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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

VERONICA LUCATERO TORRES, as an
individual and on behalf of all others similarly
situated,

Plaintiff,

vs.

SOUTH COAST CIRCUITS, INC., a California
Corporation; ROYAL FLEX CIRCUITS, INC., a
California Corporation; and DOES 1 through 100,

Defendants.

Case No. 30-2022-01244244-CU-OE-CXC

*[Assigned for all purposes to the Hon. Lon
F. Hurwitz, Dept. CX-103]*

**DECLARATION OF SEAN M.
BLAKELY IN SUPPORT OF
PLAINTIFF'S SUPPLEMENTAL
BRIEF IN SUPPORT OF
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: January 5, 2024

Time: 1:30 p.m.

Dept.: CX-103

Complaint Filed: February 4, 2022

Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

2 1. I am a Partner at Haines Law Group, APC, and counsel for the named Plaintiff
3 Veronica Lucatero Torres (“Plaintiff”) and the proposed Settlement Class in the above-captioned
4 matter. I am a member in good standing of the bar of the State of California and am admitted to
5 practice in this Court. I have personal knowledge of the facts stated in this declaration and could
6 testify competently to them if called upon to do so.

7 2. This declaration is submitted in support of Plaintiff’s Supplemental Brief in
8 Support of Plaintiff’s Motion for Preliminary Approval of Class Action Settlement. Following
9 the Court’s November 3, 2023 Tentative Ruling regarding Plaintiff’s Motion for Preliminary
10 Approval of Class Action Settlement (the “Ruling”), my firm has worked diligently with defense
11 counsel to amend the Stipulation of Settlement (“Settlement Agreement”) and the Notice of
12 Pendency of Class Action and Proposed Settlement (“Class Notice”) in accordance with the issues
13 identified by the Court.

14 3. Attached hereto as **Exhibit 1** is the fully executed amended Settlement Agreement.
15 Attached hereto as **Exhibit 2** is the final version of the Class Notice. Attached hereto as **Exhibit**
16 **3** is a red-line version of the amended Settlement Agreement reflecting all changes. Attached
17 hereto as **Exhibit 4** is a red-line version of the amended Class Notice reflecting all changes.
18 Attached hereto as **Exhibit 5** is a red-line version of the amended [Proposed] Order Granting
19 Preliminary Approval of Class Action Settlement reflecting all changes.

20 4. As indicated in Plaintiff’s Motion for Preliminary Approval, the average
21 Individual Settlement Payment is estimated at approximately \$2,741.23 and the average payment
22 from the PAGA Amount is estimated at approximately \$105.26. The highest Individual
23 Settlement Payment is estimated at approximately \$9,221.56. The lowest Individual Settlement
24 Payment is estimated at approximately \$53.50. The highest estimated payment from the PAGA
25 Amount is estimated at approximately \$211.77. The lowest estimated payment from the PAGA
26 Amount is estimated at approximately \$3.59.

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1 I declare under penalty of perjury under the laws of the State of California that the
2 foregoing is true and correct. Executed on December 22, 2023, at El Segundo, California.

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5 Sean M. Blakely
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EXHIBIT 1

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Veronica Lucatero Torres (“Plaintiff”), as an individual and on behalf of the Settlement Class (as defined below), on one hand, and Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. (hereinafter “Defendants”), on the other hand. Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC (“Class Counsel”). Defendants are represented by Gregory Glazer and Jesse D. Sutz of Hirschfeld Kraemer LLP.

On February 4, 2022, Plaintiff filed a Class Action Complaint against Defendants in Orange County Superior Court, in the matter entitled *Veronica Lucatero Torres v. South Coast Circuits, Inc., et. al.*, Case No. 30-2022-01244244-CU-OE-CXC (the “Action”). On April 12, 2022, Plaintiff filed the operative First Amended Class and Representative Action Complaint (“FAC”). The FAC alleges the following causes of action: (i) meal period violations; (ii) rest period violations; (iii) minimum wage violations; (iv) failure to pay all overtime wages; (v) waiting time penalties; (vi) wage statement penalties; (vii) unfair competition; and (viii) civil penalties under the Private Attorneys General Act (“PAGA”).

On October 26, 2022, the Parties participated in a mediation with Lisa Klerman, Esq., a highly experienced wage-and-hour class action mediator. The matter resolved at Mediation. Defendants deny the claims raised in the Action and assert that their wage and hour practices are proper and legal. Given the uncertainty of litigation, Plaintiff and Defendants wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendants agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendants stipulate to the certification of the following Settlement Class:

All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of California at any time from February 4, 2018 through October 26, 2022 (the “Class Period”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved, does not become Final as defined below, or is terminated or materially modified without agreement of the Parties, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

Additionally, the “PAGA Aggrieved Employees” shall be defined as:

All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of

California at any time from October 28, 2020 through October 26, 2022 (the “PAGA Period”).

2. **Release by Settlement Class Members and Plaintiff.** Upon the Effective Date (as defined below) and upon the complete funding of the Gross Settlement Fund, Plaintiff and all Settlement Class members (except those who opt out of the non-PAGA claims) will fully release and discharge Defendants, their parents, subsidiaries, successors in interest, purchasers, owners, affiliated entities, past or present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, and affiliated entities (collectively, the “Releasees”), as follows:

- A. Settlement Class members will release all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts in the initial Complaint filed by Plaintiff and the operative First Amended Class and Representative Action Complaint (“FAC”), including: (a) failure to provide all meal periods in accordance with California law; (b) failure to authorize and permit all rest periods in accordance with California law; (c) minimum wage violations; (d) failure to pay all overtime wages; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC and (h) all damages, penalties, interest, costs (including attorney’s fees), and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged or which could have been alleged in the FAC (collectively, the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.
- B. In addition, all PAGA Aggrieved Employees, regardless of if they opt-out, will release any right or claim for civil penalties pursuant to the Private Attorney Generals Act of 2004, California Labor Code §2698, et seq., based on the alleged failures set forth in Plaintiff’s PAGA notice to the Labor & Workforce Development Agency (“LWDA”) and in the FAC, during the PAGA Period (“Released PAGA Claims”). This includes all alleged violations of Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, and 1198. It is understood and acknowledged that PAGA Aggrieved Employees receiving a share of the PAGA Amount as set forth in Paragraph 4.C will be issued a check for their share of the PAGA Amount and will not have the opportunity to opt out of, or object to, the Released PAGA Claims as set forth in this Paragraph.
- C. Plaintiff and Defendant intend that the Settlement reflected in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other action of any kind, by each and all of the Participating Settlement Class members to obtain a recovery based on or arising out of the Class Released Claims. The Settlement Class members shall be so notified in the Notice. This Paragraph only

applies to Participating Settlement Class members and, thus, does not apply to any Settlement Class member who timely and validly submits a Request for Exclusion.

- D. Class Representative, on behalf of herself and the Participating Settlement Class members, acknowledges and agrees that the claims, including claims for unpaid wages and untimely payment of wages, are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to them. Class Representative, on behalf of herself and the Participating Settlement Class members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows: “An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”
- E. In light of Plaintiff’s Class Representative Incentive Payment, Plaintiff has agreed to release, as an individual and in addition to the Class Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Releasees. Plaintiff understands that this release includes unknown claims, and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Nothing contained herein shall constitute a release of any rights or claims that cannot be waived as a matter of law (including but not limited to claims arising under workers’ compensation laws). Nor shall anything contained herein be construed to exclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding.

3. **Gross Settlement Fund.** As consideration, Defendants agree to pay a non-reversionary “Gross Settlement Fund” of Five Hundred Ninety-Two Thousand Five Hundred Dollars and Zero Cents (\$592,500.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement.
- B. The Settlement shall become effective upon the Court’s signing of an Order granting final approval of the Settlement (the “Effective Date”). The Gross Settlement Fund shall be deposited with the Settlement Administrator no later than thirty (30) days after the Effective Date.
- C. This is a non-reversionary settlement. The Gross Settlement Fund includes:

- (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00);
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Class Representative Incentive Payment in recognition of her contributions to the Action and her service to the Settlement Class. If Plaintiff's request for her Class Representative Incentive Payment is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;
 - (4) Up to one-third of the Gross Settlement Fund in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Thirty Thousand Dollars and Zero Cents (\$30,000.00). If Class Counsel's request for attorneys' fees and/or reimbursement of litigation costs is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members; and
 - (5) Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross Settlement Fund has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00) will be payable to the Settlement Class as the "PAGA Amount."
- D. Defendants' share of employer payroll taxes on the amounts of the settlement attributable as W-2 wages as provided in Section 4.D, below, shall be paid by Defendants separately from, and in addition to, the Gross Settlement Fund.
- E. **Escalator Clause.** Defendants represent that there are 8,351 workweeks during the Class Period. If at preliminary approval, the number of workweeks has increased by 10% or more (i.e., there are 9,187 or more workweeks), the Gross Settlement Fund will increase on a proportional basis for any amount in excess of the 10% (i.e., if there was a 12% increase in the number of workweeks, Defendants shall increase the Gross Settlement Fund by 2%).
4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Individual Settlement Payments will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Gross Settlement Fund the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Incentive Payment,

the total amount set aside as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount."

- B. Payments from the Net Settlement Amount. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Payment based on the following formula: the Net Settlement Amount will be distributed to all participating Settlement Class members based on each participating Settlement Class member's proportionate number of workweeks worked during the Class Period, and which shall be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's total workweeks worked during the Class Period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during the Class Period.
- C. Payments from PAGA Amount: Each Settlement Class member who was employed by Defendants at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Fund that has been designated as the "PAGA Amount," proportionate to the number of workweeks that he or she worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's number of workweeks worked during the PAGA Period, and the denominator of which is the total number of workweeks worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement).
- D. Within ten (10) calendar days following Defendants' deposit of the Gross Settlement Fund and its share of employer payroll taxes with the Settlement Administrator, the Settlement Administrator will calculate the Individual Settlement Payments and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail the Individual Settlement Payments, less applicable taxes, and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendants' counsel. After the Individual Settlement Payments are mailed to Settlement Class members, the Settlement Administrator shall distribute the amounts approved for Class Counsel's attorneys' fees and litigation costs, Plaintiff's Incentive Payment, payment to the LWDA for its share of PAGA civil penalties, and settlement administration expenses.
- E. For purposes of calculating applicable taxes and withholdings, each Individual Settlement Payment from the NSA shall be allocated as follows: one-third (1/3) wages, and two-thirds (2/3) penalties and interest. Any payment from the PAGA Amount shall be classified as 100% penalties. The Settlement Administrator will

be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

- F. Each member of the Settlement Class who receives a Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.
- G. Neither Plaintiff nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys’ Fees and Costs.** Defendants will not object to Class Counsel’s request for a total award of attorneys’ fees of one-third of the Gross Settlement Fund, which is currently estimated to be One Hundred Ninety-Seven Thousand Five Hundred Dollars and Zero Cents (\$197,500.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), from the Gross Settlement Fund. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed, and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court’s approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court. If the Court awards a lesser amount in Attorneys’ Fees and Costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

6. **Class Representative Incentive Payment.** Defendants will not object to a request for a Class Representative Incentive Payment of up to Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for her time and risk in prosecuting this case, and her service to the Settlement Class. This payment will be in addition to Plaintiff’s Individual Settlement Payment as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. If the Court awards a lesser amount for the Class Representative Incentive Payment than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendants will not object to Plaintiff

seeking permission to pay up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for its services from the Gross Settlement Fund. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating Defendants' share of taxes payable on the wages, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Fund by Class Counsel only after Individual Settlement Payments have been mailed to all participating Settlement Class members. The Settlement Administrator shall maintain a website and post important documents from the case, including the operative complaint, the Settlement Agreement, the Class Notice and the orders granting preliminary and final approval. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website. If the Court awards a lesser amount for settlement administration costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC as Class Counsel;
- C. Appointing Veronica Lucatero Torres as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet, which is comprised of the Class Notice, Notice of Estimated Settlement Award, and Request for Exclusion Form, and which is attached hereto as **Exhibits 1, 2, and 3**, respectively, and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendants will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and workweek information for each Settlement Class member employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format reasonably satisfactory to the Settlement Administrator.

- B. Within ten (10) business days from receipt of the information provided for in Paragraph 9.A, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; and (iv) mail a Notice Packet in English and Spanish to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the settlement must complete and mail a Request for Exclusion Form to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that a Settlement Class member who wishes to exclude themselves from the settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the settlement, except a Request for Exclusion Form not containing a Settlement Class member’s telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion Form shall be the exclusive means used to determine whether a Request for Exclusion Form has been timely submitted. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Settlement Class members employed during the PAGA Period, whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by Defendants at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will be bound by the Released PAGA Claims.
- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the settlement or opt out of the

Settlement Class or encourage any Settlement Class member to appeal from the final judgment.

- iii. Notwithstanding any other provisions of this Agreement, in the event that ten percent (10%) or more of the total Settlement Class members exclude themselves and opt out of the settlement, Defendants may, in their sole discretion, unilaterally withdraw from and terminate the settlement no later than five (5) days prior to the date of the Final Approval Hearing. In the event of Defendants' withdrawal, no party may use the fact that the Parties agreed to the resolution for any reason. In the event that Defendants elect to terminate this settlement under this provision, Defendants shall pay all the Administrative Costs incurred by the Settlement Administrator up to that point, up to the \$7,500.00 limit set forth herein.

D. Objections. Settlement Class members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator by the Response Deadline (who shall serve all objections as received on Class Counsel and Defendants' counsel, as well as file all such objections with the Court). Defendants' counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendants' counsel and Class Counsel shall have ten (10) days from the date of service of the objections by the Settlement Administrator to file a response to the objections. All objections should contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection, include all objections and the factual and legal bases for same, include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, and be postmarked no later than the Response Deadline. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection.

E. Notice of Estimated Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all the information that was used from Defendants' records in order to calculate the Individual Settlement Payment. Settlement Class members will have the opportunity, should they disagree with Defendants' records regarding the information stated in the Notice of Estimated Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator, and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any

Settlement Payment shall be binding upon the Settlement Class member and the Parties.

- F. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have forty-five (45) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member’s Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendants’ Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff’s and Class Counsel’s application for attorneys’ fees and costs, Class Representative incentive payment, LWDA payment, and settlement administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

11. **Tax Treatment.**

- A. Class Counsel, Defendant, and Defendant’s counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiff and the Settlement Class members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant’s counsel in this regard. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made

pursuant to applicable state and/or local withholding codes or regulations. IRS Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the “Code”) and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiff, Participating Settlement Class members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein and will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

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

12. **No Credit Towards Benefit Plans.** The Individual Settlement Payments and Individual PAGA Payments made under this Agreement, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class members or Aggrieved Employee may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, pension plans, retirement plans, stock purchase or other types of equity plans, vacation plans, sick leave plans, PTO plans, and any other

benefit or incentive plan. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Settlement Class members or Aggrieved Employees may be entitled under any benefit plans.

13. **Disputes.** To the extent that any disputes arise between the Parties or between a Party and a Settlement Class member, such disputes shall be governed as follows:

- A. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data and Settlement Class member Individual Settlement Payments) shall be referred to the Court, consistent with Paragraph 27 below, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute with the aid of the Settlement Administrator and without the necessity of Court intervention.
- B. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the assistance of Lisa Klerman, Esq. to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs, and split any fees of Ms. Klerman equally. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.

14 **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

15. **Non-disclosure and Non-publication.** Plaintiff and Class Counsel agree that they have not and will not publish the Settlement Agreement, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel shall not report the Settlement Agreement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the Settlement Class, or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendants: Gregory S. Glazer, Hirschfeld Kraemer LLP, 233 Wilshire Blvd
#600, Santa Monica, CA 90401; gglazer@employmentlaw.com.

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive,
Suite 180, El Segundo, California 90245;
phaines@haineslawgroup.com.

18. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

19. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all said counterparts taken together shall be deemed to constitute one and the same instrument.

20. **Modification.** This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

21. **Binding on Assigns.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

22. **Signatures of All Settlement Class members Unnecessary to be Binding.** It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Settlement Class member execute this Settlement Agreement. The Notice will advise all Settlement Class members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class member.

23. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

24. **Construing the Agreement.** This Agreement is deemed to have been drafted jointly by Plaintiff and Defendants, and any uncertainty or ambiguity will not be construed for or against Plaintiff or Defendants based on attribution of drafting to either.

25. **Choice of Law.** This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

26. **Enforceability.** Pursuant to California Evidence Code Section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

27. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. Pursuant to California Rule of Court 3.769(h), the Court shall retain continuing jurisdiction over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this settlement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED:

Defendant South Coast Circuits, Inc.

By: Milan Shah 
Its: _____

DATED:

Defendant Royal Flex Circuits, Inc.

By: Milan Shah 
Its: _____

DATED:

Plaintiff Veronica Lucatero Torres

By: _____
Plaintiff and Settlement Class Representative

24. **Construing the Agreement.** This Agreement is deemed to have been drafted jointly by Plaintiff and Defendants, and any uncertainty or ambiguity will not be construed for or against Plaintiff or Defendants based on attribution of drafting to either.

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DATED: Defendant South Coast Circuits, Inc.

By: _____
Its: _____

DATED: Defendant Royal Flex Circuits, Inc.

By: _____
Its: _____

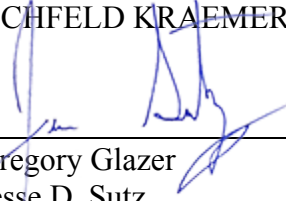
DATED: 19/12/2023 Plaintiff Veronica Lucatero Torres

By: Veronica Lucatero
Veronica Lucatero (Dec 19, 2023 14:36 PST)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: December 21, 2023

HIRSCHFELD KRAEMER LLP

By: 

Gregory Glazer
Jesse D. Sutz
Attorneys for Defendants

DATED:

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

APPROVED AS TO FORM:

DATED:

HIRSCHFELD KRAEMER LLP

By: _____
Gregory Glazer
Jesse D. Sutz
Attorneys for Defendants

DATED: 12/19/23

HAINES LAW GROUP, APC

By:  _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

VERONICA LUCATERO TORRES, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

SOUTH COAST CIRCUITS, INC, a California
Corporation; ROYAL FLEX CIRCUITS, INC., a
California Corporation; and DOES 1 through 100,

Defendants.

Case No. 30-2022-01244244-CU-OE-CXC

**NOTICE OF PENDENCY OF CLASS AND
PAGA ACTION AND PROPOSED
SETTLEMENT**

To: All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of California at any time from February 4, 2018 through October 26, 2022 (“Class Period”). Collectively, these employees will be referred to as “Settlement Class members.”

**PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Orange County Superior Court has granted preliminary approval of a proposed class action settlement (“Settlement”) in the case of *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC (the “Action”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from the Settlement. Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc.’s (“Defendants”) records show that you were employed by Defendants in California as an hourly-paid, non-exempt employee between February 4, 2018 through October 26, 2022 (the “Class Period”). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. You may access this Notice and other relevant documents for this case, including the operative complaint, the Settlement Agreement, and the orders granting preliminary and final approval, at the Settlement Administrator’s website at <<INSERT URL FOR SETTLEMENT ADMINISTRATOR>>.

What is this case about?

Plaintiff Veronica Lucatero Torres (“Plaintiff”) brought this Action against Defendants, seeking to assert claims on behalf of a class of current and former hourly-paid, non-exempt employees who worked for Defendants in California at any time during the Class Period. Plaintiff is known as the “Class Representative,” and her attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

Plaintiff alleges that Defendants failed to pay Settlement Class members for all earned minimum and overtime wages and failed to provide required meal and rest periods to Settlement Class members. The Action also alleges that as a result of the unpaid minimum and overtime wages and unpaid meal and rest period premiums, Defendants failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that Defendants engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”).

Defendants deny that they have done anything wrong. Defendants deny that they owe Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be considered an admission of liability on the part of Defendants, which expressly deny all liability.

The Court has not ruled on the merits of Plaintiff’s claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Defendants concluded that it is in their best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After Defendants provided relevant information and documents to Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendants, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendants’ policy strictly prohibit unlawful retaliation. Defendants will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member’s decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendants: HIRSCHFELD KRAEMER LLP Gregory S. Glazer gglazer@hkemploymentlaw.com Jesse D. Sutz jsutz@hkemploymentlaw.com 456 Montgomery Street, Suite 2200 San Francisco, California 94104 Tel: (415) 835-9000 Fax: (415) 834-0443 hkemploymentlaw.com
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former hourly-paid, non-exempt employees who worked for Defendants in California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendants have agreed to pay \$592,500.00 (“Gross Settlement Fund”) to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys’ fees and expenses, settlement administration costs, PAGA civil penalties, and the Class Representative’s Incentive Payment. The following deductions from the Gross Settlement Fund will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you, will issue settlement checks, and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,500.00 from the Gross Settlement Fund to pay the settlement administration costs. If the Court awards a lesser amount for settlement administration costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Fund. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Fund, which is estimated to be \$197,500.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through final Settlement. Class Counsel also will ask for reimbursement of up to \$30,000.00 for verified costs Class Counsel incurred to prosecute the Action. If the Court awards a lesser amount in Attorneys’ Fees and Costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

Incentive Payment to Class Representative. Class Counsel will ask the Court to award the Class Representative an Incentive Payment in the amount of \$5,000.00 to compensate her for her service and extra work provided on behalf of the Settlement Class members. If the Court awards a lesser amount for the Class Representative Incentive Payment than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

PAGA Payment to State of California. \$30,000.00 will be paid to the California Labor & Workforce Development Agency (“LWDA”), representing 75% of the \$40,000.00 the parties have agreed to allocate to the settlement of Plaintiff’s claim on behalf of the PAGA Aggrieved Employees under the PAGA. The remaining \$10,000.00 will be payable to certain PAGA Aggrieved Employees as the “PAGA Amount,” as described below.

Calculation of Settlement Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Fund will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$312,500.00 and will be divided as follows:

- (i) Payments to all Participating Settlement Class Members: The NSA will be distributed to all participating Settlement Class members based on their proportionate number of workweeks worked during the Class Period.
- (ii) Payments from PAGA Amount: \$10,000 has been designated as the “PAGA Amount” and will be allocated to PAGA Aggrieved Employees who were employed by Defendants at any time from October 28, 2020 through October 26, 2022 (the “PAGA Period”) (regardless of whether they opt out of the Settlement Class) in proportion to the number of workweeks that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed 180

days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be treated as follows: Any payment from the NSA shall be allocated as one-third (1/3) as wages subject to withholding of all applicable local, state and federal taxes; and two-thirds (2/3) as interest and penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226), from which no taxes will be withheld or other deductions made. Any payment from the PAGA Amount shall be designated as 100% penalties. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, Defendants and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. Upon the Effective Date and upon the complete funding of the Gross Settlement Fund, Plaintiff and all Settlement Class members (except those who opt out of the non-PAGA claims) will fully release and discharge Defendants, their parents, subsidiaries, successors in interest, purchasers, owners, affiliated entities, past or present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, and affiliated entities (collectively, the “Releasees”) from all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts in the operative First Amended Class and Representative Action Complaint (“FAC”), including: (a) failure to provide all meal periods in accordance with California law; (b) failure to authorize and permit all rest periods in accordance with California law; (c) minimum wage violations; (d) failure to pay all overtime wages; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC and (h) all damages, penalties, interest, costs (including attorney’s fees), and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged or which could have been alleged in the FAC (collectively, the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, all PAGA Aggrieved Employees, regardless of if they opt-out, will release any right or claim for civil penalties pursuant to the Private Attorney Generals Act of 2004, California Labor Code §2698, *et seq.*, based on the alleged failures set forth in Plaintiff’s PAGA notice to LWDA and in the FAC, during the PAGA Period (“Released PAGA Claims”). It is understood and acknowledged that PAGA Aggrieved Employees receiving a share of the PAGA Amount will be issued a check for their share of the PAGA Amount and will not have the opportunity to opt out of, or object to, the Released PAGA Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Payment. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period. The information contained in Defendants’ records regarding each of these factors, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Estimated Settlement Payment. If you disagree with the information in your Notice of Estimated Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the

procedures stated in the Notice of Estimated Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Settlement Administrator and the Parties will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of the Settlement Agreement.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion Form postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement that you wish to be excluded from the class action settlement. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion Form shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all PAGA Aggrieved Employees who worked for Defendants during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Payment. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection by the <<RESPONSE DEADLINE>> to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection should include your name, address, last four digits of your Social Security Number, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may also appear at the Final Approval Hearing scheduled for May 24, 2024 at 1:30 p.m. in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC. You do not need to object in writing to be heard at the Final Approval Hearing.

Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have forty-five (45) calendar days from the date of re-mailing, or until the <<RESPONSE DEADLINE>> has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on May 24, 2024 at 1:30 p.m., in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Incentive Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, during regular court hours. You may also visit the Orange County Superior Court website at www.occourts.org to inspect the Court's files by going to the "Case Access" tab under "Online Services," selecting "Civil Case & Document Access," and entering the case number information for this case, which is Case No. 30-2022-01244244-CU-OE-CXC. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANTS, OR THEIR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON **<<PRELIM APPROVAL DATE>>.**

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT PAYMENT

VERONICA LUCATERO TORRES v. SOUTH COAST CIRCUITS, INC., et al.,
ORANGE COUNTY SUPERIOR COURT CASE NO. 30-2022-01244244-CU-OE-CXC

Please complete, sign, date and return this Form to <<ADMINISTRATOR CONTACT INFO>> **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Settlement Payment:

According to Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. ("Defendants") records:

- (a) you worked [REDACTED] workweeks as an hourly-paid, non-exempt employee for Defendants in California between February 4, 2018 through October 26, 2022; and
- (b) you worked [REDACTED] workweeks as an hourly-paid, non-exempt employee for Defendants in California between October 28, 2020, through October 26, 2022.

Based on the above, your Individual Settlement Payment is estimated at \$ [REDACTED].

(IV) If you disagree with items (a) and/or (b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from Defendants' records, Defendants' records will control unless you are able to provide documentation that establishes otherwise, and that Defendants' records are mistaken. If there is a dispute about whether Defendants' information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>.**

EXHIBIT 3

REQUEST FOR EXCLUSION FORM

Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.
Orange County Superior Court
Case No. 30-2022-01244244-CU-OE-CXC

IF YOU **DO NOT** WISH TO BE PART OF THE CLASS ACTION SETTLEMENT, YOU MUST **COMPLETE**, **SIGN** AND **MAIL** THIS FORM, POSTMARKED ON OR BEFORE **[INSERT DATE]**, ADDRESSED AS FOLLOWS:

PHOENIX SETTLEMENT ADMINISTRATORS
VERONICA LUCATEO TORRES V. SOUTH COAST CIRCUITS, INC., ET AL.
SETTLEMENT ADMINISTRATOR

ADDRESS
ADDRESS
PHONE
FAX

DO NOT SUBMIT THIS FORM IF YOU WISH TO RECEIVE A PAYMENT UNDER THE SETTLEMENT.

By signing, filling out, and returning this form, I confirm that I **do not** want to be included in the Settlement of the lawsuit entitled *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC.

I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE *VERONICA LUCATEO TORRES V. SOUTH COAST CIRCUITS, INC., ET AL.* LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT. HOWEVER, I MAY STILL BE ENTITLED TO RECEIVE A PORTION OF THE SETTLEMENT OF THE CLAIMS BROUGHT PURSUANT TO THE LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004 ("PAGA") AS DESCRIBED IN THE ACCOMPANYING NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT.

Name

Telephone Number

Address

Date

Signature

Last Four Digits of Social Security Number: _____

EXHIBIT 2

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

VERONICA LUCATERO TORRES, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

SOUTH COAST CIRCUITS, INC, a California
Corporation; ROYAL FLEX CIRCUITS, INC., a
California Corporation; and DOES 1 through 100,

Defendants.

Case No. 30-2022-01244244-CU-OE-CXC

**NOTICE OF PENDENCY OF CLASS AND
PAGA ACTION AND PROPOSED
SETTLEMENT**

To: All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of California at any time from February 4, 2018 through October 26, 2022 ("Class Period"). Collectively, these employees will be referred to as "Settlement Class members."

**PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Orange County Superior Court has granted preliminary approval of a proposed class action settlement ("Settlement") in the case of *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from the Settlement. Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc.'s ("Defendants") records show that you were employed by Defendants in California as an hourly-paid, non-exempt employee between February 4, 2018 through October 26, 2022 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. You may access this Notice and other relevant documents for this case, including the operative complaint, the Settlement Agreement, and the orders granting preliminary and final approval, at the Settlement Administrator's website at <<INSERT URL FOR SETTLEMENT ADMINISTRATOR>>.

What is this case about?

Plaintiff Veronica Lucatero Torres ("Plaintiff") brought this Action against Defendants, seeking to assert claims on behalf of a class of current and former hourly-paid, non-exempt employees who worked for Defendants in California at any time during the Class Period. Plaintiff is known as the "Class Representative," and her attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

Plaintiff alleges that Defendants failed to pay Settlement Class members for all earned minimum and overtime wages and failed to provide required meal and rest periods to Settlement Class members. The Action also alleges that as a result of the unpaid minimum and overtime wages and unpaid meal and rest period premiums, Defendants failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that Defendants engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”).

Defendants deny that they have done anything wrong. Defendants deny that they owe Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be considered an admission of liability on the part of Defendants, which expressly deny all liability.

The Court has not ruled on the merits of Plaintiff’s claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Defendants concluded that it is in their best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After Defendants provided relevant information and documents to Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendants, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendants’ policy strictly prohibit unlawful retaliation. Defendants will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member’s decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendants: HIRSCHFELD KRAEMER LLP Gregory S. Glazer gglazer@hkemploymentlaw.com Jesse D. Sutz jsutz@hkemploymentlaw.com 456 Montgomery Street, Suite 2200 San Francisco, California 94104 Tel: (415) 835-9000 Fax: (415) 834-0443 hkemploymentlaw.com
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former hourly-paid, non-exempt employees who worked for Defendants in California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendants have agreed to pay \$592,500.00 (“Gross Settlement Fund”) to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys’ fees and expenses, settlement administration costs, PAGA civil penalties, and the Class Representative’s Incentive Payment. The following deductions from the Gross Settlement Fund will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you, will issue settlement checks, and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,500.00 from the Gross Settlement Fund to pay the settlement administration costs. If the Court awards a lesser amount for settlement administration costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Fund. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Fund, which is estimated to be \$197,500.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through final Settlement. Class Counsel also will ask for reimbursement of up to \$30,000.00 for verified costs Class Counsel incurred to prosecute the Action. If the Court awards a lesser amount in Attorneys’ Fees and Costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

Incentive Payment to Class Representative. Class Counsel will ask the Court to award the Class Representative an Incentive Payment in the amount of \$5,000.00 to compensate her for her service and extra work provided on behalf of the Settlement Class members. If the Court awards a lesser amount for the Class Representative Incentive Payment than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

PAGA Payment to State of California. \$30,000.00 will be paid to the California Labor & Workforce Development Agency (“LWDA”), representing 75% of the \$40,000.00 the parties have agreed to allocate to the settlement of Plaintiff’s claim on behalf of the PAGA Aggrieved Employees under the PAGA. The remaining \$10,000.00 will be payable to certain PAGA Aggrieved Employees as the “PAGA Amount,” as described below.

Calculation of Settlement Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Fund will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$312,500.00 and will be divided as follows:

- (i) Payments to all Participating Settlement Class Members: The NSA will be distributed to all participating Settlement Class members based on their proportionate number of workweeks worked during the Class Period.
- (ii) Payments from PAGA Amount: \$10,000 has been designated as the “PAGA Amount” and will be allocated to PAGA Aggrieved Employees who were employed by Defendants at any time from October 28, 2020 through October 26, 2022 (the “PAGA Period”) (regardless of whether they opt out of the Settlement Class) in proportion to the number of workweeks that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed 180

days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be treated as follows: Any payment from the NSA shall be allocated as one-third (1/3) as wages subject to withholding of all applicable local, state and federal taxes; and two-thirds (2/3) as interest and penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226), from which no taxes will be withheld or other deductions made. Any payment from the PAGA Amount shall be designated as 100% penalties. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, Defendants and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. Upon the Effective Date and upon the complete funding of the Gross Settlement Fund, Plaintiff and all Settlement Class members (except those who opt out of the non-PAGA claims) will fully release and discharge Defendants, their parents, subsidiaries, successors in interest, purchasers, owners, affiliated entities, past or present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, and affiliated entities (collectively, the “Releasees”) from all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts in the operative First Amended Class and Representative Action Complaint (“FAC”), including: (a) failure to provide all meal periods in accordance with California law; (b) failure to authorize and permit all rest periods in accordance with California law; (c) minimum wage violations; (d) failure to pay all overtime wages; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC and (h) all damages, penalties, interest, costs (including attorney’s fees), and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged or which could have been alleged in the FAC (collectively, the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, all PAGA Aggrieved Employees, regardless of if they opt-out, will release any right or claim for civil penalties pursuant to the Private Attorney Generals Act of 2004, California Labor Code §2698, *et seq.*, based on the alleged failures set forth in Plaintiff’s PAGA notice to LWDA and in the FAC, during the PAGA Period (“Released PAGA Claims”). It is understood and acknowledged that PAGA Aggrieved Employees receiving a share of the PAGA Amount will be issued a check for their share of the PAGA Amount and will not have the opportunity to opt out of, or object to, the Released PAGA Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Payment. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period. The information contained in Defendants’ records regarding each of these factors, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Estimated Settlement Payment. If you disagree with the information in your Notice of Estimated Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the

procedures stated in the Notice of Estimated Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than <<RESPONSE DEADLINE>>. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Settlement Administrator and the Parties will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of the Settlement Agreement.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion Form postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement that you wish to be excluded from the class action settlement. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who submits a timely Request for Exclusion Form shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all PAGA Aggrieved Employees who worked for Defendants during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Payment. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection by the <<RESPONSE DEADLINE>> to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Your written objection should include your name, address, last four digits of your Social Security Number, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before <<RESPONSE DEADLINE>>. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may also appear at the Final Approval Hearing scheduled for May 24, 2024 at 1:30 p.m. in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case, which is *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC. You do not need to object in writing to be heard at the Final Approval Hearing.

Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have forty-five (45) calendar days from the date of re-mailing, or until the <<RESPONSE DEADLINE>> has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on May 24, 2024 at 1:30 p.m., in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Incentive Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, during regular court hours. You may also visit the Orange County Superior Court website at www.occourts.org to inspect the Court's files by going to the "Case Access" tab under "Online Services," selecting "Civil Case & Document Access," and entering the case number information for this case, which is Case No. 30-2022-01244244-CU-OE-CXC. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANTS, OR THEIR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **<<RESPONSE DEADLINE>>**. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON **<<PRELIM APPROVAL DATE>>.**

EXHIBIT 3

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Veronica Lucatero Torres (“Plaintiff”), as an individual and on behalf of the Settlement Class (as defined below), on one hand, and Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. (hereinafter “Defendants”), on the other hand. Plaintiff and Defendants are referred to herein collectively as the “Parties.” Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC (“Class Counsel”). Defendants are represented by Gregory Glazer and Jesse D. Sutz of Hirschfeld Kraemer LLP.

On February 4, 2022, Plaintiff filed a Class Action Complaint against Defendants in Orange County Superior Court, in the matter entitled *Veronica Lucatero Torres v. South Coast Circuits, Inc., et. al.*, Case No. 30-2022-01244244-CU-OE-CXC (the “Action”). On April 12, 2022, Plaintiff filed the operative First Amended Class and Representative Action Complaint (“FAC”). The FAC alleges the following causes of action: (i) meal period violations; (ii) rest period violations; (iii) minimum wage violations; (iv) failure to pay all overtime wages; (v) waiting time penalties; (vi) wage statement penalties; (vii) unfair competition; and (viii) civil penalties under the Private Attorneys General Act (“PAGA”).

On October 26, 2022, the Parties participated in a mediation with Lisa Klerman, Esq., a highly experienced wage-and-hour class action mediator. The matter resolved at Mediation. Defendants deny the claims raised in the Action and assert that their wage and hour practices are proper and legal. Given the uncertainty of litigation, Plaintiff and Defendants wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiff and Defendants agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendants stipulate to the certification of the following Settlement Class:

All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of California at any time from February 4, 2018 through October 26, 2022 (the “Class Period”).

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved, does not become Final as defined below, or is terminated or materially modified without agreement of the Parties, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement.

Additionally, the “PAGA Aggrieved Employees” shall be defined as:

All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of

California at any time from October 28, 2020 through October 26, 2022 (the “PAGA Period”).

2. **Release by Settlement Class Members and Plaintiff.** Upon the Effective Date (as defined below) and upon the complete funding of the Gross Settlement Fund, Plaintiff and all Settlement Class members (except those who opt out of the non-PAGA claims) will fully release and discharge Defendants, their parents, subsidiaries, successors in interest, purchasers, owners, affiliated entities, past or present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, and affiliated entities (collectively, the “Releasees”), as follows:

- A. Settlement Class members will release all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts in the initial Complaint filed by Plaintiff and the operative First Amended Class and Representative Action Complaint (“FAC”), including: (a) failure to provide all meal periods in accordance with California law; (b) failure to authorize and permit all rest periods in accordance with California law; (c) minimum wage violations; (d) failure to pay all overtime wages; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC and (h) all damages, penalties, interest, costs (including attorney’s fees), and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged or which could have been alleged in the FAC (collectively, the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.
- B. In addition, all PAGA Aggrieved Employees, regardless of if they opt-out, will release any right or claim for civil penalties pursuant to the Private Attorney Generals Act of 2004, California Labor Code §2698, et seq., based on the alleged failures set forth in Plaintiff’s PAGA notice to the Labor & Workforce Development Agency (“LWDA”) and in the FAC, during the PAGA Period (“Released PAGA Claims”). This includes all alleged violations of Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, and 1198. It is understood and acknowledged that PAGA Aggrieved Employees receiving a share of the PAGA Amount as set forth in Paragraph 4.C will be issued a check for their share of the PAGA Amount and will not have the opportunity to opt out of, or object to, the Released PAGA Claims as set forth in this Paragraph.
- C. Plaintiff and Defendant intend that the Settlement reflected in this Agreement will release and preclude any further claim, whether by lawsuit, administrative claim (to the extent permitted by law) or action, grievance, arbitration, demand, or other action of any kind, by each and all of the Participating Settlement Class members to obtain a recovery based on or arising out of the Class Released Claims. The Settlement Class members shall be so notified in the Notice. This Paragraph only

applies to Participating Settlement Class members and, thus, does not apply to any Settlement Class member who timely and validly submits a Request for Exclusion.

- D. Class Representative, on behalf of herself and the Participating Settlement Class members, acknowledges and agrees that the claims, including claims for unpaid wages and untimely payment of wages, are disputed, and that the payments set forth herein constitute payment of all sums allegedly due to them. Class Representative, on behalf of herself and the Participating Settlement Class members, acknowledges and agrees that California Labor Code Section 206.5 is not applicable to the Parties hereto. Section 206.5 provides in pertinent part as follows: “An employer shall not require the execution of any release of any claim or right on account of wages due, or to become due, or made as an advance on wages to be earned, unless payment of those wages has been made.”
- E. In light of Plaintiff’s Class Representative Incentive Payment, Plaintiff has agreed to release, as an individual and in addition to the Class Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Releasees. Plaintiff understands that this release includes unknown claims, and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Nothing contained herein shall constitute a release of any rights or claims that cannot be waived as a matter of law (including but not limited to claims arising under workers’ compensation laws). Nor shall anything contained herein be construed to exclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding.

3. **Gross Settlement Fund.** As consideration, Defendants agree to pay a non-reversionary “Gross Settlement Fund” of Five Hundred Ninety-Two Thousand Five Hundred Dollars and Zero Cents (\$592,500.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement.
- B. The Settlement shall become effective upon the Court’s signing of an Order granting final approval of the Settlement (the “Effective Date”). The Gross Settlement Fund shall be deposited with the Settlement Administrator no later than thirty (30) days after the Effective Date.
- C. This is a non-reversionary settlement. The Gross Settlement Fund includes:

- (1) All payments (including interest) to the Settlement Class;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00);
 - (3) Up to Five Thousand Dollars and Zero Cents (\$5,000.00) for Plaintiff's Class Representative Incentive Payment in recognition of her contributions to the Action and her service to the Settlement Class. If Plaintiff's request for her Class Representative Incentive Payment is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members;
 - (4) Up to one-third of the Gross Settlement Fund in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Thirty Thousand Dollars and Zero Cents (\$30,000.00). If Class Counsel's request for attorneys' fees and/or reimbursement of litigation costs is not approved and/or reduced by the Court, any amount not approved and/or reduced by the Court will revert to the participating Settlement Class members; and
 - (5) Forty Thousand Dollars and Zero Cents (\$40,000.00) of the Gross Settlement Fund has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars and Zero Cents (\$30,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Ten Thousand Dollars and Zero Cents (\$10,000.00) will be payable to the Settlement Class as the "PAGA Amount."
- D. Defendants' share of employer payroll taxes on the amounts of the settlement attributable as W-2 wages as provided in Section 4.D, below, shall be paid by Defendants separately from, and in addition to, the Gross Settlement Fund.
- E. **Escalator Clause.** Defendants represent that there are 8,351 workweeks during the Class Period. If at preliminary approval, the number of workweeks has increased by 10% or more (i.e., there are 9,187 or more workweeks), the Gross Settlement Fund will increase on a proportional basis for any amount in excess of the 10% (i.e., if there was a 12% increase in the number of workweeks, Defendants shall increase the Gross Settlement Fund by 2%).
4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Individual Settlement Payment") from the Settlement. Individual Settlement Payments will be determined and paid as follows:
- A. The Settlement Administrator shall first deduct from the Gross Settlement Fund the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, Plaintiff's Class Representative Incentive Payment,

the total amount set aside as PAGA civil penalties, and the Settlement Administrator's fees and expenses for administration. The remaining amount shall be known as the "Net Settlement Amount."

- B. Payments from the Net Settlement Amount. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Individual Settlement Payment based on the following formula: the Net Settlement Amount will be distributed to all participating Settlement Class members based on each participating Settlement Class member's proportionate number of workweeks worked during the Class Period, and which shall be calculated by multiplying the Net Settlement Amount by a fraction, the numerator of which is the participating Settlement Class member's total workweeks worked during the Class Period, and the denominator of which is the total number of workweeks worked by all participating Settlement Class members during the Class Period.
- C. Payments from PAGA Amount: Each Settlement Class member who was employed by Defendants at any time during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement) shall receive a portion of the Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Fund that has been designated as the "PAGA Amount," proportionate to the number of workweeks that he or she worked during the PAGA Period, and which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's number of workweeks worked during the PAGA Period, and the denominator of which is the total number of workweeks worked by all Settlement Class members during the PAGA Period (including those who submit a valid and timely Request for Exclusion from the class action settlement).
- D. Within ten (10) calendar days following Defendants' deposit of the Gross Settlement Fund and its share of employer payroll taxes with the Settlement Administrator, the Settlement Administrator will calculate the Individual Settlement Payments and provide the same to counsel for review and approval. Within seven (7) calendar days of approval by counsel, the Settlement Administrator will prepare and mail the Individual Settlement Payments, less applicable taxes, and withholdings, to participating Settlement Class members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendants' counsel. After the Individual Settlement Payments are mailed to Settlement Class members, the Settlement Administrator shall distribute the amounts approved for Class Counsel's attorneys' fees and litigation costs, Plaintiff's Incentive Payment, payment to the LWDA for its share of PAGA civil penalties, and settlement administration expenses.
- E. For purposes of calculating applicable taxes and withholdings, each Individual Settlement Payment from the NSA shall be allocated as follows: one-third (1/3) wages, and two-thirds (2/3) penalties and interest. Any payment from the PAGA Amount shall be classified as 100% penalties. The Settlement Administrator will

be responsible for issuing to participating Settlement Class members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

- F. Each member of the Settlement Class who receives a Settlement Payment must cash that check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.
- G. Neither Plaintiff nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys’ Fees and Costs.** Defendants will not object to Class Counsel’s request for a total award of attorneys’ fees of one-third of the Gross Settlement Fund, which is currently estimated to be One Hundred Ninety-Seven Thousand Five Hundred Dollars and Zero Cents (\$197,500.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00), from the Gross Settlement Fund. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed, and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court’s approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award allowed by the Court. If the Court awards a lesser amount in Attorneys’ Fees and Costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

6. **Class Representative Incentive Payment.** Defendants will not object to a request for a Class Representative Incentive Payment of up to Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for her time and risk in prosecuting this case, and her service to the Settlement Class. This payment will be in addition to Plaintiff’s Individual Settlement Payment as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. If the Court awards a lesser amount for the Class Representative Incentive Payment than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

7. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendants will not object to Plaintiff

seeking permission to pay up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for its services from the Gross Settlement Fund. The Settlement Administrator shall be responsible for sending notices and for calculating Individual Settlement Payments and preparing all checks and mailings, calculating Defendants' share of taxes payable on the wages, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Fund by Class Counsel only after Individual Settlement Payments have been mailed to all participating Settlement Class members. The Settlement Administrator shall maintain a website and post important documents from the case, including the operative complaint, the Settlement Agreement, the Class Notice and the orders granting preliminary and final approval. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website. If the Court awards a lesser amount for settlement administration costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

8. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC as Class Counsel;
- C. Appointing Veronica Lucatero Torres as Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet, which is comprised of the Class Notice, Notice of Estimated Settlement Award, and Request for Exclusion Form, and which is attached hereto as **Exhibits 1, 2, and 3**, respectively, and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

9. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendants will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, and workweek information for each Settlement Class member employed during the Class Period (the "Class Data"). The Class Data shall be provided to the Settlement Administrator in an electronic format reasonably satisfactory to the Settlement Administrator.

- B. Within ten (10) business days from receipt of the information provided for in Paragraph 9.A, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Payment for each Settlement Class member; and (iv) mail a Notice Packet in English and Spanish to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the settlement must complete and mail a Request for Exclusion Form to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that a Settlement Class member who wishes to exclude themselves from the settlement must submit a Request for Exclusion Form by the Response Deadline. The Request for Exclusion Form must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion Form does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the settlement, except a Request for Exclusion Form not containing a Settlement Class member’s telephone number and/or last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion Form shall be the exclusive means used to determine whether a Request for Exclusion Form has been timely submitted. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement and will not be bound by the terms of the settlement or have any right to object, appeal or comment thereon. Notwithstanding the foregoing, the PAGA settlement and release provisions will apply to all Settlement Class members employed during the PAGA Period, whether or not they exclude themselves from the class action settlement. Settlement Class members who were employed by Defendants at any time during the PAGA Period and submit a valid and timely Request for Exclusion shall still be entitled to their portion of the PAGA Amount described above, and will be bound by the Released PAGA Claims.
- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the settlement or opt out of the

Settlement Class or encourage any Settlement Class member to appeal from the final judgment.

- iii. Notwithstanding any other provisions of this Agreement, in the event that ten percent (10%) or more of the total Settlement Class members exclude themselves and opt out of the settlement, Defendants may, in their sole discretion, unilaterally withdraw from and terminate the settlement no later than five (5) days prior to the date of the Final Approval Hearing. In the event of Defendants' withdrawal, no party may use the fact that the Parties agreed to the resolution for any reason. In the event that Defendants elect to terminate this settlement under this provision, Defendants shall pay all the Administrative Costs incurred by the Settlement Administrator up to that point, up to the \$7,500.00 limit set forth herein.

D. Objections. Settlement Class members who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator by the Response Deadline (who shall serve all objections as received on Class Counsel and Defendants' counsel, as well as file all such objections with the Court). Defendants' counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendants' counsel and Class Counsel shall have ten (10) days from the date of service of the objections by the Settlement Administrator to file a response to the objections. All objections should contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection, include all objections and the factual and legal bases for same, include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, and be postmarked no later than the Response Deadline. Settlement Class members may also appear at the final approval hearing to orally object, even if they have not submitted a written objection.

E. Notice of Estimated Settlement Payment / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Payment as well as all the information that was used from Defendants' records in order to calculate the Individual Settlement Payment. Settlement Class members will have the opportunity, should they disagree with Defendants' records regarding the information stated in the Notice of Estimated Settlement Payment, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator, and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Payments under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any

Settlement Payment shall be binding upon the Settlement Class member and the Parties.

- F. Any Notice Packets returned to the Settlement Administrator as non-deliverable on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a “skip trace,” to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have ~~fourteen-forty-five~~ (1445) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member’s Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendants’ Counsel to provide notice of the proposed settlement.

10. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
- B. Approving Plaintiff’s and Class Counsel’s application for attorneys’ fees and costs, Class Representative incentive payment, LWDA payment, and settlement administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.

11. **Tax Treatment.**

- A. Class Counsel, Defendant, and Defendant’s counsel make no representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder, and Plaintiff and the Settlement Class members are not relying on any statement or representation by Class Counsel, Defendant, or Defendant’s counsel in this regard. The amount of federal income tax withholding will be based upon a flat withholding rate for supplemental wage payments in accordance with Treas. Reg. § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also be made

pursuant to applicable state and/or local withholding codes or regulations. IRS Forms W-2 and/or Forms 1099 will be distributed at times and in the manner required by the Internal Revenue Code of 1986 (the “Code”) and consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other applicable tax law, are changed after the date of this Agreement, the processes set forth in this Section may be modified in a manner to bring Defendant into compliance with any such changes. Plaintiff, Participating Settlement Class members, and Aggrieved Employees understand and agree that they will be solely responsible for the payment of any taxes and penalties assessed on their respective payments described herein and will hold Defendant harmless from and against any claims resulting from treatment of such payments as non-taxable damages.

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

12. **No Credit Towards Benefit Plans.** The Individual Settlement Payments and Individual PAGA Payments made under this Agreement, as well as any other payments made pursuant to this Agreement, shall not be utilized to calculate any additional benefits under any benefit plans to which any Settlement Class members or Aggrieved Employee may be eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, pension plans, retirement plans, stock purchase or other types of equity plans, vacation plans, sick leave plans, PTO plans, and any other

benefit or incentive plan. Rather, it is the Parties' intention that this Settlement will not affect any rights, contributions, or amounts to which any Settlement Class members or Aggrieved Employees may be entitled under any benefit plans.

13. **Disputes.** To the extent that any disputes arise between the Parties or between a Party and a Settlement Class member, such disputes shall be governed as follows:

- A. Any and all disputes relating to administration of the Settlement by the Settlement Administrator (except for disputes regarding Class Data and Settlement Class member Individual Settlement Payments) shall be referred to the Court, consistent with Paragraph 27 below, which will have continuing jurisdiction over the terms and conditions of this Settlement Agreement, until Plaintiff and Defendant notify the Court that all payments and obligations contemplated by this Settlement Agreement have been fully carried out. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute with the aid of the Settlement Administrator and without the necessity of Court intervention.
- B. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the assistance of Lisa Klerman, Esq. to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their own attorneys' fees and costs, and split any fees of Ms. Klerman equally. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.

14 **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

15. **Non-disclosure and Non-publication.** Plaintiff and Class Counsel agree that they have not and will not publish the Settlement Agreement, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. Class Counsel shall not report the Settlement Agreement in any medium or in any publication, shall not post or report anything regarding the claims of Plaintiff, the Settlement Class, or the settlement on their website, and shall not contact any reporters or media regarding the settlement. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel.

16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Defendants: Gregory S. Glazer, Hirschfeld Kraemer LLP, 233 Wilshire Blvd
#600, Santa Monica, CA 90401; gglazer@employmentlaw.com.

if to Plaintiff: Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive,
Suite 180, El Segundo, California 90245;
phaines@haineslawgroup.com.

18. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

19. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all said counterparts taken together shall be deemed to constitute one and the same instrument.

20. **Modification.** This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by all of the Parties hereto.

21. **Binding on Assigns.** This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

22. **Signatures of All Settlement Class members Unnecessary to be Binding.** It is agreed that, because the members of the Settlement Class are numerous, it is impossible or impractical to have each Settlement Class member execute this Settlement Agreement. The Notice will advise all Settlement Class members of the binding nature of the releases provided herein and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class member.

23. **Invalidity of Any Provision.** Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

24. **Construing the Agreement.** This Agreement is deemed to have been drafted jointly by Plaintiff and Defendants, and any uncertainty or ambiguity will not be construed for or against Plaintiff or Defendants based on attribution of drafting to either.

25. **Choice of Law.** This Settlement Agreement shall be governed by and construed, enforced and administered in accordance with the laws of the State of California.

26. **Enforceability.** Pursuant to California Evidence Code Section 1123(a) and (b), this Agreement is intended by the Parties to be, and shall be, enforceable, binding and admissible in a court of law.

27. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. Pursuant to California Rule of Court 3.769(h), ~~t~~The Court shall retain continuing jurisdiction over this Lawsuit and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this settlement or to declare rights and/or obligations under this settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

DATED: Defendant South Coast Circuits, Inc.

By: _____
Its: _____

DATED: Defendant Royal Flex Circuits, Inc.

By: _____
Its: _____

DATED: Plaintiff Veronica Lucatero Torres

By: _____
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: HIRSCHFELD KRAEMER LLP

By: _____
Gregory Glazer
Jesse D. Sutz
Attorneys for Defendants

DATED:

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiff

EXHIBIT 4

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

VERONICA LUCATERO TORRES, as an individual
and on behalf of all others similarly situated,

Plaintiff,

vs.

SOUTH COAST CIRCUITS, INC., a California
Corporation; ROYAL FLEX CIRCUITS, INC., a
California Corporation; and DOES 1 through 100,

Defendants.

Case No. 30-2022-01244244-CU-OE-CXC

**NOTICE OF PENDENCY OF CLASS [AND](#)
[PAGA](#)**

ACTION AND PROPOSED SETTLEMENT

To: All current and former hourly-paid, non-exempt employees employed by Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc. in the State of California at any time from February 4, 2018 through October 26, 2022 ("Class Period"). Collectively, these employees will be referred to as "Settlement Class members."

**PLEASE READ THIS NOTICE CAREFULLY
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

Why should you read this notice?

The Orange County Superior Court has granted preliminary approval of a proposed class action settlement ("Settlement") in the case of *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC (the "Action"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from the Settlement. Defendants South Coast Circuits, Inc. and Royal Flex Circuits, Inc.'s ("Defendants") records show that you were employed by Defendants in California as an hourly-paid, non-exempt employee between February 4, 2018 through October 26, 2022 (the "Class Period"). The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Action, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment. You may access this Notice and other relevant documents for this case, [including the operative complaint, the Settlement Agreement, and the orders granting preliminary and final approval](#), at the Settlement Administrator's website at [<<INSERT URL FOR SETTLEMENT ADMINISTRATOR>>](#).

What is this case about?

Plaintiff Veronica Lucatero Torres ("Plaintiff") brought this Action against Defendants, seeking to assert claims on behalf of a class of current and former hourly-paid, non-exempt employees who worked for Defendants in California at any time during the Class Period. Plaintiff is known as the "Class Representative," and her attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

Page 1 of 6

QUESTIONS? CALL _____ TOLL FREE [NUMBER]
Please do not call the Court directly.

Plaintiff alleges that Defendants failed to pay Settlement Class members for all earned minimum and overtime wages and failed to provide required meal and rest periods to Settlement Class members. The Action also alleges that as a result of the unpaid minimum and overtime wages and unpaid meal and rest period premiums, Defendants failed to provide Settlement Class members with accurate and complete wage statements and failed to timely pay all final wages at the time of separation of employment. As a result of the alleged violations, Plaintiff alleges that Defendants engaged in unfair business practices and is liable for civil penalties under the Labor Code Private Attorneys General Act ("PAGA").

Defendants deny that they have done anything wrong. Defendants deny that they owe Settlement Class members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be considered an admission of liability on the part of Defendants, which expressly deny all liability.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with its business operations, Defendants concluded that it is in their best interests and the interests of Settlement Class members to settle the Action on the terms summarized in this Notice. After Defendants provided relevant information and documents to Class Counsel, the Settlement was reached after mediation and arm's-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to Defendants, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

If you are still employed by Defendants, your decision about whether to participate in the Settlement will not affect your employment. California law and Defendants' policy strictly prohibit unlawful retaliation. Defendants will not take any adverse employment action against or otherwise retaliate, or discriminate, against any Settlement Class member because of the Settlement Class member's decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for the Plaintiff/Settlement Class members: HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com Alexandra R. McIntosh amcintosh@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	Attorneys for Defendants: HIRSCHFELD KRAEMER LLP Gregory S. Glazer gglazer@hkemploymentlaw.com Jesse D. Sutz jsutz@hkemploymentlaw.com 456 Montgomery Street, Suite 2200 San Francisco, California 94104 Tel: (415) 835-9000 Fax: (415) 834-0443 hkemploymentlaw.com
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What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court preliminarily certified a class, for settlement purposes only, of all current and former hourly-paid, non-exempt employees who worked for Defendants in California during the Class Period. Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against Defendants as described below.

Defendants have agreed to pay \$592,500.00 (“Gross Settlement Fund”) to fully resolve all claims in the Action, including payments to Settlement Class members, requested attorneys’ fees and expenses, settlement administration costs, PAGA civil penalties, and the Class Representative’s Incentive Payment. The following deductions from the Gross Settlement Fund will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you, will issue settlement checks, and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$7,500.00 from the Gross Settlement Fund to pay the settlement administration costs. If the Court awards a lesser amount for settlement administration costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

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Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Action on behalf of the Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Fund. Settlement Class members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Fund, which is estimated to be \$197,500.00, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Action through final Settlement. Class Counsel also will ask for reimbursement of up to \$30,000.00 for verified costs Class Counsel incurred to prosecute the Action. If the Court awards a lesser amount in Attorneys’ Fees and Costs than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

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Incentive Payment to Class Representative. Class Counsel will ask the Court to award the Class Representative an Incentive Payment in the amount of \$5,000.00 to compensate her for her service and extra work provided on behalf of the Settlement Class members. If the Court awards a lesser amount for the Class Representative Incentive Payment than what is requested, the difference shall become part of the Net Settlement Amount for the benefit of Settlement Class members who do not opt out.

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PAGA Payment to State of California. \$30,000.00 will be paid to the California Labor & Workforce Development Agency (“LWDA”), representing 75% of the \$40,000.00 the parties have agreed to allocate to the settlement of Plaintiff’s claim on behalf of the PAGA Aggrieved Employees under the PAGA. The remaining \$10,000.00 will be payable to certain PAGA Aggrieved Employees as the “PAGA Amount,” as described below.

Calculation of Settlement Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Fund will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The NSA is estimated at approximately \$312,500.00 and will be divided as follows:

- (i) Payments to all Participating Settlement Class Members: The NSA will be distributed to all participating Settlement Class members based on their proportionate number of workweeks worked during the Class Period.
- (ii) Payments from PAGA Amount: \$10,000 has been designated as the “PAGA Amount” and will be allocated to PAGA Aggrieved Employees who were employed by Defendants at any time from October 28, 2020 through October 26, 2022 (the “PAGA Period”) (regardless of whether they opt out of the Settlement Class) in proportion to the number of workweeks that he or she worked during the PAGA Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion. Settlement checks will be valid for 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class members whose checks were not cashed 180

days after mailing shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be treated as follows: Any payment from the NSA shall be allocated as one-third (1/3) as wages subject to withholding of all applicable local, state and federal taxes; and two-thirds (2/3) as interest and penalties, as well as statutory and other non-wage damages (pursuant to, *e.g.*, California Labor Code sections 203 & 226), from which no taxes will be withheld or other deductions made. Any payment from the PAGA Amount shall be designated as 100% penalties. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Payments. The Settlement Administrator, Defendants and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release. Upon the Effective Date and upon the complete funding of the Gross Settlement Fund, Plaintiff and all Settlement Class members (except those who opt out of the non-PAGA claims) will fully release and discharge Defendants, their parents, subsidiaries, successors in interest, purchasers, owners, affiliated entities, past or present officers, directors, employees, agents, principals, heirs, representatives, accountants, auditors, attorneys, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, and affiliated entities (collectively, the “Releasees”) from all claims, causes of action, and legal theories alleged or which could have been alleged based on the facts in the operative First Amended Class and Representative Action Complaint (“FAC”), including: (a) failure to provide all meal periods in accordance with California law; (b) failure to authorize and permit all rest periods in accordance with California law; (c) minimum wage violations; (d) failure to pay all overtime wages; (e) failure to furnish accurate and itemized wage statements; (f) failure to pay all wages owed upon separation of employment; (g) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories of relief pled in the FAC and (h) all damages, penalties, interest, costs (including attorney’s fees), and other amounts recoverable under said claims or causes of action as to the facts and/or legal theories alleged or which could have been alleged in the FAC (collectively, the “Class Released Claims”). The period of the Class Released Claims shall extend to the limits of the Class Period.

In addition, all PAGA Aggrieved Employees, regardless of if they opt-out, will release any right or claim for civil penalties pursuant to the Private Attorney Generals Act of 2004, California Labor Code §2698, *et seq.*, based on the alleged failures set forth in Plaintiff’s PAGA notice to LWDA and in the FAC, during the PAGA Period (“Released PAGA Claims”). It is understood and acknowledged that PAGA Aggrieved Employees receiving a share of the PAGA Amount will be issued a check for their share of the PAGA Amount and will not have the opportunity to opt out of, or object to, the Released PAGA Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period, as stated in the accompanying Notice of Estimated Settlement Payment. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Estimated Settlement Payment. Your award is based on the proportionate number of workweeks you worked during the Class Period, and the proportionate number of workweeks you worked during the PAGA Period. The information contained in Defendants’ records regarding each of these factors, along with your estimated Individual Settlement Payment, is listed on the accompanying Notice of Estimated Settlement Payment. If you disagree with the information in your Notice of Estimated Settlement Payment, you may submit a dispute, along with any supporting documentation, in accordance with the

procedures stated in the Notice of Estimated Settlement Payment. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Settlement Administrator and the Parties will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of the Settlement Agreement.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion Form postmarked no later than **<<RESPONSE DEADLINE>>**, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement that you wish to be excluded from the class action settlement. A Request for Exclusion Form is included with this Notice.

Send the Request for Exclusion directly to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. Any person who submits a timely Request for Exclusion Form shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the class action Settlement, and shall receive no benefits from the class action Settlement. However, all PAGA Aggrieved Employees who worked for Defendants during the PAGA Period, including those who opt out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Payment. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you should mail a written objection by the <<RESPONSE DEADLINE>> to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. Your written objection should include your name, address, last four digits of your Social Security Number, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before **<<RESPONSE DEADLINE>>**. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may also appear at the Final Approval Hearing scheduled for **<<FINAL APPROVAL HEARING DATE/TIME>>** May 24, 2024 at 1:30 p.m. in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before **<<RESPONSE DEADLINE>>**. All objections or other correspondence must state the name and number of the case, which is *Veronica Lucatero Torres v. South Coast Circuits, Inc., et al.*, Orange County Superior Court Case No. 30-2022-01244244-CU-OE-CXC. You do not need to object in writing to be heard at the Final Approval Hearing.

Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have forty-five (45) calendar days from the date of re-mailing, or until the **<<RESPONSE DEADLINE>>** has expired, whichever is later, to submit a Request for Exclusion, Objection, or dispute.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on ~~<<FINAL APPROVAL HEARING DATE/TIME>>~~ **May 24, 2024 at 1:30 p.m.**, in Department CX-103 of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Incentive Payment to the Class Representative. The Final Approval Hearing may be postponed without further notice to the Settlement Class. You may contact Class Counsel using the contact information provided above to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the Orange County Superior Court, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, during regular court hours. You may also visit the Orange County Superior Court website at www.occourts.org to inspect the Court's files by going to the "Case Access" tab under "Online Services," selecting "Civil Case & Document Access," and entering the case number information for this case, which is Case No. 30-2022-01244244-CU-OE-CXC. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANTS, OR THEIR ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is ~~<<RESPONSE DEADLINE>>~~. These deadlines will be strictly enforced.

BY ORDER OF THE COURT ENTERED ON ~~<<PRELIM APPROVAL DATE>>~~.

EXHIBIT 5

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Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

VERONICA LUCATERO TORRES, as an
individual and on behalf of all others similarly
situated,

Plaintiff,

vs.

SOUTH COAST CIRCUITS, INC., a California
Corporation; ROYAL FLEX CIRCUITS, INC., a
California Corporation; and DOES 1 through 100,

Defendants.

Case No. 30-2022-01244244-CU-OE-CXC

*[Assigned for all purposes to the Hon. Lon
F. Hurwitz, Dept. CX-103]*

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

Date: ~~September 29, 2023~~ January 5, 2024

Time: 1:30 p.m.

Dept.: CX-103

Action Filed: February 4, 2022

Trial Date: None Set

[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

1 The Motion of Plaintiff Veronica Lucatero Torres ("Plaintiff") for Preliminary Approval
2 of Class Action Settlement came on regularly for hearing before this Court on ~~September 29,~~
3 ~~2023~~January 5, 2024 at 1:30 p.m. This Court, having considered the proposed amended
4 Stipulation of Settlement (the "Settlement") attached as Exhibit 1 to the Declaration of Sean M.
5 Blakely filed concurrently herein (ROA # XX); having considered Plaintiff's Motion for
6 Preliminary Approval of Class Action Settlement, Memorandum of Points and Authorities in
7 support thereof, and supporting declarations filed therewith; Plaintiff's Supplemental Brief in
8 Support of Preliminary Approval of Class Action Settlement; and good cause appearing,
9 HEREBY ORDERS THE FOLLOWING:

10 1. The Court GRANTS preliminary approval of the class action settlement as set
11 forth in the Settlement and finds its terms to be within the range of reasonableness of a settlement
12 that ultimately could be granted approval by the Court at a Final Fairness Hearing. For purposes
13 of the Settlement, the Court finds that the proposed Settlement Class is ascertainable and that
14 there is a sufficiently well-defined community of interest among the members of the Settlement
15 Class in questions of law and fact. Therefore, for settlement purposes only, the Court grants
16 conditional certification of the following Settlement Class:

17 All current and former hourly-paid, non-exempt employees
18 employed by Defendants South Coast Circuits, Inc. and Royal Flex
19 Circuits, Inc. in the State of California at any time from February 4,
20 2018 through October 26, 2022 (the "Class Period").

21 2. For purposes of the Settlement, the Court designates named Plaintiff Veronica
22 Lucatero Torres as Class Representative, and designates Paul K. Haines and Sean M. Blakely of
23 Haines Law Group, APC as Class Counsel.

24 3. The Court designates Phoenix Settlement Administrators as the third-party
25 Settlement Administrator for mailing notices.

26 4. The Court approves, as to form and content, the Class Notice, Notice of Estimated
27 Settlement Payment, and Request for Exclusion Form (collectively, the "Notice Packet"),
28 attached as Exhibits 1, 2, and 3, respectively, to the Settlement.

5. The Court finds that the form of notice to the Settlement Class regarding the

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pendency of the action and of the Settlement, and the methods of giving notice to members of the Settlement Class, constitute the best notice practicable under the circumstances, and constitute valid, due, and sufficient notice to all of the Settlement Class members. The form and method of giving notice complies fully with the requirements of California Code of Civil Procedure section 382, California Civil Code section 1781, California Rules of Court 3.766 and 3.769, the California and United States Constitutions, and other applicable law.

6. The Court further approves the procedures for the Settlement Class members to opt out of or object to the Settlement, as set forth in the Class Notice.

7. The procedures and requirements for filing objections in connection with the Final Fairness Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Settlement Class member's objection to the Settlement in accordance with the due process rights of all members of the Settlement Class.

8. The Court directs the Settlement Administrator to mail the Notice Packet to the members of the Settlement Class in accordance with the terms of the Settlement.

9. The Class Notice shall provide at least sixty (60) calendar days' notice for Settlement Class members to opt out of, or object to, the Settlement. The Court shall make the final determination regarding the validity and authenticity of any Requests for Exclusion.

10. The Final Fairness Hearing on the question of whether the Settlement should be finally approved as fair, reasonable, and adequate is scheduled in Department CX-103 of this Court, located at 751 West Santa Ana Boulevard, Santa Ana, CA 92701 on May 24, 2024 at 1:30 p.m.

11. At the Final Fairness Hearing, the Court will consider: (a) whether the Settlement should be finally approved as fair, reasonable, and adequate for the Settlement Class; (b) whether a judgment granting final approval of the Settlement should be entered; and (c) whether Plaintiff's application for reasonable attorneys' fees, reimbursement of litigation expenses, incentive payments to Plaintiff, settlement administration costs, and payment to the Labor & Workforce Development Agency ("LWDA") for penalties under the Labor Code Private Attorneys General Act should be granted.

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12. Counsel for the parties shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiff's incentive payment, payment to the LWDA, and settlement administration costs, prior to the Final Fairness Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court. At the Final Fairness Hearing, the Settlement Administrator shall provide a copy of its invoice attached to its declaration regarding settlement administration.

13. An implementation schedule is below:

Event	Date
Defendant to provide Class Data to the Settlement Administrator no later than [10 business days after preliminary approval]:	<u>January 19</u> October 13, <u>2023</u> 2024
Settlement Administrator to mail the Notice Packet to Settlement Class members no later than [10 business days after receiving Class Data]:	<u>February 2</u> October 27, <u>2023</u> 2024
Deadline for Settlement Class members to request exclusion from, <u>submit dispute</u> , or object to, the Settlement [60 calendar days after mailing]:	<u>April 2</u> December 26, <u>2023</u> 2024
Deadline for Plaintiff to file her Motion for Final Approval of Class Action Settlement:	<u>April 26</u> January 19, 2024
Final Fairness Hearing:	<u>_____</u> , May <u>24, 2024 at 1:30 p.m.</u>

14. Pending the Final Fairness Hearing, all proceedings in this action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

15. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with either this Order or the terms of the Settlement.

16. To the extent consistent with class action procedure, the Court shall retain continuing jurisdiction over this Action and the Settlement pursuant to California Code of Civil Procedure § 664.6 and California Rule of Court 3.769(h).

1 ~~15.17.~~ The Settlement Administrator shall give notice to Settlement Class members of
2 [final judgment by posting the final judgment to the Settlement Administrator's website.](#)

3 **IT IS SO ORDERED.**

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5 Dated: _____, 2023

6 Hon. Lon F. Hurwitz
7 Judge of the Superior Court
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