Whether Defendants engaged in unfair business practices in violation of
2 California Business & Professions Code section 17200, *et seq.*;
- 3 m. The appropriate amount of damages, restitution, and/or monetary
4 penalties resulting from Defendants' violation of California law; and
- 5 n. Whether Plaintiffs and the other class members are entitled to
6 compensatory damages pursuant to the California Labor Code.

7 **GENERAL ALLEGATIONS**

8 17. During the relevant time period set forth herein, Defendants employed Plaintiffs
9 and other persons as hourly-paid or non-exempt employees within the State of California.

10 18. Defendants, jointly and severally, employed Plaintiffs as an hourly-paid non-
11 exempt employee during the relevant time period in the State of California, County of San
12 Diego.

13 19. Defendants had the authority to hire and terminate Plaintiffs and the other class
14 members; to set work rules and conditions governing Plaintiffs' and other class members'
15 employment; and to supervise their daily employment activities.

16 20. Defendants exercised sufficient authority over the terms and conditions of
17 Plaintiffs and other class members' employment for them to be joint employers of Plaintiffs
18 and the other class members.

19 21. Defendants directly hired and paid wages and benefits to Plaintiffs and the other
20 class members.

21 22. Defendants continue to employ hourly-paid or non-exempt employees within the
22 State of California.

23 23. Plaintiffs and the other class members worked over eight (8) hours in a day,
24 and/or forty (40) hours in a week during their employment with Defendants.

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1 24. Plaintiffs are informed and believe, and based thereon allege, that Defendants
2 engaged in a uniform policy and systematic scheme of wage abuse against their hourly-paid
3 or non-exempt employees within the State of California. This scheme involved, inter alia,
4 failing to pay them for all hours worked, missed meal periods, and missed rest breaks in
5 violation of California law.

6 25. Plaintiffs are informed and believe, and based thereon allege, that Defendants
7 knew or should have known that Plaintiffs and the other class members were entitled to receive
8 certain wages for overtime compensation and that Plaintiffs and the other class members were
9 not receiving wages for overtime compensation.

10 26. Plaintiffs are informed and believe, and based thereon allege, that Defendants
11 failed to provide Plaintiffs and the other class members the required rest and meal periods
12 during the relevant time period as required under the Industrial Welfare Commission Wage
13 Orders and thus they are entitled to any and all applicable penalties.

14 27. Plaintiffs are informed and believe, and based thereon alleges, that Defendants
15 knew or should have known that Plaintiffs and the other class members were entitled to receive
16 all timely and complete meal periods or payment of one additional hour of pay at Plaintiffs'
17 and the other class members' regular rate of pay when a meal period was missed, late or
18 interrupted, and that Plaintiffs and the other class members did not receive all timely and
19 proper meal periods or payment of one additional hour of pay at their regular rate of pay when
20 a meal period was missed.

21 28. Plaintiffs are informed and believe, and based thereon allege, that Defendants
22 knew or should have known that Plaintiffs and other class members were entitled to receive
23 all timely rest periods without interruption or payment of one additional hour of pay at
24 Plaintiffs and the other class members' regular rate of pay when a rest period was missed, late
25 or interrupted, and that Plaintiffs and the other class members did not receive all rest periods
26 or payment of one additional hour of pay at their regular rate of pay when a rest period was
27 missed.

29. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive at least minimum wages for compensation and that Plaintiffs and the other class members were not receiving at least minimum wages for all hours worked.

30. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive the wages owed to them upon discharge or resignation, including overtime and minimum wages and meal and rest period premiums, and that Plaintiffs and the other class members did not, in fact, receive such wages owed to them at the time of their discharge or resignation.

31. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to receive complete and accurate wage statements in accordance with California law, but, in fact, Plaintiffs and the other class members did not receive complete and accurate wage statements from Defendants. The deficiencies included, inter alia, the failure to include the total number of hours worked by Plaintiffs and the other class members.

32. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Plaintiffs and the other class members were entitled to reimbursement for necessary business-related expenses.

33. Plaintiffs are informed and believe, and based thereon allege, that Defendants knew or should have known that Defendants had to keep complete and accurate payroll records for Plaintiffs and the other class members in accordance with California law, but, in fact, did not keep complete and accurate payroll records for Plaintiffs and the other class members.

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1 34. Plaintiffs are informed and believe, and based thereon allege, that Defendants
2 knew or should have known that they had a duty to compensate Plaintiffs and the other class
3 members pursuant to California law, and that Defendants had the financial ability to pay such
4 compensation, but willfully, knowingly, and intentionally failed to do so, and falsely
5 represented to Plaintiffs and the other class members that they were properly denied wages,
6 all in order to increase Defendants' profits.

7 35. During the relevant time period set forth herein, Defendants failed to pay
8 overtime wages to Plaintiffs and the other class members for all hours worked. Plaintiffs and
9 other class members were required to work more than eight (8) hours per day and/or forty (40)
10 hours per week without overtime compensation.

11 36. During the relevant time period set forth herein, Defendants failed to provide the
12 requisite uninterrupted and timely meal and rest periods to Plaintiffs and the other class
13 members.

14 37. During the relevant time period set forth herein, Defendants failed to pay
15 Plaintiffs and the other class members at least minimum wages for all hours worked.

16 38. During the relevant time period set forth herein, Defendants failed to pay
17 Plaintiffs and the other class members the wages owed to them upon discharge or resignation.

18 39. During the relevant time period set forth herein, Defendants failed to provide
19 complete or accurate wage statements to Plaintiffs and the other class members.

20 40. During the relevant time period set forth herein, Defendants failed to keep
21 complete or accurate payroll records for Plaintiffs and the other class members.

22 41. During the relevant time period set forth herein, Defendants failed to properly
23 compensate Plaintiffs and the other class members pursuant to California law in order to
24 increase Defendants' profits.

25 42. California Labor Code section 218 states that nothing in Article 1 of the Labor
26 Code shall limit the right of any wage claimant to "sue directly . . . for any wages or penalty
27 due to him [or her] under this article."
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1 **FIRST CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 510 and 1198)**

3 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
4 **SYSTEMS, INC. and DOES 1 through 100)**

5 43. Plaintiffs incorporate by reference the allegations contained in Paragraphs 1
6 through 42, and each and every part thereof with the same force and effect as though fully set
7 forth herein.

8 44. California Labor Code section 1198 and the applicable Industrial Welfare
9 Commission (“IWC”) Wage Order provide that it is unlawful to employ persons without
10 compensating them at a rate of pay either time-and-one-half or two-times that person’s regular
11 rate of pay, depending on the number of hours worked by the person on a daily or weekly
12 basis.

13 45. Specifically, the applicable IWC Wage Order provides that Defendants are and
14 were required to pay Plaintiffs and the other class members employed by Defendants, who
15 work(ed) more than eight (8) hours in a day or more than forty (40) hours in a workweek, at
16 the rate of time-and-one-half for all hours worked in excess of eight (8) hours in a day or more
17 than forty (40) hours in a workweek.

18 46. The applicable IWC Wage Order further provides that Defendants are and were
19 required to pay Plaintiffs and the other class members overtime compensation at a rate of two
20 times their regular rate of pay for all hours worked in excess of twelve (12) hours in a day.

21 47. California Labor Code section 510 codifies the right to overtime compensation
22 at one-and-one-half times the regular hourly rate for hours worked in excess of eight (8) hours
23 in a day or forty (40) hours in a week or for the first eight (8) hours worked on the seventh
24 day of work, and overtime compensation at twice the regular hourly rate for hours worked in
25 excess of twelve (12) hours in a day or in excess of eight (8) hours in a day on the seventh day
26 of work.

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48. During the relevant time period set forth herein, Plaintiffs and the other class members worked in excess of eight (8) hours in a day, and/or in excess of forty (40) hours in a week.

49. During the relevant time period set forth herein, Defendants intentionally and willfully failed to pay overtime wages owed to Plaintiffs and the other class members.

50. Defendants' failure to pay Plaintiffs and the other class members the unpaid balance of overtime compensation, as required by California laws, violates the provisions of California Labor Code sections 510 and 1198, and is therefore unlawful.

51. Pursuant to California Labor Code section 1194, Plaintiffs and the other class members are entitled to recover unpaid overtime compensation, as well as interest, costs, and attorneys' fees.

SECOND CAUSE OF ACTION

(Violation of California Labor Code §§ 226.7 and 512(a))

**(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL
SYSTEMS, INC. and DOES 1 through 100)**

52. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 51, and each and every part thereof with the same force and effect as though fully set forth herein.

53. During the relevant time period set forth herein, the IWC Order and California Labor Code sections 226.7 and 512(a) were applicable to Plaintiffs' and the other class members' employment by Defendants.

54. During the relevant time period set forth herein, California Labor Code section 226.7 provides that no employer shall require an employee to work during any meal or rest period mandated by an applicable order of the California IWC.

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1 55. During the relevant time period set forth herein, the applicable IWC Wage Order
2 and California Labor Code section 512(a) provide that an employer may not require, cause or
3 permit an employee to work for a work period of more than five (5) hours per day without
4 providing the employee with a meal period of not less than thirty (30) minutes, except that if
5 the total work period per day of the employee is no more than six (6) hours, the meal period
6 may be waived by mutual consent of both the employer and employee.

7 56. During the relevant time period set forth herein, the applicable IWC Wage Order
8 and California Labor Code section 512(a) further provide that an employer may not require,
9 cause, or permit an employee to work for a work period of more than ten (10) hours per day
10 without providing the employee with a second uninterrupted meal period of not less than thirty
11 (30) minutes, except that if the total hours worked is no more than twelve (12) hours, the
12 second meal period may be waived by mutual consent of the employer and the employee only
13 if the first meal period was not waived.

14 57. During the relevant time period set forth herein, Plaintiffs and the other class
15 members who were scheduled to work for a period of time no longer than six (6) hours, and
16 who did not waive their legally-mandated meal periods by mutual consent, were required to
17 work for periods longer than five (5) hours without an uninterrupted meal period of not less
18 than thirty (30) minutes and/or without a rest period.

19 58. During the relevant time period set forth herein, Plaintiffs and the other class
20 members who were scheduled to work for a period of time no longer than twelve (12) hours,
21 and who did not waive their legally-mandated meal periods by mutual consent, were required
22 to work for periods longer than ten (10) hours without an uninterrupted meal period of not less
23 than thirty (30) minutes and/or without a rest period.

24 59. During the relevant time period set forth herein, Plaintiffs and the other class
25 members who were scheduled to work for a period of time in excess of six (6) hours were
26 required to work for periods longer than five (5) hours without an uninterrupted meal period
27 of not less than thirty (30) minutes and/or without a rest period.
28

1 60. During the relevant time period set forth herein, Plaintiffs and the other class
2 members who were scheduled to work for a period of time in excess of twelve (12) hours were
3 required to work for periods longer than ten (10) hours without an uninterrupted meal period
4 of not less than thirty (30) minutes and/or without a rest period.

5 61. During the relevant time period set forth herein, Defendants intentionally and
6 willfully required Plaintiffs and the other class members to work during meal periods and
7 failed to compensate Plaintiffs and the other class members the full meal period premium for
8 work performed during meal periods.

9 62. During the relevant time period set forth herein, Defendants failed to pay
10 Plaintiffs and the other class members the full meal period premium due pursuant to California
11 Labor Code section 226.7.

12 63. Defendants' conduct violates applicable IWC Wage Order and California Labor
13 Code sections 226.7 and 512(a).

14 64. Pursuant to the applicable IWC Wage Order and California Labor Code section
15 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one
16 additional hour of pay at the employee's regular rate of compensation for each workday that
17 the meal or rest period is not provided.

18 **THIRD CAUSE OF ACTION**

19 **(Violation of California Labor Code § 226.7)**

20 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
21 **SYSTEMS, INC. and DOES 1 through 100)**

22 65. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
23 through 64, and each and every part thereof with the same force and effect as though fully set
24 forth herein.

25 66. During the relevant time period set forth herein, the applicable IWC Wage Order
26 and California Labor Code section 226.7 were applicable to Plaintiffs' and the other class
27 members' employment by Defendants.

1 67. During the relevant time period set forth herein, California Labor Code section
2 226.7 provides that no employer shall require an employee to work during any rest period
3 mandated by an applicable order of the California IWC.

4 68. During the relevant time period set forth herein, the applicable IWC Wage Order
5 provides that “[e]very employer shall authorize and permit all employees to take rest periods,
6 which insofar as practicable shall be in the middle of each work period” and that the “rest
7 period time shall be based on the total hours worked daily at the rate of ten (10) minutes net
8 rest time per four (4) hours or major fraction thereof” unless the total daily work time is less
9 than three and one-half (3 ½) hours.

10 69. During the relevant time period set forth herein, Defendants required Plaintiffs
11 and the other class members to work four (4) or more hours without authorizing or permitting
12 a ten (10) minute rest period per each four (4) hour period worked.

13 70. During the relevant time period set forth herein, Defendants willfully required
14 Plaintiffs and the other class members to work during rest periods and failed to pay Plaintiffs
15 and the other class members the full rest period premium for work performed during rest
16 periods.

17 71. During the relevant time period set forth herein, Defendants failed to pay
18 Plaintiffs and the other class members the full rest period premium due pursuant to California
19 Labor Code section 226.7.

20 72. Defendants’ conduct violates applicable IWC Wage Orders and California Labor
21 Code section 226.7.

22 73. Pursuant to the applicable IWC Wage Orders and California Labor Code section
23 226.7(b), Plaintiffs and the other class members are entitled to recover from Defendants one
24 additional hour of pay at the employees’ regular hourly rate of compensation for each workday
25 that the rest period was not provided.

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1 **FOURTH CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 1194 and 1197)**

3 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
4 **SYSTEMS, INC. and DOES 1 through 100)**

5 74. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
6 through 73 and each and every part thereof with the same force and effect as though fully set
7 forth herein.

8 75. During the relevant time period set forth herein, California Labor Code sections
9 1194 and 1197 provide that the minimum wage to be paid to employees, and the payment of
10 a lesser wage than the minimum so fixed, is unlawful.

11 76. During the relevant time period set forth herein, Defendants failed to pay
12 minimum wages to Plaintiffs and the other class members as required, pursuant to California
13 Labor Code sections 1194 and 1197.

14 77. Defendants' failure to pay Plaintiffs and the other class members the minimum
15 wage as required violates California Labor Code sections 1194 and 1197. Pursuant to those
16 sections, Plaintiffs and other class members are entitled to recover the unpaid balance of their
17 minimum wage compensation as well as interest, costs, and attorney's fees, and liquidated
18 damages in an amount equal to the wages unlawfully unpaid and interest thereon.

19 78. Pursuant to California Labor Code section 1194.2, Plaintiffs and the other class
20 members are entitled to recover liquidated damages in an amount equal to the wages
21 unlawfully unpaid and interest thereon.

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1 **FIFTH CAUSE OF ACTION**

2 **(Violation of California Labor Code §§ 201 and 202)**

3 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
4 **SYSTEMS, INC. and DOES 1 through 100)**

5 79. Plaintiffs incorporates by reference the allegations contained in paragraphs 1
6 through 78, and each and every part thereof with the same force and effect as though fully set
7 forth herein.

8 80. During the relevant time period set forth herein, California Labor Code sections
9 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid
10 at the time of discharge are due and payable immediately, and if an employee quits his or her
11 employment, his or her wages shall become due and payable not later than seventy-two (72)
12 hours thereafter, unless the employee has given seventy-two (72) hours notice of his or her
13 intention to quit, in which case the employee is entitled to his or her wages at the time of
14 quitting.

15 81. During the relevant time period set forth herein, Defendants intentionally and
16 willfully failed to pay Plaintiffs and the other class members who are no longer employed by
17 Defendants their wages, earned and unpaid, within seventy-two (72) hours of their leaving
18 Defendants' employ.

19 82. Defendants' failure to pay Plaintiffs and the other class members who are no
20 longer employed by Defendants their wages, earned and unpaid, within seventy-two (72) hours
21 of their leaving Defendants' employ, is in violation of California Labor Code sections 201 and
22 202.

23 83. California Labor Code section 203 provides that if an employer willfully fails to
24 pay wages owed, in accordance with sections 201 and 202, then the wages of the employee
25 shall continue as a penalty from the due date thereof at the same rate until paid or until an
26 action is commenced; but the wages shall not continue for more than thirty (30) days.

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84. Plaintiffs and the other class members are entitled to recover from Defendants the statutory penalty wages for each day they were not paid, up to the thirty (30) day maximum as provided by Labor Code section 203.

SIXTH CAUSE OF ACTION

(Violation of California Labor Code § 226(a))

(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL

SYSTEMS, INC. and DOES 1 through 100)

85. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 84, and each and every part thereof with the same force and effect as though fully set forth herein.

86. During the relevant time period set forth herein, California Labor Code section 226(a) provides that every employer shall furnish each of his or her employees an accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and his or her social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. The deductions made from payments of wages shall be recorded in ink or other indelible form, properly dated, showing the month, day, and year, and a copy of the statement or a record of the deductions shall be kept on file by the employer for at least three years at the place of employment or at a central location within the State of California.

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1 87. Defendants have intentionally and willfully failed to provide Plaintiffs and the
2 other class members with complete and accurate wage statements. The deficiencies include
3 but are not limited to: the failure to include the total number of hours worked by Plaintiffs and
4 other class members.

5 88. As a result of Defendants' violation of California Labor Code section 226(a),
6 Plaintiffs and the other class members have suffered injury and damage to their statutorily
7 protected rights.

8 89. More specifically, Plaintiffs and the other class members have been injured by
9 Defendants' intentional and willful violation of California Labor Code section 226(a) because
10 they were denied both their legal right to receive, and their protected interest in receiving,
11 accurate and itemized wage statements pursuant to California Labor Code section 226(a).

12 90. Plaintiffs and the other class members are entitled to recover from Defendants
13 the greater of their actual damages caused by Defendants' failure to comply with California
14 Labor Code section 226(a), or an aggregate penalty not exceeding four thousand dollars per
15 employee.

16 91. Plaintiffs and the other class members are also entitled to injunctive relief to
17 ensure compliance with this section, pursuant to California Labor Code section 226(g).

18 **SEVENTH CAUSE OF ACTION**

19 **(Violation of California Labor Code §§ 2800 and 2802)**

20 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
21 **SYSTEMS, INC. and DOES 1 through 100)**

22 92. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
23 through 91, and each and every part thereof with the same force and effect as though fully set
24 forth herein.

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1 93. Pursuant to California Labor Code sections 2800 and 2802, an employer must
2 reimburse its employee for all necessary expenditures incurred by the employee in direct
3 consequence of the discharge of his or her job duties or in direct consequence of his or her
4 obedience to the directions of the employer.

5 94. Defendants have intentionally and willfully failed to reimburse Plaintiffs and the
6 other class members for all necessary business-related expenses and costs. Plaintiffs and the
7 other class members are entitled to recover from Defendants their business-related expenses and
8 costs incurred during the course and scope of their employment, plus interest accrued from the
9 date on which the employee incurred the necessary expenditures at the same rate as judgments
10 in civil actions in the State of California.

11 **EIGHTH CAUSE OF ACTION**

12 **(Violation of California Labor Code §§ 246)**

13 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
14 **SYSTEMS, INC. and DOES 1 through 100)**

15 95. Plaintiffs incorporate by reference the allegations contained in Paragraphs 1
16 through 94, and each and every part thereof with the same force and effect as though fully
17 set forth herein.

18 96. California Labor Code section 246 entitles certain employees to paid sick days
19 and/or paid sick leave (as does certain local and/or municipal law). California Labor section
20 246(k)(1) states that paid sick leave may be calculated: (1) “in the same manner as the regular
21 rate of pay for the workweek in which the employee uses paid sick time, whether or not the
22 employee actually works overtime in that workweek”; (2) “by dividing the employee’s total
23 wages, not including overtime premium pay, by the employee’s total hours worked in the full
24 pay periods of the prior 90 days of employment”; or (3) “in the same manner as the employer
25 calculates wages for other forms of paid leave time.”

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97. During the relevant time period set forth herein, Defendants failed to properly calculate and pay paid sick leave to Plaintiffs and other class members using the methods outlined in California Labor Code section 246(k)(l), including but not limited to at their regular rate of pay for the workweek in which the paid sick leave was taken.

98. Defendants also failed to provide sufficient written notice of the amount of paid sick leave available to those certain employees that were entitled to it in violation of California Labor Code section 246(h) and/or did not provide an accurate reporting to those employees of the amount of paid sick leave available and/or did not provide an accurate reporting to those employees of the paid sick leave taken and/or the applicable rate(s) at which those employees took such paid sick leave.

99. Defendants' immediately-above identified failures violate the provisions of California Labor Code section 246 and are therefore unlawful. Defendants also committed the same and/or similar violations as to supplemental paid sick leave laws, rules, and/or regulations (in relation to COVID-19 and otherwise) in effect during the relevant period.

100. Plaintiffs and other class members are entitled to recover unpaid paid sick leave (including but not limited to any amounts due to Defendants' failure to pay paid sick leave at the appropriate regular rate of pay) and/or penalties for Defendants' failure to provide sufficient and/or accurate written notice of the amount of paid sick leave available and/or rate at which any paid sick leave was taken as well as penalties, interest, costs, and/or attorneys' fees to the extent applicable.

NINTH CAUSE OF ACTION

(Violation of California Labor Code §§ 2698, *et seq.*)

(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL
SYSTEMS, INC. and DOES 1 through 100)

101. Plaintiffs incorporate by reference the allegations contained in paragraphs 1 through 100, and each and every part thereof with the same force and effect as though fully set forth herein.

102. PAGA expressly establishes that any provision of the California Labor Code which provides for a civil penalty to be assessed and collected by the LWDA, or any of its departments, divisions, commissions, boards, agencies or employees for a violation of the California Labor Code, may be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself, and other current or former employees.

103. On February 18, 2022, Plaintiff ATHEY provided written notice to the LWDA and Defendants of the specific provisions of the Labor Code they contend were violated, and the theories supporting their contentions. Attached hereto as **Exhibit 1** and incorporated by reference is a copy of the February 18, 2022 written notice to the LWDA. Plaintiff believes that on or about April 25, 2022 the sixty-five (65) day notice period will expire as to all Defendants and if the LWDA does not take any action to investigate or prosecute this matter, Plaintiffs will have exhausted the statutory time period to bring this action.

104. Plaintiff ATHEY and the other hourly-paid or non-exempt employees are “aggrieved employees” as defined by California Labor Code § 2699(c) in that they are all current and former hourly-paid or non-exempt employees of Defendants within the State of California who worked for Defendants at any time during the period from February 18, 2021, to the date of judgment, and one or more of the alleged violations was committed against them.

Failure to Pay Minimum and Overtime Wages

105. At all times relevant herein, Defendants were required to compensate their non-exempt employees minimum wages for all hours worked and overtime wages for all hours worked in excess of eight (8) hours in a day or forty (40) hours in a workweek, pursuant to the mandate of Labor Code §§ 510, 1194, 1197, and 1198.

106. As a policy and practice, Defendants failed to compensate Plaintiff ATHEY and the other aggrieved current and former employees for all hours worked, resulting in a failure to pay all minimum wages and overtime wages, where applicable.

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108. As a pattern and practice, Defendants failed to compensate Plaintiff ATHEY and other aggrieved current and former employees with paid sick leave at employees' regular rate of pay or at a rate calculated by dividing the employee's total wages, not including overtime pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

109. In accordance with the mandates of Labor Code §§ 226.7 and 512, Defendants were required to authorize and permit their non-exempt employees to take a 10-minute rest break for every four (4) hours worked or major fraction thereof and were further required to provide their non-exempt employees with a 30-minute meal period for every five (5) hours worked.

Failure to Timely Pay Wages During Employment

112. As a policy and practice, Defendants failed to pay Plaintiff ATHEY and the other aggrieved current and former employees all wages due and owing them within the required time period.

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114. As a result of Defendants' Labor Code violations alleged above, Defendants failed to pay Plaintiff ATHEY and the other aggrieved former employees their final wages pursuant to Labor Code §§ 201 to 204 and accordingly owe waiting time penalties pursuant to Labor Code § 203.

115. At all times relevant herein, Defendants were required to keep *accurate* records regarding their California employees pursuant to the mandate of Labor Code §§ 226, 1174 and 1776.

Failure to Reimburse Business Expenses

118. As a policy and practice, Defendants failed to reimburse Plaintiff ATHEY and the other aggrieved current and former employees for all business expenses incurred and owing them within the required time period.

24

Penalties

119. Pursuant to California Labor Code § 2699, Plaintiff ATHEY, individually, and on behalf of the other current and former aggrieved employees, requests and is entitled to recover from Defendants, and each of them, civil penalties, interest, attorneys' fees and costs, including but not limited to:

- a. Penalties under California Labor Code § 2699 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- b. Penalties under California Code of Regulations Title 8 § 11040 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation;
- c. Penalties under California Labor Code § 210 in addition to, and entirely independent and apart from, any other penalty provided in the California Labor Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation;
- d. Penalties under Labor Code § 1197.1 in the amount of a hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation, and two hundred fifty dollars (\$250) for each aggrieved employee per pay period for each subsequent violation;
- e. Any and all additional penalties as provided by the Labor Code and/or other statutes; and
- f. Attorneys' fees and costs pursuant to Labor Code §§ 210, 1194, and 2699, and any other applicable statute.

1 **TENTH CAUSE OF ACTION**

2 **(Violation of California Business & Professions Code §§ 17200, *et seq.*)**

3 **(Against GENERAL ATOMICS AND GENERAL ATOMICS AERONAUTICAL**
4 **SYSTEMS, INC. and DOES 1 through 100)**

5 120. Plaintiffs incorporate by reference the allegations contained in paragraphs 1
6 through 113, and each and every part thereof with the same force and effect as though fully
7 set forth herein.

8 121. Defendants' conduct, as alleged herein, has been, and continues to be unfair,
9 unlawful and harmful to Plaintiffs, the other class members, to the general public, and
10 Defendants' competitors. Accordingly, Plaintiffs seeks to enforce important rights affecting
11 the public interest within the meaning of Code of Civil Procedure section 1021.5.

12 122. Defendants' activities as alleged herein are violations of California law, and
13 constitute unlawful business acts and practices in violation of California Business &
14 Professions Code section 17200, *et seq.*

15 123. A violation of California Business & Professions Code section 17200, *et seq.*
16 may be predicated on the violation of any state or federal law. In this instant case, Defendants'
17 policy and practice of requiring Plaintiffs and the other class members work overtime hours
18 without paying them proper compensation violate California Labor Code sections 510 and
19 1198. Additionally, Defendants' policy and practice of requiring Plaintiffs and the other class
20 members, to work through their meal and rest periods without paying them proper
21 compensation violate California Labor Code sections 226.7 and 512(a). Moreover,
22 Defendants' policy and practice of failing to timely pay wages to Plaintiffs and the other class
23 members violate California Labor Code sections 201 and 202. Defendants also violated
24 California Labor Code sections 226(a), 1194, 1197, 2800 and 2802.

25 124. As a result of the herein described violations of California law, Defendants
26 unlawfully gained an unfair advantage over other businesses.

27 *///*

125. Plaintiffs and the other class members have been personally injured by Defendants' unlawful business acts and practices as alleged herein, including but not necessarily limited to the loss of money and/or property.

126. Pursuant to California Business & Professions Code section 17200, *et seq.*, Plaintiffs and the other class members are entitled to restitution of the wages withheld and retained by Defendants during a period that commences four years prior to the filing of this Complaint; an award of attorneys' fees pursuant to California Code of Civil procedure section 1021.5 and other applicable laws; and an award of costs.

DEMAND FOR JURY TRIAL

Plaintiffs, individually, and on behalf of other members of the general public similarly situated, request a trial by jury.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, individually and on behalf of all other members of the general public similarly situated, pray for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action;
2. That Plaintiffs be appointed as representatives of the Class;
3. That counsel for Plaintiffs be appointed as Class Counsel; and
4. That Defendants provide to Class Counsel immediately the names and most current contact information (address, e-mail and telephone numbers) of all class members.

As to the First Cause of Action

5. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 510 and 1198 and applicable IWC Wage Orders by willfully failing to pay all overtime wages due to Plaintiffs and the other class members;

6. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;

1 7. For pre-judgment interest on any unpaid overtime compensation commencing
2 from the date such amounts were due;

3 8. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
4 California Labor Code section 1194; and

5 9. For such other and further relief as the court may deem just and proper.

6 **As to the Second Cause of Action**

7 10. That the Court declare, adjudge and decree that Defendants violated California
8 Labor Code sections 226.7 and 512 and applicable IWC Wage Orders by willfully failing to
9 provide all meal periods (including second meal periods) to Plaintiffs and the other class
10 members;

11 11. That the Court make an award to Plaintiffs and the other class members of one
12 (1) hour of pay at each employee's regular rate of compensation for each workday that a meal
13 period was not provided;

14 12. For all actual, consequential, and incidental losses and damages, according to
15 proof;

16 13. For premium wages pursuant to California Labor Code section 226.7(b);

17 14. For pre-judgment interest on any unpaid wages from the date such amounts were
18 due;

19 15. For reasonable attorneys' fees and costs of suit incurred herein; and

20 16. For such other and further relief as the court may deem just and proper.

21 **As to the Third Cause of Action**

22 17. That the Court declare, adjudge and decree that Defendants violated California
23 Labor Code section 226.7 and applicable IWC Wage Orders by willfully failing to provide all
24 rest periods to Plaintiffs and the other class members;

25 18. That the Court make an award to Plaintiffs and the other class members of one
26 (1) hour of pay at each employee's regular rate of compensation for each workday that a rest
27 period was not provided;

1 19. For all actual, consequential, and incidental losses and damages, according to
2 proof;

3 20. For premium wages pursuant to California Labor Code section 226.7(b);

4 21. For pre-judgment interest on any unpaid wages from the date such amounts were
5 due; and

6 22. For such other and further relief as the court may deem just and proper.

7 **As to the Fourth Cause of Action**

8 23. That the Court declare, adjudge and decree that Defendants violated California
9 Labor Code sections 1194 and 1197 by willfully failing to pay minimum wages to Plaintiffs
10 and the other class members;

11 24. For general unpaid wages and such general and special damages as may be
12 appropriate;

13 25. For pre-judgment interest on any unpaid compensation from the date such
14 amounts were due;

15 26. For reasonable attorneys' fees and costs of suit incurred herein pursuant to
16 California Labor Code section 1194(a);

17 27. For liquidated damages pursuant to California Labor Code section 1194.2; and

18 28. For such other and further relief as the court may deem just and proper.

19 **As to the Fifth Cause of Action**

20 29. That the Court declare, adjudge and decree that Defendants violated California
21 Labor Code sections 201, 202, and 203 by willfully failing to pay all compensation owed at
22 the time of termination of the employment of Plaintiffs and the other class members no longer
23 employed by Defendants;

24 30. For all actual, consequential, and incidental losses and damages, according to
25 proof;

26 31. For statutory wage penalties pursuant to California Labor Code section 203 for
27 the other class members who have left Defendants' employ;
28

32. For pre-judgment interest on any unpaid compensation from the date such amounts were due; and

33. For such other and further relief as the court may deem just and proper.

As to the Sixth Cause of Action

34. That the Court declare, adjudge and decree that Defendants violated the record keeping provisions of California Labor Code section 226(a) and applicable IWC Wage Orders as to Plaintiffs and the other class members, and willfully failed to provide accurate itemized wage statements thereto;

35. For actual, consequential and incidental losses and damages, according to proof;

36. For statutory penalties pursuant to California Labor Code section 226(e);

37. For injunctive relief to ensure compliance with this section, pursuant to California Labor Code section 226(g); and

38. For such other and further relief as the court may deem just and proper.

As to the Seventh Cause of Action

39. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 2800 and 2802 by willfully failing to reimburse Plaintiffs and the other class members for all necessary business-related expenses as required by California Labor Code sections 2800 and 2802;

40. For actual, consequential and incidental losses and damages, according to proof;

41. For the imposition of civil penalties and/or statutory penalties;

42. For punitive damages and/or exemplary damages according to proof at trial;

43. For reasonable attorneys' fees and costs of suit incurred herein; and

44. For such other and further relief as the court may deem just and proper.

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46. For paid sick days and/or supplemental paid sick days being unlawfully withheld, the dollar amount of paid sick days withheld from the employee multiplied by three (3), or two hundred fifty dollars (\$250), whichever amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000), shall be included in the administrative penalty, pursuant to California Labor Code section 248.5(b);

48. For pre-judgment interest on any unpaid paid sick leave pay from the date such amounts were due;

50. For such other and further relief as the court may deem just and proper.

51. That the Court declare, adjudge and decree that Defendants violated California Labor Code sections 2698, *et seq.*, the PAGA, for civil penalties pursuant to Defendants' violations of Labor Code §§ 201, 202, 203, 204, 218.5, 221, 226(a), 226.3, 226.7, 510, 512(a), 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802;

31

53. For such other and further relief as the Court may deem just and proper.

As to the Tenth Cause of Action

54. That the Court declare, adjudge and decree that Defendants violated California Business and Professions Code sections 17200, *et seq.* by failing to provide Plaintiffs and the other class members all overtime compensation due to them, failing to provide all meal and rest periods to Plaintiffs and the other class members, failing to pay at least minimum wages to Plaintiffs and the other class members, failing to pay Plaintiffs and the other class members' wages timely as required by California Labor Code section 201, 202.

55. For restitution of unpaid wages to Plaintiffs and other class members and all pre-judgment interest from the day such amounts were due and payable;

56. For the appointment of a receiver to receive, manage and distribute any and all funds disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a result of violation of California Business and Professions Code sections 17200, *et seq.*;

57. For reasonable attorneys' fees and costs of suit incurred herein pursuant to California Code of Civil Procedure section 1021.5;

58. For injunctive relief to ensure compliance with this section, pursuant to California Business and Professions Code sections 17200, *et seq.*; and

59. For such other and further relief as the court may deem just and proper.

Dated: January 19, 2023

JUSTICE LAW CORPORATION

By: 
Douglas Han
Shunt Tatavos-Gharajeh
Lizette Rodriguez
Attorneys for Plaintiffs

EXHIBIT 1

February 18, 2022

BY U.S. EMAIL/ELECTRONIC SUBMISSION

PAGAfilings@dir.ca.gov

State of California

Labor & Workforce Development Agency

800 Capitol Mall, MIC-55

Sacramento, California 95814

Re: **GENERAL ATOMICS and GENERAL ATOMICS AERONEAUTICAL
SYSTEMS, INC.**

Dear Representative:

We have been retained to represent Scott Athey against General Atomics and General Atomics Aeronautical Systems, Inc. (including any and all affiliates, managers, members, subsidiaries, and parents, and their shareholders, officers, directors, and employees), any individual, owner, officer and managing agent, DOES 1-10 as an "Employer" or person acting on behalf of an "Employer" pursuant to California Labor Code section 558.1, and DOES 11-20¹ for violations of California wage-and-hour laws (hereinafter collectively referred to as "GENERAL ATOMICS").

Mr. Athey is pursuing his California Labor Code section 2698, *et seq.*, the Private Attorneys General Act of 2004 ("PAGA") claim on a representative basis. Therefore, Mr. Athey may seek penalties and wages for violations of the Labor Code on behalf of the State of California and aggrieved employees, which are recoverable under PAGA. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

General Atomics is a California corporation located at 3550 General Atomics Ct., San Diego, California 92121. General Atomics Aeronautical Systems, Inc. is a Delaware corporation located at 3550 General Atomics Ct., San Diego, California 92121.

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¹ Mr. Athey does not know the true names or capacities, whether individual, partner or corporate, of DOES 1 through 20, inclusive, and for that reason, said DOES are designated under such fictitious names. Mr. Athey will amend this notice when the true names and capacities are known. Mr. Athey is informed and believes that each DOE was responsible in some way for the matters alleged herein and proximately caused Mr. Athey and other current and former aggrieved employees to be subject to the illegal employment practices, wrongs and injuries complained of herein.

GENERAL ATOMICS employed Mr. Athey as an hourly-paid non-exempt Cable Technician within one year of the date of this letter (until in or around April of 2021²) in the State of California. GENERAL ATOMICS directly controlled the wages, hours and/or working conditions of Mr. Athey and other aggrieved employees' employment, including direction, retention, scheduling, supervision, and termination.

The "aggrieved employees" that Mr. Athey may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees (whether hired directly or through a staffing agency) of GENERAL ATOMICS within the State of California.

GENERAL ATOMICS failed to properly pay its hourly-paid or non-exempt employees for all hours worked, failed to properly provide or compensate minimum and overtime wages and for meal and rest breaks, failed to issue compliant wage statements and failed to reimburse for all necessary business-related costs and expenses, thus resulting in other Labor Code violations as stated below.

Pursuant to *Huff v. Securitas Security Services*, 23 Cal. App. 5th 745, 751 (2018), an employee who brings a representative action and was affected by at least one of the violations alleged in the complaint has standing to pursue penalties on behalf of the state not only for that violation, but for violations affecting other employees as well. Accordingly, Mr. Athey has standing to pursue penalties on behalf of the state for violations affecting all the aggrieved employees at GENERAL ATOMICS, regardless of their classification, job title, location, or whether they were hired directly or through a staffing agency.

GENERAL ATOMICS has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

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² Per Emergency Rule 9 (Tolling statute of limitations for civil causes of action) of the Judicial Council's Emergency Rules Related to COVID-19, all statute of limitations for civil causes of action that exceed 180 days are tolled from April 6, 2020 until October 1, 2020. Therefore, the one (1) year statute of limitations for Mr. Athey's PAGA cause of action is tolled.

California Labor Code sections 510, 1194, and 1198 require employers to pay at least minimum wage for all hours worked, pay time-and-a-half, or double-time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates. During the relevant time period, Mr. Athey and other aggrieved employees routinely worked in excess of 8 hours in a day and 40 hours in a week. GENERAL ATOMICS failed to compensate Mr. Athey and other aggrieved employees for all hours worked and performing off-the-clock work, including pre- and post-shift, donning and doffing uniforms, undergoing security procedures, waiting in line to clock-in, and during meal breaks. GENERAL ATOMICS also failed to include non-discretionary bonuses and incentives in Mr. Athey and other aggrieved employees' regular rate of pay for purposes of overtime compensation. Further, GENERAL ATOMICS required aggrieved employees to work alternative workweek schedules without complying with the proper procedures, including failing to provide disclosures and holding meetings to discuss the elections, and conducting secret ballot elections, and failed to compensate them for all overtime premiums owed. GENERAL ATOMICS also incorrectly designated the workweek for aggrieved employees working alternative workweek schedules and failed to compensate them all weekly overtime owed. Moreover, GENERAL ATOMICS maintained an illegal rounding policy that shaved time from aggrieved employees' pay. Therefore, Mr. Athey and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code section 246 requires that employers provide employees with paid sick leave of not less than one hour per every 30 hours worked. California Labor Code section 246(l) also requires that paid sick leave be paid at a non-exempt employee's regular rate of pay for the workweek in which the employee uses paid sick time or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment. During the relevant time period, GENERAL ATOMICS failed to pay Mr. Athey and other aggrieved employees with paid sick leave that complied with California Labor Code section 246, by, for example, failing to pay paid sick leave at non-exempt employee's regular rate of pay or at a rate calculated by dividing the employee's total wages, not including overtime premium pay, by the employee's total hours worked in the full pay periods of the prior 90 days of employment.

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California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each workday that a meal or rest break is not provided. During the relevant time period, GENERAL ATOMICS routinely required Mr. Athey and other aggrieved employees to work through, interrupt, cut short, and/or delay their meal and rest breaks to comply with GENERAL ATOMICS's policies and expectations, and meet production quotas. GENERAL ATOMICS failed to provide coverage to Mr. Athey and other aggrieved employees so they may be relieved of all work duties and take legally mandated meal and rest breaks. Additionally, by failing to maintain an adequate number of timeclocks, GENERAL ATOMICS forced aggrieved employees to cut their meal breaks short to stand in line at the timeclock, clock-in, and immediately return to work before the end of their breaks. Moreover, GENERAL ATOMICS's breakrooms were located several minutes away from the workstations, forcing aggrieved employees to spend a portion of their meal and rest breaks travelling to and from the breakrooms during their breaks. Lastly, GENERAL ATOMICS also failed to authorize and permit Mr. Athey and other aggrieved employees to take the requisite number of meal and rest breaks, including second meal breaks and third rest breaks, when working shifts exceeding 10 hours in length. Despite these facts, GENERAL ATOMICS failed to compensate Mr. Athey and other aggrieved employees all the premium wages they were owed, including failing to pay premium wages at Mr. Athey and other aggrieved employees' regular rate of pay.

California Labor Code section 551 states "[e]very person employed in any occupation of labor is entitled to one day's rest therefrom in seven." Section 552 further states "[n]o employer of labor shall cause his employees to work more than six days in seven." GENERAL ATOMICS required aggrieved employees to work seven days in a row or more without one day's rest.

California Labor Code section 432.5 states "[n]o employer, or agent, manager, superintendent, or officer thereof, shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer, or agent, manager, superintendent, or officer thereof to be prohibited by law." GENERAL ATOMICS required aggrieved employees to execute arbitration agreements as a condition of employment despite knowing that such agreements are prohibited under Labor Code section 432.6.

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California Labor Code section 201 requires that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately. California Labor Code section 202 requires that if an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. California Labor Code section 203 provides that if an employer willfully fails to pay, without abatement or reduction, in accordance with Labor Code sections 201, 201.3, 201.5, 201.6, 201.8, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days. During the relevant time period, GENERAL ATOMICS failed to pay Mr. Athey and other aggrieved employees all wages, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks, due to them within any time period specified by California Labor Code sections 201 and 203 and therefore is liable under California Labor Code section 203.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, GENERAL ATOMICS failed to pay Mr. Athey and other aggrieved employees all wages due to them, including for uncompensated off-the-clock work, unpaid overtime premiums and premium wages for failing to provide legally mandated meal and rest breaks within any time period specified by California Labor Code section 204.

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California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, GENERAL ATOMICS did not provide Mr. Athey and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from GENERAL ATOMICS were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include (1) gross wages earned by Mr. Athey and other aggrieved employees, (2) total hours worked by Mr. Athey and other aggrieved employees, (3) the number of piece-rate units earned and any applicable piece rate by Mr. Athey and other aggrieved employees (4) all deductions for Mr. Athey and other aggrieved employees, (5) net wages earned by Mr. Athey and other aggrieved employees, (6) the inclusive dates of the period for which Mr. Athey and other aggrieved employees are paid, (7) the name of the aggrieved employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by Mr. Athey and other aggrieved employees.

California Labor Code section 558 allows recovery of penalties. (a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee. Mr. Athey and other aggrieved employees have been denied their wages and premium wages and, therefore, are entitled to penalties.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, GENERAL ATOMICS failed to keep accurate and complete payroll records showing the hours worked daily and the wages paid, to Mr. Athey and other aggrieved employees.

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California Labor Code sections 1194, 1197 and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, GENERAL ATOMICS did not provide Mr. Athey and other aggrieved employees with the minimum wages to which they were entitled despite constructive and actual knowledge of off-the-clock work, including pre- and post-shift, donning and doffing uniforms, undergoing security procedures, waiting in line to clock-in, and during meal breaks, and maintaining an illegal rounding policy.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During their employment, Mr. Athey and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by GENERAL ATOMICS, including for purchasing tools and equipment they were required to use and wear while working, using their personal cellular phones to communicate with management, and using their personal vehicles for work related purposes.

We believe that Mr. Athey and other current and former California-based hourly-paid or non-exempt employees are entitled to penalties as allowed under California Labor Code section 2698, *et seq.* for violations of Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and the IWC Wage Orders.

California Labor Code section 2699.3 requires that a claimant send a certified letter to the employer in questions and the California Labor & Workforce Development Agency setting forth the claims, and the basis for the claims, thereby giving the California Labor & Workforce Development Agency an opportunity to investigate the claims and/or take any action it deems appropriate.

The purpose of this letter is to satisfy the requirement created by California Labor code section 2699 prior to seeking penalties allowed by law for the aforementioned statutory violations. We look forward to determining whether California Labor & Workforce Development Agency intends to take any action in reference to these claims. We kindly request that you respond to this notice according to the time frame contemplated by the California Labor Code.

Mr. Athey will seek these penalties on his own behalf and on behalf of other similarly situated California-based hourly-paid or non-exempt employees of GENERAL ATOMICS within 1,005 days of the date of this letter, as allowed by law.

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LWDA

February 18, 2022

Page 8 of 8

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

Very truly yours,

JUSTICE LAW CORPORATION

A handwritten signature in black ink, appearing to read 'D. Han', with a long horizontal flourish extending to the right.

Douglas Han, Esq.

CC: (By Certified U.S. Mail Only):

C T Corporation System

c/o General Atomics and General Atomics Aeronautical Systems, Inc.

330 N. Brand Blvd. Ste. 700

Glendale, California 91203

Agent for Service of Process for General Atomics and General Atomics Aeronautical Systems, Inc.

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103. My electronic service address is manderson@justicelawcorp.com

On February 27, 2023, I served the foregoing document described as

SETTLEMENT OF CLASS ACTION AND PAGA REPRESENTATIVE ACTION

for the following case: **Weisman, et al. v. General Atomics, et al.**
LWDA/Court Case No.: **LWDA Case No.: CM-869101-22**
Court Case No.: 37-2021-00000331-CU-OE-CTL
San Diego County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

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

Executed on February 27, 2023, at Pasadena, California.



Mariah Anderson