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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

MARGARITA RODRIGUEZ-LOPEZ, individually, and on behalf other members of the general public similarly situated; Plaintiff, vs. TORAY ADVANCED COMPOSITES, INC., an unknown business entity; and DOES 1 through 100, inclusive, Defendants.	Case No. 21CV376477 *Consolidated with Case Nos. 21CV386834 & 25CV464181* Honorable Charles F. Adams Department 7 **CLASS ACTION** **DECLARATION OF YASMIN HOSSEINI IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**
MARGARITA RODRIGUEZ-LOPEZ, individually, and on behalf of aggrieved employees pursuant to the California Private Attorneys General Act; Plaintiff, vs. TORAY ADVANCED COMPOSITES, INC., an unknown business entity; and DOES 1 through 100, inclusive, Defendants.	Date: September 11, 2025 Time: 1:30 p.m. Department: 7 *Rodriguez-Lopez* Class Complaint Filed: February 25, 2021 *Armstrong* Complaint Filed: March 8, 2021 *Rodriguez-Lopez* PAGA Complaint Filed: September 20, 2021

SADIE ARMSTRONG, individually, and on behalf of aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

TORAY ADVANCED COMPOSITES ADS, LLC, an unknown business entity; and DOES 1 through 100, inclusive,

Defendants.

Matthew J. Matern (SBN 159798)
Dalia Khalili (SBN 253840)
Joshua D. Boxer (SBN 226712)
Hayley M. Davis (SBN 358829)
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Attorneys for Plaintiff Sadie Armstrong

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DECLARATION OF YASMIN HOSSEINI

I, Yasmin Hosseini, hereby declare as follows:

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

PROCEDURAL HISTORY

2. On October 7, 2020, Plaintiff Sadie Armstrong ("Plaintiff Armstrong") provided written notice to the LWDA and Defendants of the specific provisions of the California Labor Code that were alleged to be violated ("*Armstrong* PAGA Notice").

3. On February 25, 2021, Plaintiff Rodriguez-Lopez commenced the class action lawsuit entitled *Rodriguez-Lopez v. Toray Advanced Composites, Inc.,* in the Superior Court of California for the County of Santa Clara, Case No. 21CV376477 (the "*Rodriguez-Lopez* Class Action"), thereby commencing the above-captioned lawsuit.

4. On March 8, 2021, Plaintiff Armstrong filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq., thereby commencing a representative action entitled *Armstrong v. Toray Advanced Composites ADS, LLC,* in the Superior Court of California for the County of Solano, Case No. FCS056173 ("*Armstrong* Action").

5. On July 16, 2021, Plaintiff Rodriguez-Lopez provided written notice to the LWDA and Defendants of the specific provisions of the California Labor Code that were alleged to be violated ("*Rodgriguez-Lopez* PAGA Notice"). A true and correct copy of the *Rodriguez-Lopez* PAGA Notice is attached hereto as "**EXHIBIT 1**".

6. On September 20, 2021, Plaintiff Rodriguez-Lopez filed a Complaint for Enforcement Under the Private Attorneys General Act, Cal. Labor Code § 2698, *Et Seq.*, thereby commencing a representative action entitled *Rodriguez-Lopez v. Toray Advanced Composites, Inc.*, Superior Court of California for the County of Santa Clara, Case No. 21CV386834

(*Rodriguez-Lopez* PAGA Action).

7. On March 5, 2024, the Parties participated in a full-day mediation conducted by Monique Ngo-Bonnici, Esq., a well-regarded mediator experienced in mediating complex labor and employment matters. With the aid of the mediator's evaluation, the Parties ultimately reached the Settlement described herein to resolve the Actions in their entirety.

8. On November 18, 2024, Judge Christine A. Garringer of Solano County entered an Order transferring the venue of the Armstrong Action to Santa Clara Superior Court and on April 24, 2025, Santa Clara Superior Court filed a Notice of Transfer of Civil Matter in the Armstrong Action updating the Case Number to 25CV464181.

9. On May 27, 2025 the Court entered an Order to Consolidate the *Rodriguez-Lopez* Class Action, *Rodriguez-Lopez* PAGA Action, and the *Armstrong* Action (collectively, the "Actions"), and name the *Rodriguez-Lopez* Class Action as the lead case for administration and filing purposes.

THE PROPOSED SETTLEMENT

10. Marked and attached hereto as "**EXHIBIT 2**" is a true and correct copy of the Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiffs Margarita Rodriguez-Lopez and Sadie Armstrong (together, "Plaintiffs"), individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendants Toray Advanced Composites USA, Inc. (erroneously sued as Toray Advanced Composites, Inc.) and Toray Advanced Composites ADS, LLC (together, "Defendants"), on the other hand (collectively, the "Parties"). The Parties and their counsel have approved the proposed Notice of Proposed Class Action Settlement, and Hearing Date for Final Court Approval of Settlement ("Class Notice"), which is attached to the Settlement Agreement as "Exhibit A," and respectfully request that the Court approve it as well.

11. The Settlement provides for a Maximum Settlement Amount of $1,185,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Maximum Settlement Amount less the following amounts, subject to approval by the Court: Attorneys' Fees

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of up to $414,750.00 (if the Maximum Settlement Amount remains $1,185,000.00) and Costs not to exceed $50,000.00 to Class Counsel, Enhancement Payments to Plaintiffs of $10,000.00 each ($20,000.00, total), Settlement Administration Costs to the Settlement Administrator not to exceed $11,000.00, and the PAGA Amount of $175,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Member is currently $514,250.00. Additionally, 25% of the PAGA Amount (i.e., PAGA Employee Amount), which is $43,750.00 out of $175,000.00, will be distributed to the PAGA Employees, for their respective portion of the PAGA Employee Amount. The Maximum Settlement Amount will be fully distributed in accordance with the terms of the Settlement, and there is no reversion to Defendants.

12. The Settlement Agreement provides for Class Counsels to apply for attorneys' fees in an amount of up to 35% of the Maximum Settlement Amount (i.e., $414,750.00) and expenses and costs of not more than $50,000.00, which will be paid out of the Maximum Settlement Amount, subject to approval by the Court. It should be noted that Class Counsels have borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. A description of the qualifications of Lawyers *for* Justice, PC, the work performed by Lawyers for Justice, PC, and the results achieved by Lawyers *for* Justice, PC in this matter can be found in paragraphs 20 through 24, *infra*.

13. The Settlement Agreement provides for payment of up to $10,000.00 to each Plaintiff ($20,000.00, total) as Enhancement Payments to be paid out of the Maximum Settlement Amount subject to approval by the Court. Plaintiff Rodriguez-Lopez spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff Rodriguez-Lopez was available whenever Class Counsels needed her and actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiff Rodriguez-Lopez to receive an Enhancement Payment in addition to her individual settlement payments, for her services on behalf of the Class, PAGA Employees, and the State of California.

14. The Parties have agreed to retain Phoenix Class Action Administration Solutions

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(“Settlement Administrator” or “Phoenix”) to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Phoenix to handle these procedures and serve as the Settlement Administrator. Defendants will provide the Settlement Administrator with the Class List, and the Settlement Administrator will calculate each Class Member’s estimated share of the Net Settlement Amount (“Individual Settlement Share”) and each PAGA Employee's estimated *pro rata* share of the PAGA Employee Amount. The Settlement Administrator will be responsible for printing, translating, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, transmitting funds representing uncashed checks after the void date to Legal Aid Foundation of Los Angeles as a *cy pres* recipient pursuant to California Code of Civil Procedure 384, and other duties and responsibilities set forth to process the Settlement, and as requested by the Parties. Settlement Administration Costs are currently estimated not to exceed $11,000.00 and will be paid out of the Maximum Settlement Amount, subject to approval of the Court.

15. Under the Settlement Agreement, Defendants are responsible for any employer-side tax obligations associated with the Maximum Settlement Amount and will deposit that amount into the settlement fund in addition to the Maximum Settlement Amount. Each Settlement Class Member’s Individual Settlement Share will be allocated 20% wages, 40% penalties, and 40% interest and fees. The Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payment (i.e., payment of their Individual Settlement Share net of these taxes and withholdings).

CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE

16. **Ascertainability:** The proposed Class is defined as all current and former non-exempt employees employed by Defendants in California at any time during the period from February 25, 2017 through May 7, 2024.

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17. **Numerosity:** Based on data provided by Defendants, the Class is estimated to be approximately six hundred and twenty-eight (628) individuals who worked an estimated total of 81,481 workweeks.

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

19. **Adequacy and Typicality:** Plaintiffs undertook the responsibilities of representing a class action against their former employer. Plaintiff Rodriguez-Lopez spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff Rodriguez-Lopez was available whenever Class Counsel needed her and actively tried to obtain information that would benefit the Class. Plaintiff Rodriguez-Lopez has no interests that are adverse to the Class. Plaintiff

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Rodriguez-Lopez was employed by Defendants during the Class Period and subject to the same alleged violations and the same policies, practices, and procedures. Plaintiffs took on the challenge and risk of commencing and maintaining these actions, and she has not yet received any monetary benefit for her service to date. Plaintiff Rodriguez-Lopez put her own interests aside and brought a publicly filed lawsuit against an employer not just for her own benefit, but, instead, on behalf of other non-exempt employees and the State of California.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

20. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is the attorney of record in well over a dozen employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act ("PAGA") representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently and primarily have been responsible for the representation of Plaintiff Rodriguez-Lopez in connection with the resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked on the above-captioned matter.

21. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers for Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October

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of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained a license to practice law from the California State Bar. Since in or around October of 2008, through his work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. While employed by Lawyers for Justice PC, he has argued over one hundred (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial, and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by contested motion practice in approximately sixteen (16) cases in the last decade, and litigated over 1,000 class action or representative action cases.

22. Arby Aiwazian is a Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. From approximately August 2008 to approximately December 2008, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit. He was admitted to practice law in California in 2010. He is admitted to practice before all courts of the State of California and all United States District Courts in the State of California. He has worked on many wage-and-hour class action and representative action cases, taking the lead in

taking and defending depositions, arguing motions, and attending mediations. He has played an integral role in preparing matters for class certification, including and not limited to, successful certification of a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No. BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No. RG13680477). Under his supervision, dozens of class action or representative action cases have resulted in settlements that have been granted court approval. He has handled over one hundred and fifty (150) mediations and has worked on over two hundred and fifty (250) class action or representative action cases which have resulted in settlement.

23. Joanna Ghosh is a Managing Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration agreements, coordination, and intervention. She has successfully handled briefing and oral argument on appeal and obtained notable decisions regarding the Private Attorneys General Act and employer efforts to compel arbitration, e.g., *Roberto Betancourt v. Prudential Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th175. She has significant experience with class actions, including and not limited to working on cases to obtain class certification through contested motion practice and working on cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600 individuals). She has extensive experience with class action

and/or representative action settlements, and has handled this process in over five hundred (500) cases. Under her, Edwin Aiwazian, and Arby Aiwazian's supervision, Lawyers *for* Justice, PC has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association and, on several occasions, has been a speaker regarding topics in wage and hour law at the organization's continuing legal education events.

24. I am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Arts degree from the University of California, Santa Barbara in 2013 and earned my Juris Doctor degree from Pepperdine University School of Law in 2017. I was admitted to practice law in California in 2019. I am admitted to practice before all courts of the State of California and all federal district courts in the State of California. I have worked on many wage and hour class action and PAGA representative matters, and my work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, engaging in motion practice, claims evaluation and analysis, and making court appearances. Prior to working at Lawyers *for* Justice, PC, I represented filmmakers and talent, negotiating and structuring various types of agreements on their behalf. I am a member of the California Employment Lawyers Association, Beverly Hills Bar Association, and Iranian American Bar Association.

THE SETTLEMENT AND SUMMARY OF WORK PERFORMED

25. The effectiveness of Lawyers *for* Justice, PC and Matern Law Group (together, "Class Counsel" or "Class Counsels") in prosecuting this matter has translated into tangible monetary benefits in the following respects: (1) Class Members, PAGA Employees, and the State of California recover over a reasonably short period of time as opposed to waiting additional years for the same, or possibly worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type given the strengths and weaknesses of the cases; and (3) significant savings in Class Counsels' fees and/or costs that would have only increased significantly had the cases progressed through certification, trial, and/or appeals.

26. Class Counsel has litigated the case for over four (4) years and was actively

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preparing the matters for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in a full-day mediation on March 5, 2024 conducted by Monique Ngo-Bonnici, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the lawsuits and in connection with the mediation and settlement negotiations, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the matter and various aspects of the matter, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, regular rate, meal and rest periods, PAGA representative claims, and state wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendants and their counsel felt strongly about its ability to prevail on class certification and the merits, and Plaintiffs and Class Counsel believed that they would be able to certify a class and prevail at trial. After conducting investigations, formal and informal discovery, exchange of information, extensive settlement negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiffs' principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiffs and Settlement Class Members, and of the Released PAGA Claims of Plaintiffs, the State of California and PAGA Employees, against the Released Parties.

27. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength, and scope of the claims, and was preparing the matter for class certification and trial. Plaintiffs conducted significant investigation and formal and informal discovery regarding the facts of the cases, including and not limited to, the exchange, review, and analysis of a large volume of documents and data obtained from Defendants, Plaintiffs, and other sources. Lawyers *for* Justice, PC served multiple sets of formal written discovery requests onto Defendant Toray Advanced Composites, Inc. (specifically, Requests for Production of Documents (Set One), Special

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Interrogatories (Sets One and Two), Request for Admission (Set One), and Form Interrogatories – General (Set One)) and reviewed Defendant Toray Advanced Composites, Inc.'s responses and supplemental responses thereto. Additionally, Lawyers *for* Justice, PC noticed the deposition of Defendant Toray Advanced Composites, Inc.'s Persons Most Knowledgeable regarding Organizational Structure and took the deposition of Suzanne Farzaneh on May 1, 2024. Lawyers *for* Justice, PC also served Demands for Site Inspections of the Morgan Hill and Fairfield Facilities. The volume of data and documents that Class Counsel reviewed and analyzed included and was not limited to: Plaintiff Rodriguez-Lopez and other Class Members time and pay data, Defendants' Organizational Structure, Defendants' Timecard Training, multiple iterations of Defendants' Employee Handbook, job description, training record, company policy acknowledgements, Defendants' operations and employment practice, policies, and procedures, among other information and documents. Class Counsel had the opportunity to interview Plaintiffs and other Class Members to gather facts and to identify potential witnesses. Counsel for the Parties also met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, discovery, and the production of documents and data prior to the mediation. Class Counsel also drafted pleadings and the mediation brief and prepared for and attended court proceedings, mediation, and settlement negotiations, among other tasks.

28. Counsel for the Parties have also invested time researching and investigating the applicable law, which is constantly evolving as it relates to certification, representative PAGA claims, off-the-clock theory, regular rate of pay, meal and rest periods, state wage-and-hour law and enforcement, Plaintiffs' claims and damages, and Defendants' defenses thereto, as well as facts discovered. Based on Class Counsel's analysis, the result achieved in the lawsuits is fair, adequate, and reasonable.

29. Class Counsel is aware of the defenses and position of Defendants, but believes that Plaintiffs could potentially obtain class certification despite many obstacles. Plaintiffs and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation. Plaintiffs further recognize the burdens of proof necessary to establish liability for the claims asserted in the lawsuits, Defendants'

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defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class Counsels have also considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in complex labor and employment matters.

30. Defendants, on the other hand, denied and continues to deny any liability and wrongdoing of any kind associated with the claims alleged in the lawsuits, and further denies that the lawsuits are appropriate for class treatment or representative adjudication for any purpose other than this Settlement. Defendants believe that they would ultimately succeed in the matter. Both sides have also had the opportunity to interview witnesses and review documents and information relating to Plaintiffs', Class Members', and PAGA Employees' employment with Defendants, and Defendants' operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed a large volume of documents and data to determine the potential value and strength of the claims. The available information enabled Class Counsel to assess and value the class and PAGA claims and prepare violation, damages, and penalties analyses models. Accordingly, counsel for the Parties have conducted adequate investigation and discovery to be sufficiently informed of the nature and extent of the Class Members' claims, and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the cases might have concluded at certification, trial and/or appeals.

31. The foregoing discussion confirms that the amount of the Settlement is adequate in light of Plaintiffs' allegations and causes of action, the evidence at issue with respect to those allegations and causes of action, and legal and factual arguments and circumstances which pose challenges to certification, manageability, merits, and monetary recovery. The conclusion to be drawn from the foregoing analysis is that neither class certification, manageability, liability, nor the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is clear-cut, which is why the Parties elected to settle this matter. Class Counsels also recognized that additional discounts could be made to the risk-adjusted value to account for the costs and expenses associated with further litigation and the present value of obtaining a settlement now as opposed to monetary recovery, if any, that may be obtained in the future after further litigation.

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Class Counsels recognized the circumstances and realities of the cases, applicable case law and regulations, and risks to recovery and applied appropriate discounts.

32. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of Plaintiffs, the Class, PAGA Employees and State of California. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the cases, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

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

Executed on this 19th day of August 2025, at Glendale, California.

Yasmin Hosseini

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EXHIBIT 1

LAWYERS FOR JUSTICE, PC

July 16, 2021

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: ***TORAY ADVANCED COMPOSITES, INC.***

Dear Representative:

We have been retained to represent Margarita Rodriguez-Lopez against Toray Advanced Composites, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, and employees) (collectively referred to as "[Toray Advanced Composites USA]") for violations of California wage-and-hour laws. Ms. Rodriguez-Lopez seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Ms. Rodriguez-Lopez seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Toray Advanced Composites USA employed Ms. Rodriguez-Lopez as an hourly-paid, non-exempt employee from approximately June 2020 to approximately August 2020, in the State of California.

The "aggrieved employees" that Ms. Rodriguez-Lopez may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California, including, but not limited to all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California who earned shift differentials/non-discretionary bonuses/non-discretionary performance pay which was not used to calculate the correct regular rate of pay used to calculate the overtime rate.

Based on the following facts and theories, Toray Advanced Composites USA has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 1-2001, 4-2001, and 7-2001.

Toray Advanced Composites USA required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Ms. Rodriguez-Lopez and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Ms. Rodriguez-Lopez and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Toray Advanced Composites USA required Ms. Rodriguez-Lopez and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Toray Advanced Composites USA failed to pay Ms. Rodriguez-Lopez and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Toray Advanced Composites USA failed to pay Ms. Rodriguez-Lopez and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Toray Advanced Composites USA did not provide Ms. Rodriguez-Lopez and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Toray Advanced Composites USA were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Ms. Rodriguez-Lopez and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Ms. Rodriguez-Lopez and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Ms. Rodriguez-Lopez and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Ms. Rodriguez-Lopez and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Ms. Rodriguez-Lopez and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Toray Advanced Composites USA failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Ms. Rodriguez-Lopez and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Toray Advanced Composites USA did not provide Ms. Rodriguez-Lopez and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee … under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 1-2001, 4-2001, and 7-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Toray Advanced Composites

USA failed to pay Ms. Rodriguez-Lopez and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Ms. Rodriguez-Lopez and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Toray Advanced Composites USA failed to pay Ms. Rodriguez-Lopez and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Ms. Rodriguez-Lopez and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Ms. Rodriguez-Lopez and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Toray Advanced Composites USA. These costs include, but are not limited to, the use of personal phones for business-related purposes.

Therefore, on behalf of all aggrieved employees, Ms. Rodriguez-Lopez seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA.

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

With kind regards,

Edwin Aiwazian

Edwin Aiwazian, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Toray Advanced Composites, Inc.
18410 Butterfield Blvd.
Morgan Hill, CA 95037

Toray Advanced Composites, Inc.
c/o Anne C. Stromberg
MCPHARLIN SPRINKLES & THOMAS LLP
Attorney
160 W. Santa Clara St. Ste 625
San Jose, CA 95113

EXHIBIT 2

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT AND RELEASE

This Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement," "Agreement" or "Settlement Agreement") is made and entered into by and between Plaintiffs Margarita Rodriguez-Lopez and Sadie Armstrong (together, "Plaintiffs"), individually, on behalf of all others similarly situated, and on behalf of the State of California with respect to PAGA Employees pursuant to the Private Attorneys General Act, and Defendants Toray Advanced Composites USA, Inc. (erroneously sued as Toray Advanced Composites, Inc.) and Toray Advanced Composites ADS, LLC (together, "Defendants") (collectively, Plaintiffs and Defendants are referred to as the "Parties" and individually they are referred to as "Party").

This Joint Stipulation of Class Action and PAGA Settlement and Release shall be binding on Plaintiffs, Settlement Class Members (as defined herein), the State of California with respect to PAGA Employees (as defined herein) and on Defendants, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On February 25, 2021, Plaintiff Margarita Rodriguez-Lopez filed a Class Action Complaint for Damages, thereby commencing a putative class action entitled *Rodriguez-Lopez v. Toray Advanced Composites* in the Superior Court of California for the County of Santa Clara, Case No. 21CV376477 ("*Rodriguez-Lopez* Class Action") against Defendants for alleged violations of the California Labor Code.

2. On July 16, 2021, Plaintiff Margarita Rodriguez-Lopez provided notice by electronic upload to the Labor and Workforce Development Agency and written notice by certified mail to Defendants of her intent to pursue civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") for Defendants' alleged violations of the California Labor Code ("PAGA Notice"). On September 20, 2021, Plaintiff Margarita Rodriguez-Lopez filed Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq*. in the Superior Court of California for the County of Sants Clara, Case No. 21CV386834 ("*Rodriguez-Lopez* PAGA Action") against Defendants.

3. On about October 7, 2020, Plaintiff Sadie Armstrong provided notice by electronic upload to the Labor and Workforce Development Agency and written notice by certified mail to Defendants of

her intent to pursue civil penalties under California Labor Code section 2698, et seq. ("PAGA") for Defendants' alleged violations of the California Labor Code ("PAGA Notice"). On March 8, 2021, Plaintiff Sadie Armstrong filed Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Superior Court of California for the County of Solano, Case No. FCS056173 ("*Armstrong* PAGA Action") against Defendants.

4. Defendants deny all material allegations set forth in the Operative Complaint (as defined below to mean the First Amended Complaint Class Counsel will cause to be filed in the *Rodriguez-Lopez* Class Action to consolidate that action with the *Rodriguez-Lopez* PAGA Action and the *Armstrong* PAGA Action) and have asserted numerous affirmative defenses in each case. Notwithstanding, in the interest of avoiding further litigation, Defendants desires to fully and finally settle the Actions, the Released Class Claims, and the Released PAGA Claims.

5. Class Counsel diligently investigated the claims against Defendants, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of Defendant's employment and operations policies, practices, and procedures.

6. On March 5, 2024, the Parties participated in mediation with Monique Ngo-Bonnici, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized herein. The settlement discussions were conducted at arm's-length, and the Settlement is the result of an informed and detailed analysis of Defendants' potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on the documents produced, as well as Class Counsel's own independent investigation and evaluation, Class Counsel believes that the settlement with Defendants, for the consideration and on the terms set forth in this Settlement Agreement, is fair, reasonable, and adequate and is in the best interest of the Class Members, the State of California, and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

7. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission

of liability or wrongdoing by Defendant. If for any reason the Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

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

a. "Actions" collectively means, the *Rodriguez-Lopez* Class Action, *Rodriguez-Lopez* PAGA & the *Armstrong* PAGA Action.

b. "Attorneys' Fees and Costs" means attorneys' fees for Class Counsel's litigation and resolution of the Actions and all actual costs incurred and to be incurred by Class Counsel in the Actions.

c. "Class Counsel" means Arby Aiwazian, Elizabeth Parker-Fawley and Ryan Slinger of Lawyers *for* Justice, PC and Corey B. Bennett, Matthew J. Matern and Joshua D. Boxer of Matern Law Group, PC.

d. "Class List" means a complete list of all Class Members that Defendants will diligently and in good faith compile from their records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class Member's last-known full name, mailing address, telephone number, Social Security Number, start and end dates employed as a non-exempt employee of Defendants in California during the Class Period, and such other information as is necessary for the Settlement Administrator to calculate Workweeks (as defined herein).

e. "Class Member(s)" or "Class" means all current and former non-exempt employees employed by Defendants in California at any time during the period from February 25, 2017 through May 7, 2024.

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

g. "Class Period" means the time period from February 25, 2017 through May 7, 2024.

h. "Class Representatives" or "Plaintiffs" mean Margarita Rodriguez-Lopez and

Sadie Armstrong.

i. "Class Settlement" means the settlement and resolution of all Released Class Claims.

j. "Court" means the Superior Court of California for the County of Santa Clara.

k. "Defendants" mean Toray Advanced Composites USA, Inc. (erroneously sued as Toray Advanced Composites, Inc.) and Toray Advanced Composites ADS, LLC.

l. "Defendants' Counsel" means Jeanine D. DeBacker of McPharlin, Sprinkles & Thomas LLP.

m. "Effective Date" means the later of (a) the last day on which any appeal might be filed with respect to the Final Approval Order and Judgment, assuming no appeal is filed, or (b) the date of successful resolution of any appeal(s) with respect to Final Approval Order and Judgment – including expiration of any time to seek reconsideration or further review.

n. "Employer Taxes" means the employers' share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid on top of and in addition to the Maximum Settlement Amount.

o. "Enhancement Payment" means the amount to be paid to Class Representatives in recognition of their efforts and work in prosecuting the Actions.

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

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

r. "Individual PAGA Payment(s)" means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive for the PAGA Settlement, to be calculated.

s. "Individual Settlement Payment(s)" means the net payment of each Settlement Class Member's Individual Settlement Share, after reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share.

t. "Individual Settlement Share" means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive for the Class Settlement.

u. "LWDA Payment" means the amount of One Hundred Thirty-One Thousand Two Hundred Fifty Dollars ($131,250.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the California Labor and Workforce Development Agency ("LWDA") for the PAGA Settlement.

v. "Maximum Settlement Amount" means the amount of One Million One Hundred Eighty Five Thousand Dollars and No Cents ($1,185,000.00) to be paid by Defendants in full resolution of all Released Class Claims, Released PAGA Claims, and the Actions provided for under the Class Settlement and PAGA Settlement, which includes all Attorneys' Fees and Costs to be paid to Class Counsel, Enhancement Payment to be paid to the Class Representatives, PAGA Amount to be paid to the LWDA and PAGA Employees, Net Settlement Amount to be paid to the Settlement Class Members (inclusive of employee's share of taxes on the wages portion of Individual Settlement Shares), and Settlement Administration Costs to be paid to the Settlement Administrator. The Employer Taxes shall be paid on top of and in addition to the Maximum Settlement Amount.

w. "Net Settlement Amount" means the Maximum Settlement Amount less the Court-approved Enhancement Payment, Settlement Administration Costs, PAGA Amount, and Attorneys' Fees and Costs.

x. "Objection" means a Class Member's written objection to the Class Settlement, which must: (a) contain the case name and number of the Class Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

y. "Operative Complaint" means the First Amended Complaint that will be filed in the *Rodriguez-Lopez* Class Action in Santa Clara County Superior Court to consolidate that case with the claims in *Rodriguez-Lopez* PAGA Action and the *Armstrong* PAGA Action.

z. "PAGA Amount" means the allocation of One Hundred Seventy-Five Thousand Dollars ($175,000.00) from the Maximum Settlement Amount as civil penalties pursuant to the Private Attorneys General Act, California Labor Code section 2698 *et seq*., for the settlement and resolution of the Released PAGA Claims. Seventy-five percent (75%) of the PAGA Amount, or $131,250.00, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or $43,750.00, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount).

aa. "PAGA Employees" means all current and former non-exempt employees employed by Defendant in California at any time during the time period from October 7, 2019, through May 7, 2024.

bb. "PAGA Employee Amount" means the amount of Forty-Three Thousand Seven Hundred Fifty Dollars ($43,750.00), i.e., 25% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their Workweeks during the PAGA Period.

cc. "PAGA Period" means the time period from October 7, 2019, through May 7, 2024.

dd. "PAGA Settlement" means the settlement and resolution of Released PAGA Claims.

ee. "Parties" means Plaintiffs and Defendants, collectively, and "Party" means any of the Plaintiffs or Defendants.

ff. "Preliminary Approval" means entry of the Court order granting preliminary approval of the Settlement Agreement.

gg. "Released Class Claims" means all claims and causes of action that were alleged in the *Rodriguez-Lopez* Class Action or that reasonably could have been alleged based on the factual allegations in the *Rodriguez-Lopez* Class Action, arising during the Class Period, against any of the Released Parties, including all of the following claims for relief: (a) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 201, 202; (6) failure to timely pay wages during employment under Labor Code Sec. 204; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) violation of

California's unfair competition law under Business and Professions Code Sec. 17200.

hh. "Released PAGA Claims" means all claims and causes of action for civil penalties under the Labor Code Private Attorneys General Act ("PAGA") arising from any of the facts alleged in the PAGA notice letters, arising during the PAGA Period, which were claimed or could have been claimed, including all of the following claims for relief: failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226; failure to keep requisite payroll records under Labor Code Sec. 1174(d); and failure to reimburse business expenses under Labor Code Sec. 2800, 2802.

ii. "Released Parties" means Defendants and any and all of their officers, owners, directors, shareholders, members, partners, principals, successors, and predecessors.

jj. "Request for Exclusion" means a Class Member's written letter indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

kk. "Response Deadline" means the deadline by which Class Members must submit a Request for Exclusion, Objection, and/or Workweeks Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open; in the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended by fifteen (15) calendar days from the initial Response Deadline.

ll. "Settlement Administrator" means Phoenix Class Action Administration

Solutions ("Phoenix") or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

mm. "Settlement Administration Costs" means the costs payable from the Maximum Settlement Amount, subject to Court approval, to the Settlement Administrator for administering this Settlement.

nn. "Settlement Class Members" or "Settlement Class" means all Class Members who do not submit a timely and valid Request for Exclusion.

oo. "Workweeks" means the number of weeks each Class Member was employed by Defendant as a non-exempt employee in California during the Class Period.

pp. "Workweeks Dispute" means a Class Member's written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class Member disputes of the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

CLASS CERTIFICATION

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

10. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under California Code of Civil Procedure section 382. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void *ab initio* and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be appropriate as to any of the claims asserted by Plaintiff against Defendant in a non-settlement context.

TERMS OF AGREEMENT

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

11. Funding and Disbursement of the Maximum Settlement Amount. Within fifteen (15) calendar days after the Effective Date, the Settlement Administrator will provide the Parties with an accounting estimate of the amounts to be paid by Defendants pursuant to the terms of the Settlement and establish a qualified settlement account for administration of the Settlement. Within thirty (30) calendar days after the Effective Date, Defendants will make a one-time deposit of the Maximum Settlement Amount into the settlement account to be established by the Settlement Administrator. Within seven (7) calendar days of the funding of the Maximum Settlement Amount, the Settlement Administrator will issue payments due under the Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement Class Members; (b) Individual PAGA Payments to PAGA Employees; (c) LWDA Payment to the LWDA; (d) Enhancement Payment to Plaintiffs; (e) Attorneys' Fees and Costs to Class Counsel; and (f) Settlement Administration Costs to itself (the Settlement Administrator). The Settlement Administrator will also undertake filings and remittances in connection with the employee's share of taxes on the wages portion of Individual Settlement Shares that are necessary for administration of the Settlement.

12. Attorneys' Fees and Costs. Class Counsel will request and Defendant will not oppose attorneys' fees of up to thirty-five percent (35%) of the Maximum Settlement Amount (i.e., up to $414,750.00 if the Maximum Settlement Amount is $1,185,000.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions, supported by declaration, in an amount not to exceed Fifty Thousand Dollars ($50,000.00), both of which will be paid from the Maximum Settlement Amount subject to Court approval. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation and settlement of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by

those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Attorneys' Fees and Costs to Class Counsel, the Settlement Administrator may purchase an annuity to utilize United States Treasuries and bonds or utilize other attorney fee deferral vehicles for Class Counsel, and any additional expenses for doing so shall be paid separately by Class Counsel and shall not be included within the Settlement Administration Costs. Defendants and Defendants' Counsel shall not be liable for any expenses associated with the purchase or use of any attorney fee deferral vehicles for Class Counsel by the Settlement Administrator. Any portion of the requested Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of the Net Settlement Amount for the benefit of Settlement Class Members.

13. Enhancement Payment. In recognition of their efforts and work in prosecuting the Actions, Defendants agree not to oppose or impede any application or motion for an Enhancement Payments to the Class Representatives in the amount of up to Ten Thousand Dollars ($10,000.00) each. The Enhancement Payments, which will be paid from the Maximum Settlement Amount subject to Court approval, will be in addition to any Individual Settlement Payment and Individual PAGA Payment (if applicable) that they are eligible to receive pursuant to the Settlement. The Settlement Administrator will issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments.

14. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Eleven Thousand Dollars and No Cents Dollars ($11,000.00). These costs, which will be paid from the Maximum Settlement Amount subject to Court approval, will include, *inter alia*,, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Maximum Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded

Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator, to undertake the requirement settlement administration duties, will be part of the Net Settlement Amount for the benefit of Settlement Class Members.

15. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of One Hundred Seventy Five Thousand Dollars ($175,000.00) from the Maximum Settlement Amount will be allocated toward civil penalties under the Private Attorneys General Act, California Labor Code section 2698, *et seq*. (i.e., the PAGA Amount), of which seventy-five percent (75%), or $131,250, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, $43,750, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on Workweeks during the PAGA Period (i.e., the Individual PAGA Payment).

16. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks during the Class Period, as follows:

a. After Preliminary Approval of the Settlement, the Settlement Administrator will divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share.

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

17. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Workweeks during the PAGA Period as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply each PAGA

Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

18. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or PAGA Employees to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiffs, Settlement Class Members, or PAGA Employees to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. It is the intent of this Agreement that the Individual Settlement Payments and Individual PAGA Payments provided for in this Agreement are the sole payments to be made by Defendants to the Settlement Class Members and PAGA Employees in connection with this Agreement (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

19. Notice of Proposed PAGA Settlement to LWDA. Pursuant to California Labor Code section 2699(l)(2), Class Counsel will submit a copy of this Settlement Agreement to the LWDA at the same time that it is submitted to the Court for preliminary approval.

20. Delivery of the Class List. Within twenty-one (21) calendar days of Preliminary Approval, Defendants will provide the Class List to the Settlement Administrator.

21. Notice by First-Class U.S. Mail.

a. Within fourteen (14) calendar days after receiving the Class List from Defendants, the Settlement Administrator will perform a search based on the United States Postal Service's National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via U.S. mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. With respect to Class Notices that are returned as undeliverable on or before the

Response Deadline, the Settlement Administrator will search for an alternate address by way of skip-trace and re-mail the Class Notice within five (5) calendar days to an alternate address if one is located.

c. Dispute Regarding Workweeks. The Class Notice will include the procedure by which a Class Member may dispute the number of Workweeks allocated to him or her by submitting a timely and valid Workweeks Dispute. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendants' records and data as they pertain to the number of Workweeks to be credited to a disputing Class Member, Defendants' records will be presumed correct and determinative of the dispute. The Settlement Administrator will evaluate the information and/or documents submitted by the Class Member and the Settlement Administrator will resolve and determine the number of Workweeks that the disputing Class Member should be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

22. Settlement Checks.

a. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual.

b. The Settlement Administrator shall remit and report the applicable portions of the payroll tax payment to the appropriate taxing authorities on a timely basis pursuant to its duties under this Agreement. Defendants agree to reasonably cooperate with the Settlement Administrator to the extent necessary to determine the amount of the payroll tax payment required

c. Each Individual Settlement Payment check and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date of original issuance, and thereafter, shall be canceled. All funds remaining in connection with, and after the cancelation of checks issued to Settlement Class Members and PAGA Employees, shall be paid to the Legal Aid Foundation of Los Angeles ("Proposed *Cy Pres* Recipient"). The Proposed *Cy Pres* Recipient is a nonprofit organization that provides legal assistance to individuals below the poverty line. The Parties and their counsel do not have any interest, financial or otherwise, within the governance or work of the Proposed *Cy Pres* Recipient.

d. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are necessitated due to the cancelation of any Individual Settlement Payment or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by this Settlement Agreement and the Final Approval Order and Judgment will have claim preclusive impact with respect to them and all Settlement Class Members with respect to the Class Settlement. The Final Approval Order and Judgment will have claim preclusive impact on the PAGA Employees with respect to the PAGA Settlement irrespective of whether their Individual PAGA Payment checks are canceled.

23. Procedures for Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the Settlement Administrator, by mail, on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendants' Counsel, the number of timely and valid Requests for Exclusion that were submitted, and also identify the individuals who submitted them, in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. Any Class Member who submits a timely and valid Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. All PAGA Employees will be bound by the PAGA Settlement and will be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. At its sole discretion, Defendants may terminate this Settlement if more than ten percent (10%) of Class Members Request Exclusion from the Class Settlement, and all Parties shall be returned to their respective positions as of the date of execution.

24. Procedures for Objecting to the Class Settlement. Class Members who have not opted

out of the Class Settlement (i.e., Settlement Class Members) may object to the Class Settlement. To object to the Class Settlement, Settlement Class Members must submit a timely and complete Objection to the Settlement Administrator, by mail, on or before the Response Deadline. The Objection must be signed by the Settlement Class Member and contain all information required by Section 6.w of this Settlement Agreement. The postmark date will be deemed the exclusive means for determining that the Objection is timely. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to object to the Settlement Agreement or appeal from the Final Approval Order and Judgment. Settlement Class Members may also present their objection orally at the Final Approval Hearing, irrespective of whether they submit a written Objection. The Settlement Administrator will certify jointly to Class Counsel and Defendants' Counsel the Objections that were timely submitted, and also attach them as exhibits to a declaration that is to be filed with the Court in advance of the Final Approval Hearing.

25. Reports by the Settlement Administrator Regarding Settlement Administration. The Settlement Administrator will provide Defendants' Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted Workweeks Disputes; (b) the number of Class Members who have submitted timely and valid Requests for Exclusion; (c) the number of Class Members who have submitted timely and complete Objections; (d) the number of undeliverable Class Notices; and (e) the number of re-mailed Class Notices. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify the Parties when it receives a request from an individual or any other entity regarding inclusion in the Class and/or Settlement.

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

27. Treatment of Individual Settlement Payments and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages, forty percent (40%) penalties and forty percent (40%) interest and fees. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages

will be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form-1099 (if applicable) by the Settlement Administrator.

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

29. Tax Liability. Plaintiffs, Class Counsel, Defendants, and Defendants' Counsel do not intend anything contained in this Settlement Agreement, the Class Notice, or any other communications to Class Members or PAGA Employees regarding the Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement, the Class Notice, or any other communication regarding the Settlement be relied on as such. Plaintiffs, Settlement Class Members, and PAGA Employees understand and agree that, except with respect to Employer Taxes, they will be solely responsible for correctly characterizing any compensation received under the Settlement on their personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the Settlement.

30. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT 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 WILL 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 SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT 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 SETTLEMENT AGREEMENT.

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

32. Releases of Claims.

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

33. PAGA Settlement Release. Upon the Effective Date and full funding of the Maximum Settlement Amount, Plaintiffs, the State of California with respect to PAGA Employees, and PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised,

relinquished, and discharged the Released Parties of and from all Released PAGA Claims pertaining to Plaintiffs and the PAGA Employees.

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

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiffs understand and agree that claims or facts in addition to or different from those which are now known or believed by Plaintiffs to exist may hereafter be discovered. It is Plaintiffs' intentions to settle fully and release all claims Plaintiffs' now have against the Released Parties, whether known or unknown, suspected or unsuspected, upon the Effective Date and full funding of the Maximum Settlement Amount. Notwithstanding the above, this general release by Plaintiffs, shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law. Further, nothing in this Agreement shall prevent Plaintiffs from filing a charge or complaint with, or from participating in, an investigation or proceeding conducted by the SEC, OSHA, EEOC, DFEH, NLRB or any other federal, state or local agency charged with the enforcement of any employment or other applicable laws. Plaintiffs, however, understand that by signing this Agreement, each of them waives the right to recover any damages or to receive other relief in any claim or suit brought by or through the EEOC, the DFEH or any other state or local deferral agency on their behalf to the fullest extent permitted by law, but expressly excluding any monetary award or other relief available from the SEC/OSHA, including an SEC/OSHA whistleblower award, or other awards or relief that may not lawfully be waived.

35. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Upon execution of this Settlement Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's motion for preliminary approval of the Settlement and submit this Settlement Agreement to the Court in support of said motion. Defendants agree not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. Said motion shall apply to the Court for the entry of an order ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the following:

a. Conditionally certifying the Class for settlement purposes only;

b. Granting Preliminary Approval of the Settlement;

c. Preliminarily appointing Plaintiffs as representatives of the Class;

d. Preliminarily appointing Class Counsel as counsel for the Class;

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

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

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

36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, and with the Court's permission, a hearing will be conducted on Plaintiff's motion for final approval of the Settlement (i.e., the Final Approval Hearing), to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for

Individual Settlement Payments, Individual PAGA Payments, LWDA Payment, Attorneys' Fees and Costs, Enhancement Payments, and Settlement Administration Costs. By way of said motion, Plaintiffs will apply for the entry of the mutually-agreed-upon proposed order and judgment ("Final Approval Order and Judgment"), which will provide for, in substantial part, the following:

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

b. Certification of the Settlement Class;

c. Appointment of Plaintiffs as representative of the Settlement Class;

d. Appointment of Class Counsel as counsel for the Settlement Class;

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

f. Approval of the application for Enhancement Payments to Plaintiffs;

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

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

37. Effects of Termination of the Settlement. In the event that the Settlement Agreement is not approved by the Court, such a development shall have the following effects:

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

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

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

38. Escalator Clause. Defendants have represented that there are approximately 81,481

workweeks from February 25, 2017 through March 5, 2024. This is a material representation for Plaintiff to enter into this Settlement. Should the qualifying Workweeks exceed 81,481 by more than ten percent (10%) (i.e. exceeds 89,629) during the Class Period, Defendant shall increase the Maximum Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks above 10% (e.g., if the number of Workweeks increases by 11%, the Maximum Settlement Amount will increase by 1%).

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

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

41. Limitation on Publicity. Plaintiff and Class Counsel agree not to issue press releases and engage in any publicity regarding the Settlement, except as shall be contractually required to effectuate the terms of the Settlement and respond to inquiries received from Class Members and PAGA Employees. However, for the limited purpose of allowing Class Counsel to prove their experience and adequacy as class counsel in other actions, Class Counsel may reference the Settlement in the Actions for such purposes. Furthermore, Plaintiff and Class Counsel will undertake any and all disclosures and submissions required to be made to the LWDA in conformity with PAGA.

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

Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein.

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

44. Amendment and Waiver. The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by written agreement signed by counsel for 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.

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

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

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

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

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

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

51. 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 find all provisions of this Settlement Agreement valid and enforceable.

52. Cooperation. By signing this Settlement Agreement, the Parties are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement.

53. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, that it has violated any state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in

any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with state, federal, local, or other applicable law.

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

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

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

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

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

To Plaintiffs and Class Counsel:	To Defendants:
Elizabeth Parker-Fawley, Esq. Ryan Slinger, Esq. **LAWYERS *for* JUSTICE, PC** 410 West Arden Avenue, Suite 203 Glendale, California 91203 Corey B. Bennett, Esq. Matthew J. Matern, Esq. Joshua D. Boxer, Esq. **MATERN LAW GROUP, PC** 1230 Rosecrans Avenue, Suite 200 Manhattan Beach, California 90266	Jeanine D. DeBacker, Esq. Anne C. Stromberg, Esq. **MCPHARLIN, SPRINKLES & THOMAS LLP** 720 University Avenue, Suite 250B Los Gatos, California 95032

59. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for sixty (60) calendar days, and this shall satisfy California Rules of Court 3.771(b). No individualized notice of the Final Approval Order and Judgment to the Class will be required.

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

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class and PAGA Settlement and Release between Plaintiffs and Defendants:

IT IS SO AGREED.

PLAINTIFF MARGARITA RODRIGUEZ-LOPEZ

Dated: 01/02/2025

Electronically Signed 2025-01-02 18:45:49 UTC - 174.197.71.35

Nintex AssureSign® a10201c4-a19e-4c11-8160-b24b0011e53f

Margarita Rodriguez-Lopez, Plaintiff

PLAINTIFF SADIE ARMSTRONG

Dated: December 19, 2024

~~Sadie Armstrong (Dec 19, 2024 11:30 PST)~~

Sadie Armstrong, Plaintiff

DEFENDANT TORAY ADVANCED COMPOSITES USA, INC.

Dated: 12/17, 2024

Scott Unger

Full Name: Scott Unger
Title: CEO, Toray Advanced Composites USA, Inc.

DEFENDANT TORAY ADVANCED COMPOSITES ADS, LLC

Dated: 12/17, 2024

Scott Unger

Full Name: Scott Unger
Title: CEO, Toray Advanced Composites ADS, LLC

APPROVED AS TO FORM:

LAWYERS *for* JUSTICE, PC

Dated: January 2, 2025

Ryan Slinger

Ryan Slinger
Attorneys for Plaintiff Margarita Rodriguez-Lopez and Proposed Class Counsel

Dated: December 19, 2024

MATERN LAW GROUP, PC

Corey B. Bennett
Attorneys for Plaintiff Sadie Armstrong and Proposed Class Counsel

Dated: December 19, 2024

MCPHARLIN, SPRINKLES & THOMAS LLP

Jeanine D. DeBacker

Jeanine D. DeBacker
Attorneys for Defendants Toray Advanced Composites USA, Inc. and Toray Advanced Composites ADS, LLC

EXHIBIT A

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

MARGARITA RODRIGUEZ-LOPEZ, individually, and on behalf other members of the general public similarly situated;

Plaintiff,

vs.

TORAY ADVANCED COMPOSITES, INC., an unknown business entity; and DOES 1 through 100, inclusive,

Defendant.

MARGARITA RODRIGUEZ-LOPEZ, individually, and on behalf of aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

TORAY ADVANCED COMPOSITES, INC., an unknown business entity; and DOES 1 through 100, inclusive,

Defendant.

SADIE ARMSTRONG, individually, and on behalf of aggrieved employees pursuant to the California Private Attorneys General Act;

Plaintiff,

vs.

TORAY ADVANCED COMPOSITES ADS, LLC, an unknown business entity; and DOES 1 through 100, inclusive,

Defendant.

Case No. 21CV376477
Consolidated with Santa Clara County Case No. 21CV386834 & Solano County Case No. FCS056173

Honorable Charles F. Adams
Department 7

CLASS ACTION

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT, AND HEARING DATE FOR FINAL COURT APPROVAL OF SETTLEMENT

Rodriguez-Lopez Class Complaint Filed:	February 25, 2021
Armstrong Complaint Filed:	March 8, 2021
Rodriguez-Lopez PAGA Complaint Filed:	September 20, 2021

<u>This is a court-authorized notice. You are not being sued. This notice is not a solicitation. Please read this notice carefully. Your legal rights are affected whether you act or do not act.</u>

<u>ATTENTION:</u> ALL PERSONS WHO ARE EMPLOYED OR HAVE BEEN EMPLOYED BY TORAY ADVANCED COMPOSITES ADS, LLC, AND TORAY ADVANCED COMPOSITES, INC. ("DEFENDANTS") IN CALIFORNIA AS NON-EXEMPT EMPLOYEES FOR THE PERIOD FROM FEBRUARY 25, 2017 THROUGH MAY 7, 2024 (THE "CLASS PERIOD").

PLEASE READ THIS NOTICE CAREFULLY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT OF CLASS ACTION LITIGATION. IF YOU ARE A CLASS MEMBER, IT CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHT TO RECEIVE PAYMENT, OBJECT TO THE SETTLEMENT, OR TO OPT OUT OF THE SETTLEMENT ACCORDING TO THE PROCEDURES DESCRIBED BELOW.

IF YOU WISH TO DISPUTE YOUR ALLOCATED WORKWEEKS, OBJECT TO THE SETTLEMENT, OR BE EXCLUDED FROM THE SETTLEMENT CLASS, YOU MUST RESPOND ON OR BEFORE ____________________, 2025.

Pursuant to the Order Granting Preliminary Approval of Class Action and PAGA Settlement of the Superior Court of the State of California for Santa Clara County entered on ______________________, 2025, YOU ARE HEREBY NOTIFIED AS FOLLOWS:

A class and representative action settlement has been reached between the Parties in the above-captioned lawsuit pending in the Superior Court of the State of California for Santa Clara County on behalf of all current and former non-exempt employees employed by Defendants in California at any time during the period from February 25, 2017 through May 7, 2024 ("Class" or "Class Members") and all current and former non-exempt employees employed by Defendant in California at any time during the time period from October 7, 2019, through May 7, 2024 ("PAGA Employees").

"Released Parties" in the Action are Defendants and any and all of their officers, owners, directors, shareholders, members, partners, principals, successors, and predecessors.

You have received this notice because Defendants' records indicate you worked as a Class Member during the Class Period. This notice is to advise you of how you can participate in the Settlement or be excluded from the Settlement.

I. <u>BACKGROUND OF THE CASE</u>

On February 25, 2021, Plaintiff Margarita Rodriguez-Lopez filed a Class Action Complaint entitled *Rodriguez-Lopez v. Toray Advanced Composites* in the Superior Court of California for the County of Santa Clara, Case No. 21CV376477 ("*Rodriguez-Lopez* Class Action") against Defendants for alleged violations of the California Labor Code.

On July 16, 2021, Plaintiff Margarita Rodriguez-Lopez provided notice to the Labor and Workforce Development Agency ("LWDA") and Defendants of her intent to pursue civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") for Defendants' alleged violations of the California Labor Code ("PAGA Notice"). On September 20, 2021, Plaintiff Margarita Rodriguez-Lopez filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq*. in the Superior Court of California for the County of Santa Clara, Case No. 21CV386834 ("*Rodriguez-Lopez* PAGA Action") against Defendants.

On about October 7, 2020, Plaintiff Sadie Armstrong provided a PAGA Notice to the LWDA and to Defendants. On March 8, 2021, Plaintiff Sadie Armstrong filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. in the Superior Court of California for the County of Solano, Case No. FCS056173 ("*Armstrong* PAGA Action,").

The Rodriguez-Lopez Class Action, the Rodriguez-Lopez PAGA Action and the Armstrong PAGA Action were consolidated into a single action before a judge in Santa Clara County Superior Court (the "Action"), Case No. 21CV376477, against Defendants.

In the Action, Plaintiffs alleged causes of action for (1) failure to provide meal periods, (2) failure to authorize and permit rest periods, (3) failure to pay minimum wages, (4) failure to pay overtime wages, (5) failure to maintain required records, (6) failure to provide accurate itemized wage statements, (7) failure to reimburse business expenses, (8) violation of Unfair Competition Law, and (9) penalties under the Private Attorneys General Act. The Action seeks recovery for unpaid wages, statutory damages, restitution, statutory penalties, civil penalties under the PAGA, interest, costs and attorneys' fees, on behalf of Class Members during the Class Period.

Defendants deny all alleged violations and contend that they have legal and factual defenses to Plaintiffs' claims, but recognize the risks, distractions, and costs associated with litigation.

The Actions have been actively litigated. There have been on-going investigations, and there has been an exchange of extensive documentation and information. Furthermore, the Parties have engaged in arms-length private mediations before a well-respected mediator. Based upon the negotiations, and all known facts and circumstances, including the various risks and uncertainties related to legal actions, the Parties reached a class-wide Settlement based upon the recommendation of the mediator. By settling, the Parties will avoid the risks and costs associated with a lengthy litigation process. The settlement is a compromise and is not an admission of liability on the part of Defendants.

Neither the Court nor a jury has ruled on the merits of the Action. The Court has not decided in favor of Plaintiffs or Defendants. Instead, the Parties have entered into a Joint Stipulation of Class Action and PAGA Settlement and Release ("Settlement Agreement"), which has been preliminarily approved by the Court.

If you are part of the Class, you are entitled to participate in the Settlement and object to it or to exclude yourself ("opt out") from the Settlement.

II. <u>SUMMARY OF THE PROPOSED SETTLEMENT</u>

A. <u>The Amount of the Settlement</u>

The Settlement provides that Defendants agree to pay a maximum of One Million One Hundred Eighty-Five Thousand Dollars and Zero Cents ($1,185,000.00), which includes all Attorneys' Fees and Costs to be paid to Class Counsel, Enhancement Payments to be paid to the Class Representatives, PAGA Amount to be paid to the LWDA and PAGA Employees, Net Settlement

Amount to be paid to the Settlement Class Members, and Settlement Administration Costs to be paid to the Settlement Administrator ("Maximum Settlement Amount"). The entire Maximum Settlement Amount will be fully paid out.

The PAGA Amount will be paid as follows: One Hundred Seventy-Five Thousand Dollars and Zero Cents ($175,000) allocated to penalties under the PAGA, with One Hundred Thirty-One Thousand Two Hundred Fifty Dollars and Zero Cents ($131,250.00) paid to the LWDA and Forty-Three Thousand Seven Hundred Fifty Dollars and Zero Cents ($43,750.00) paid to the PAGA Employees based on the number of weeks worked by PAGA Employees during the PAGA Period.

The net settlement amount will be calculated by deducting the Court approved Enhancement Payments, Settlement Administration Costs, PAGA Amount, and Attorneys Fees' and Costs ("Net Settlement Amount"). As explained further below, the amount of each Class Member's Individual Settlement Share will depend on the number of weeks worked by Class Members during the Class Period.

This notice will list for each Class Member the number of weeks he/she worked during the Class Period, and his/her estimated Individual Settlement Share assuming all Class Members participate in the Settlement. See Section III.A below. The actual Individual Settlement Payment may be more or less than the estimated Individual Settlement Share.

B. <u>Settlement Award Formula</u>

All Individual Settlement Payments will be subject to appropriate taxation. The Parties have agreed, based on the allegations in the lawsuit, that all Individual Settlement Payments payable to eligible Class Members will be allocated from the Net Settlement Amount and paid as follows: 20% will be allocated to alleged unpaid wages for which IRS Forms W-2 will issue; 40% will be allocated to alleged unpaid penalties for which IRS Forms 1099-MISC will issue; and 40% will be allocated to alleged unpaid interest for which IRS Forms 1099-MISC will issue. Individual PAGA Payments will be allocated as 100% penalties and will be reported on an IRS Form 1099-MISC (if applicable) by the Settlement Administrator.

Individual Settlement Share to Class Members will be based on the number of weeks worked by individual Class Members during the Class Period. The number of workweeks will be determined by reference to Defendants' records. The Settlement Administrator will divide the estimated Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value," and multiply each Class Members's individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share.

Individual PAGA Payments will be based on the PAGA Employees' number of weeks worked during the PAGA Period. The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the total number of Workweeks of all PAGA Employees during the PAGA Period to yield the "PAGA Workweek Value," and multiply each PAGA Employee's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment.

Receipt of the Settlement Shares will not entitle any Class Member to additional compensation or benefits under any company compensation or benefit plan or agreement in place during the period covered by the Settlement.

C. Workweek Calculations Based on Defendants' Records and Resolution of Workweek Disputes

The amount payable to the Class Member will be calculated by the Settlement Administrator from Defendants' records. Defendants' records will be presumed correct, unless evidence to the contrary is provided to the Settlement Administrator. Defendants' records, and any additional evidence, will be reviewed by the Settlement Administrator in the event of a dispute about the number of workweeks worked by an individual Class Member. If a Class Member disputes the accuracy of Defendants' records as to the number of weeks worked during the Class Period, any documentation supporting such dispute and evidencing additional workweeks must be postmarked or actually received via facsimile or email by the Settlement Administrator before _______________, 2025, which is forty-five (45) calendar days from the date this notice was mailed to all Class Members. All workweek disputes will be resolved and decided by the Settlement Administrator, and the Settlement Administrator's decision on all disputes will be final and binding.

D. Release of Claims

The Joint Stipulation of Class Action and PAGA Settlement and Release between Plaintiffs and Defendants contains a release which releases Defendants and the Released Parties from all claims and causes of action that were alleged in the *Rodriguez-Lopez* Class Action or that reasonably could have been alleged based on the factual allegations in the *Rodriguez-Lopez* Class Action, arising during the Class Period, against any of the Released Parties, including all of the following claims for relief: (a) failure to pay overtime wages under Labor Code Sec. 510, 1198; (2) failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; (3) failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; (4) failure to pay minimum wages under Labor Code Sec. 1194, et seq.; (5) failure to timely pay wages upon termination under Labor Code Sec. 201, 202; (6) failure to timely pay wages during employment under Labor Code Sec. 204; (7) failure to provide accurate, itemized wage statements under Labor Code Sec. 226; (8) failure to keep requisite payroll records under Labor Code Sec. 1174(d); (9) failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and (10) violation of California's unfair competition law under Business and Professions Code Sec. 17200. (collectively "Released Class Claims"). Expressly excluded from the release are claims for retaliation, discrimination, unemployment insurance, disability, workers compensation, and claims outside the Released Class Claims.

PAGA Employees also release Defendants and the Released Parties from all claims and causes of action for civil penalties under PAGA arising from any of the facts alleged in the PAGA notice letters, arising during the PAGA Period, which were claimed or could have been claimed, including all of the following claims for relief: failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512; failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226; failure to keep requisite payroll records under Labor Code Sec. 1174(d); and failure to reimburse business expenses under Labor Code Sec. 2800, 2802 ("Released PAGA Claims").

F. Enhancement Award for the Class Representatives

Subject to approval by the Court, Plaintiffs will each seek the amount of Ten Thousand Dollars and Zero Cents ($10,000.00) in recognition for their services in connection to the Action ("Enhancement Award"). The Enhancement Award will be paid from the Maximum Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to any Individual Settlement Payment and/or Individual PAGA Payment. .

G. Attorneys' Fees and Costs

Class Counsel will seek attorneys' fees in an amount of up to Thirty-Five Percent (35%) of the Maximum Settlement Amount which equals Four Hundred Fourteen Thousand, Seven Hundred Fifty Dollars and Zero Cents ($414,750), and reimbursement of actual litigation costs and expenses not to exceed Fifty Thousand Dollars and Zero Cents ($50,000.00), (together, "Attorneys' Fees and Costs") subject to approval by the Court. The Attorneys' Fees and Costs awarded by the Court will be paid from the Maximum Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiffs, the Class Members, the PAGA Employees, and the State of California on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

H. Settlement Administration Costs

Costs of administering the Settlement are estimated not to exceed Eleven Thousand Dollars ($11,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members and PAGA Employees of the Settlement; processing Requests for Exclusion, Objections, and Workweeks Disputes; calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments; and distributing payments and tax forms under the Settlement, and shall be paid from the Maximum Settlement Amount, subject to approval by the Court.

III. YOUR SETTLEMENT AWARD

A. Workweeks and Estimated Settlement Award

During the period from February 25, 2017 to May 7, 2024, you are credited as having worked [_____] Workweeks, as a Class Member. Under the terms of the Settlement, your Individual Settlement Share is estimated to be $___________. The Individual Settlement Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment.

During the period from October 7, 2019 to May 7, 2024, you are credited as having worked [_____] Workweeks, as an PAGA Employee. Under the terms of the Settlement, your Individual PAGA Payment is estimated to be $___________.

The settlement approval process may take multiple months. Your Individual Settlement Share and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

B. Disagreements with Workweek Calculations

a. If you disagree with the number of workweeks stated in Paragraph III.A above, you may send a written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class Member disputes of the number of Workweeks credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before __________, 2025.

If you dispute the number of workweeks as stated in Paragraph III.A above, 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 Settlement Administrator. Such a determination by the Settlement Administrator will be final and binding with no opportunity for further appeal.

IV. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement. **Your decision as to whether or not to participate in the settlement will in no way affect your employment with Defendants, who will not retaliate against you in any way for participating in this Settlement.**

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

If you are a PAGA Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section II.D above. Class Members who opt-out of the Class Settlement, and who are also PAGA Employees, shall still be bound to the PAGA Settlement and Judgment with respect to the PAGA Released Claims.

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

If you move, please send the Settlement Administrator your new address. It is your responsibility to keep a current address on file with the Settlement Administrator.

B. Excluding Yourself from the Settlement

If you do not wish to participate in the Class **Settlement, you may be excluded (i.e., "opt out") by submitting a written** letter indicating a **request to be excluded from the** Class **Settlement,** which **must**: (a) contain the case name and number of the Action; (b) contain the Class Member's **full name,** signature, **address,** telephone number, **and** last four (4) digits **of** Social Security Number; (c) contain a clear written statement indicating that **the** Class Member seeks exclusion from **the** Class Settlement; and (d) be submitted by mail to the **Settlement Administrator** at the specified address, postmarked on or before ______________, 2025.

If you submit a Request for Exclusion which is not postmarked by ________________, 2025, your Request for Exclusion will be rejected and you will be bound by the Class Release and all other Settlement terms.

Any person who submits a complete and timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, shall be barred from participating in any portion of the Settlement, shall receive no benefits from the Settlement, shall not be deemed to have relinquished the Released Class Claims against the Released Parties, and, at his or her own expense, may pursue any claims he or she may have against the Released Parties.

All PAGA Employees will be bound by the PAGA Settlement (and the release of Released PAGA Claims described in Section II.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion from the Class Settlement.

C. Objection to Settlement

Class Members that do not exclude themselves from the Settlement ("Settlement Class Members"), may object to the terms of the Settlement by submitting written letter indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Class Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before ____________, 2025.

Settlement Class Members may also object to the Class Settlement in person at the Final Approval Hearing regardless of whether they submitted a written Objection or not.

V. EFFECT OF THE SETTLEMENT: RELEASED RIGHTS AND CLAIMS

Upon Final Approval being granted by the Court, each and every Class Member, who does not opt out of the Settlement, will release Defendants and the Released Parties from the Released Class Claims as described above. In other words, if you were employed as a Class Member by Defendants in California during the Class Period, and you do not exclude yourself from the Settlement Class, you will be deemed to have entered into this release and to have released the above-described Released Class Claims. In addition, you will be barred from ever suing Defendants and the Released Parties with respect to the Released Class Claims covered by this Settlement. If the Settlement is not approved by the Court or does not become final for some other reason, the litigation will continue as though the Settlement never occurred and without prejudice to any Party.

VI. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a final hearing in Department 7 of the Santa Clara County Superior Court located at 191 N. First Street, San Jose, CA 95113 on ________________, 2025, at _____ a.m./p.m. (Pacific Time) to determine whether the Settlement should be finally approved as fair, reasonable and adequate. The Court also will be asked to approve Class Counsel's request for attorneys' fees and costs and the Enhancement Awards to be paid to the Class Representatives. Class Counsel's application for attorneys' fees and litigation costs will be on file with the Court no later than _____________________, 2025 and will be available for review after that date. Class Counsel are seeking approval of a total of not more than Thirty-Five Percent (35%) of the Settlement for Class Counsel's attorneys' fees, which equals Four Hundred Fourteen Thousand, Seven Hundred and Fifty Dollars and Zero Cents ($414,750.00 and Class Counsel's attorneys' litigation expenses and costs not to exceed Fifty Thousand Dollars and Zero Cents ($50,000.00).

The hearing may be continued without further notice to the Class. It is not necessary for you to appear at this hearing, unless you wish to object to the Settlement.

VII. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the detailed "Joint Stipulation of Class Action and PAGA Settlement and Release" which is on file with the Clerk of the Court. The pleadings and other records in this Action, including the Joint Stipulation of Class Action Settlement and Release, may be examined at any time during regular business hours at the Office of the Clerk of the Santa Clara County Superior Court located at 191 N. First Street, San Jose, CA 95113, between the hours of 8:30 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays and closures, or you may contact Class Counsel or the Settlement Administrator.

If you want additional information about this lawsuit and its proceedings, you can contact the Settlement Administrator or the attorneys in this matter:

Settlement Administrator
Address 1
Address 2
Telephone: 1 (800) XXX-XXXX
Facsimile: 1 (800) XXX-XXXX
Email: ____________________

Attorneys For Plaintiffs:

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

BY ORDER OF THE SUPERIOR COURT