

JOINT STIPULATION AND SETTLEMENT AGREEMENT

Subject to final approval by the Court, this Settlement Agreement is between Plaintiff Serena Jones (“Plaintiff”), on behalf of the Class (as defined below) and Defendant Amada Weld Tech, Inc. (“Defendant”). Plaintiff and Defendant collectively are referred to in this Settlement Agreement as the “Parties.”

I. DEFINITIONS

In addition to the other terms defined in this Settlement Agreement, the terms below have the following meaning:

- A. **Action**: The putative class action lawsuit filed by Plaintiff Serena Jones on September 13, 2021, entitled *Serena Jones v. Amada Weld Tech, Inc.*, Case No. 21STCV33989 in the State of California, Los Angeles County Superior Court and the First Amended Complaint, inclusive of PAGA claims, to be filed by no later than July 15, 2022.
- B. **Administration Costs**: The costs incurred by the Settlement Administrator to administer this Settlement, which is currently estimated at \$7,250.00, shall not exceed \$10,000.00 and shall be paid from the Qualified Settlement Fund.
- C. **Attorney Fee Award**: The amount, not to exceed 35% of the Gross Settlement Amount or \$280,499.45, finally approved by the Court and awarded to Class Counsel. The Attorney Fee Award shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant.
- D. **Class**: All hourly-paid or non-exempt employees employed by Amada Weld Tech, Inc. within the State of California during the Class Period.
- E. **Class Counsel**: Douglas Han, Shunt Tatavos-Gharajeh, and John Bickford of Justice Law Corporation.
- F. **Class Data**: The Class Data means information regarding Class Members that Defendant will compile from its available, existing, electronic records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: (i) each Class Member’s full name; (ii) each Class Member’s last-known address and telephone number; (iii) each Class Member’s Social Security and Employee ID number, if any; (iv) the Class Member’s relevant dates of employment; and (v) any information in Defendant’s possession that the Settlement Administrator may reasonably need to calculate workweeks, pay periods, Participating Class Members’ Individual Settlement Shares, and Eligible Aggrieved Employees’ Individual PAGA Payments.

- G. **Class Member**: Each person eligible to participate in this Settlement who is a member of the Class as defined above.
- H. **Class Notice**: The Notice of Class and Representative Action Settlement, which will be provided to Class Members in both English and Spanish, substantially similar to the form attached hereto as **Exhibit A**, subject to Court approval.
- I. **Class Period**: The time period from March 5, 2017, to July 5, 2022.
- J. **Class Representative or Plaintiff**: Serena Jones.
- K. **Class Representative Enhancement Payment**: The amount the Court awards to Plaintiff Serena Jones for her services as a Class Representative, which will not exceed \$10,000. This payment shall be paid from the Qualified Settlement Fund and will not be opposed by Defendant. This enhancement is subject to approval of the Court.
- L. **Complaint**: The class action complaint filed by Plaintiff which includes the original complaint filed on September 13, 2021, and the First Amended Complaint to be filed in July 2022.
- M. **Cost Award**: The amount that the Court awards Class Counsel for payment of actual litigation costs subject to proof, which shall not exceed \$25,000. The Cost Award will be paid from the Qualified Settlement Fund and will not be opposed by Defendant. Any unused funds of this cost allocation will revert to the NSA.
- N. **Counsel for Defendant**: Attorneys Jennifer G. Redmond, Sami Hasan, and Nina Montazeri of Sheppard, Mullin, Richter & Hampton LLP.
- O. **Court**: The State of California, Los Angeles County Superior Court.
- P. **Defendant**: Amada Weld Tech, Inc.
- Q. **Effective Final Settlement Date**: The date by which the Judgment becomes final. The Judgment “becomes final” only after the Court grants the Final Approval of the and upon the later of (i) the period for filing any appeal, writ, or other appellate proceeding challenging or opposing the Settlement has elapsed without any appeal, writ, or other appellate proceeding having been filed; (ii) any appeal, writ or other appellate proceeding challenging or opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief and without impacting this Settlement; or (iii) any appeal, writ or other appellate proceeding has upheld the Court’s final order with no right to pursue further remedies or relief. In this regard, it is the intention of the parties that the Settlement shall not become effective until the

Court's order approving the Settlement becomes final, and there is no further recourse by an appellant, objector, intervenor, or otherwise by anyone who seeks to contest the Settlement.

- R. **Eligible Aggrieved Employees:** The aggrieved employees eligible to recover the PAGA payment shall consist of all hourly-paid or non-exempt employees employed by Amada Weld Tech, Inc. within the State of California during the PAGA Period.
- S. **Exclusion Form:** The Election Not To Participate In ("Opt Out From") Class Action Settlement Form, substantially similar to the form attached hereto as **Exhibit B**, subject to Court approval.
- T. **Final Approval or Judgment:** The Court's order granting final approval of the Settlement Agreement and entering Judgment on the final approval order ("Judgment).
- U. **Gross Settlement Amount or GSA:** Eight Hundred One Thousand Four Hundred and Twenty-Seven Dollars and Zero Cents (\$801,427). This is the gross amount Defendant can be required to pay under this Settlement Agreement, which includes: (1) the Net Settlement Amount to be paid to Participating Class Members; (2) Attorney Fee Award and Cost Award to Class Counsel for attorneys' fees and costs, as approved by the Court; (3) the Class Representative Enhancement payment paid to the Class Representative, as approved by the Court; (4) Administration Costs, as approved by the Court; and (5) the PAGA Payment to the LWDA and to Eligible Aggrieved Employees, as approved by the Court. Defendant's portion of payroll taxes as the Class Members' current or former employer is not included in the GSA and will be a separate obligation of Defendant. No portion of the Gross Settlement Amount will revert to Defendant for any reason.
- V. **Individual PAGA Payment(s):** The amount payable to each Eligible Aggrieved Employee from the portion of the PAGA Payment allocated to the Eligible Aggrieved Employee under the terms of this Settlement Agreement. Eligible Aggrieved Employees are not required to submit a claim form to receive their Individual PAGA Payment.
- W. **Individual Settlement Share(s):** The amount payable to each Participating Class Member under the terms of this Settlement Agreement. Class Members are not required to submit a claim form to receive their Individual Settlement Shares pursuant to this Settlement Agreement.
- X. **LWDA:** California Labor and Workforce Development Agency.
- Y. **Net Settlement Amount or NSA:** The total amount of money available from the GSA for distribution to Participating Class Members. The Net Settlement

Amount is the GSA minus the Attorney Fee Award, Cost Award, Class Representative Enhancement, the PAGA Payment, and Administration Costs.

- Z. PAGA:** The California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*).
- AA. PAGA Notice:** The pre-filing notice of Labor Code violations served by Plaintiff on the LWDA on April 8, 2022.
- BB. PAGA Payment:** \$40,000 of the Gross Settlement Amount allocated to satisfy the PAGA penalties claim as alleged in the Class Action. Seventy-five percent (75%) of the PAGA Payment (\$30,000) shall be paid to the LWDA, and twenty-five percent (25%) (\$10,000) of the PAGA Payment shall be distributed to Eligible Aggrieved Employees, on a pro rata basis, as set forth below.
- CC. PAGA Period:** The period between April 8, 2021 to July 5, 2022.
- DD. PAGA Released Claims:** All claims for civil penalties under PAGA that arose during the PAGA Period based on or arising out of any and all facts or Labor Code violations alleged in the Action, Complaint, or in the PAGA Notice and any claims which could have been asserted in the Action arising from the alleged facts and/or primary rights alleged to have been invaded to the fullest extent permitted by law, including, but not limited to, failure to pay minimum wages, including for failure to pay wages for time worked; failure to pay straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and/or interest; missed, late, short or interrupted meal and/or rest periods, including any claim for any alleged failure to provide meal or rest periods or pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; failure to reimbursement necessary business expenses; failure to provide sick leave, including failure to provide paid sick time at the regular rate of compensation; unlawful and unfair business practices; and attorneys' fees and costs. This release includes claims under PAGA alleging a violation of any applicable Wage Orders of the California Industrial Welfare Commission; and/or alleging a violation of the California Labor Code (including, but not limited to, sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 246(1), 510, 512, 558, 1174(d), 1174.5, 1182.12, 1194, 1197, 1197.1, 1198, 2800 and 2802.)
- EE. Participating Class Members:** All Class Members who do not submit a valid and timely request to exclude themselves from the class action Settlement.

- FF. Parties:** Plaintiff Serena Jones as an individual and as a Class Representative, and Defendant Amada Weld Tech, Inc.
- GG. Preliminary Approval or Preliminary Approval Order:** The Court's order preliminarily approving the proposed Settlement.
- HH. Qualified Settlement Fund or QSF:** A fund within the meaning of Treasury Regulation § 1.46B-1, 26 C.F.R. § 1.468B-1 et seq., that is established by the Settlement Administrator for the benefit of Participating Class Members, Plaintiff and Class Counsel.
- II. Released Claims:** All claims alleged or that could have been alleged arising out of the facts alleged and the legal claims asserted in the Action, Complaint, or in the PAGA Notice and any claims which could have been asserted in the Action arising from the alleged facts and/or primary rights alleged to have been invaded to the fullest extent permitted by law, including, but not limited to, failure to pay minimum wages, including for failure to pay wages for time worked; failure to pay straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and/or interest; missed, late, short or interrupted meal and/or rest periods, including any claim for any alleged failure to provide meal or rest periods or pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; failure to reimbursement necessary business expenses; failure to provide sick leave, including failure to provide paid sick time at the regular rate of compensation; unlawful and unfair business practices; and attorneys' fees and costs. This release includes claims alleging a violation of any applicable Wage Orders of the California Industrial Welfare Commission; and/or alleging a violation of the California Labor Code (including, but not limited to, the following causes of action: (a) Violation of California Labor Code §§ 510 and 1198 (Unpaid Wages and Overtime); (b) Violation of California Labor Code §§ 226.7, 512(a) (Unpaid or Underpaid Meal Period Premiums); (c) Violation of California Labor Code § 226.7 (Unpaid or Underpaid Rest Period Premiums); (d) Violation of California Labor Code §§ 221, 1182.12, 1194, 1197, 1197.1, 1198 (Unpaid Minimum Wages); (e) Violation of California Labor Code §§ 201-204, 210 (Wages and Final Wages Not Timely Paid); (f) Violation of California Labor Code §§ 226 and 226.3 (Non-Compliant Wage Statements); (g) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (h) Violation of California Labor Code § 246 (Failure to Provide Paid Sick Leave); and (i) Violations of California Business & Professions Code § 17200, *et seq.* (collectively, the "Released Claims").) The period of the Release shall extend to the limits of the Class Period. The release does not include claims that as a

matter of law cannot be released and does not include claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers' compensation benefits.

- JJ. Released Parties:** Amada Weld Tech, Inc., and its parents, predecessors, successors, affiliated entities, subsidiaries, officers, directors, members, agents, employees, insurers, and stockholders.
- KK. Response Deadline:** Sixty (60) calendar days from the initial mailing of the Class Notice.
- LL. Settlement or Settlement Agreement:** The settlement agreement reflected in this document, titled "Joint Stipulation and Settlement Agreement."
- MM. Settlement Administrator:** The third-party administrator agreed upon by Parties to administer this Settlement is Phoenix Class Action Settlement Administrators.

II. RECITALS

- A.** Prior to the mediation, the Parties conducted significant investigation and discovery of the facts and law both before and after the Action was filed. Prior to mediation, Defendant produced hundreds of documents relating to its policies, practices, and procedures regarding, inter alia, payment of wages, reimbursement of business expenses, paying non-exempt employees for all hours worked, meal and rest period policies, overtime pay policies, and payroll and operational policies. As part of Defendant's production, Plaintiff also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to understand the number of workweeks in the Class Period. Plaintiff also interviewed several Class Members who worked for Defendant throughout the Class Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged during the settlement negotiations, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis.
- B. Benefits of Settlement to Class Members.** Plaintiff and Class Counsel recognize the expense and length of continued proceedings necessary to continue the litigation against Defendant through trial and through any possible appeals. Plaintiff and Class Counsel also have taken into account the uncertainty and risk of further litigation, the potential outcome, and the difficulties and delays inherent in such litigation. Plaintiff and Class Counsel have conducted extensive settlement negotiations, including a formal mediation on April 5, 2022. Based on the foregoing, Plaintiff and Class Counsel believe the Settlement set forth in this Settlement Agreement is a fair, adequate, and reasonable settlement, and is in the best interests of the Class Members.

- C. Defendant's Reasons for Settlement.** Defendant recognizes that the defense of this litigation will be protracted and expensive. Substantial amounts of time, energy, and resources of Defendant have been and, unless this Settlement is made, will continue to be devoted to the defense of the claims asserted by Plaintiff. Defendant, therefore, has agreed to settle in the manner and upon the terms set forth in this Settlement Agreement to put to rest the Released Claims.
- D. Defendant's Denial of Wrongdoing.** Defendant generally and specifically denies any and all liability or wrongdoing of any sort with regard to any of the claims alleged, makes no concessions or admissions of liability of any sort, and contends that for any purpose other than this Settlement, the Action is not appropriate for class or representative treatment. Defendant asserts a number of defenses to the claims, and has denied any wrongdoing or liability arising out of any of the alleged facts or conduct in the Action. Neither this Settlement Agreement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement, is or may be construed as, or may be used as an admission, concession, or indication by or against Defendant or any of the Released Parties of any fault, wrongdoing, or liability whatsoever. Nor should the Settlement Agreement be construed as an admission that Plaintiff can serve as an adequate Class Representative. There has been no determination by any court as to the merits of the claims asserted by Plaintiff against Defendant or as to whether a class or classes should be certified, other than for settlement purposes only.
- E. Plaintiff's Claims.** Plaintiff asserts that Defendant's defenses are without merit. Neither this Settlement Agreement nor any documents referred to or contemplated herein, nor any action taken to carry out this Settlement Agreement is, may be construed as, or may be used as an admission, concession or indication by or against Plaintiff, Class Members, or Class Counsel as to the merits of any claims or defenses asserted, or lack thereof, in the Action. However, in the event that this Settlement is finally approved by the Court, none of Plaintiff, Class Members, or Class Counsel will oppose Defendant's efforts to use this Settlement Agreement to prove that Plaintiff and Class Members have resolved and are forever barred from re-litigating the Released Claims.

III. SETTLEMENT TERMS AND CONDITIONS

- A. Gross Settlement Amount.** Provided that (1) the Court approves the Settlement and (2) the Effective Final Settlement Date occurs, Defendant will pay to the Settlement Administrator a Gross Settlement Amount not to exceed the sum of Eight Hundred One Thousand Four Hundred and Twenty-Seven Dollars and Zero Cents (\$801,427), which is the maximum that Defendant is obligated to pay under this Settlement Agreement, except for Defendant's share of payroll taxes on the wage portion of the Settlement)

- B. First Amended Complaint.** As a condition to this Settlement, Plaintiff will amend her original complaint and file a First Amended Complaint, inclusive of PAGA claims, to be filed by no later than July 15, 2022, which shall include the PAGA claim(s) articulated in her PAGA Notice and any other claims and factual assertions raised in connection with the Parties' negotiation of this Settlement and mediation of this Action, subject to review and comment by counsel for Defendant who shall be provided seven (7) calendar days to review prior to filing and an opportunity to comment on the pleading's content.
- C. Class Certification.** Solely for the purposes of this Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of Class Members. As such, the Parties stipulate and agree that in order for this Settlement to occur, the Court must certify the Class as defined in this Settlement Agreement.
- D. Conditional Nature of Stipulation for Certification.** The Parties stipulate and agree to the certification of the claims asserted by and on behalf of Plaintiff and Class Members for purposes of this Settlement only. If the Settlement does not become effective, the fact that the Parties were willing to stipulate to certification as part of the Settlement shall not be admissible or used in any way in connection with the question of whether the Court should certify any claims in a non-settlement context in this Action or in any other lawsuit or venue. If the Settlement does not become effective, Defendant reserves the right to contest any issues relating to class certification, liability and damages.
- E. Appointment of Class Representative.** Solely for the purposes of this Settlement, the Parties stipulate and agree Plaintiff shall be appointed as the representative for the Class.
- F. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the Parties stipulate and agree that the Court appoint Class Counsel to represent the Class.
- G. Settlement Disbursement.** Subject to the terms and conditions of this Settlement Agreement, and the approval of the Court, the Settlement Administrator will disburse the Gross Settlement Amount as follows:
- 1. To the Plaintiff, Serena Jones.** In addition to her respective Individual Settlement Share, and subject to the Court's approval, Plaintiff Serena Jones will receive up to Ten Thousand Dollars and Zero Cents (\$10,000) as a Class Representative Enhancement Payment. The Settlement Administrator will pay the Class Representative Enhancement Payment out of the Qualified Settlement Fund. Payroll tax withholdings and deductions will not be taken from the Class Representative Enhancement Payment. An IRS Form 1099 will be issued to Plaintiff with respect to her Class Representative Enhancement Payment. Plaintiff shall be solely and legally

responsible to pay any and all applicable taxes on the Class Representative Enhancement Payment and shall hold harmless Defendant, Class Counsel and the Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Enhancement Payment. In the event the Court does not approve the entirety of the application for the Class Representative Enhancement Payment, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Plaintiff, the difference shall become part of the NSA and will be distributed to Participating Class Members. In the event that the Court reduces or does not approve the requested Class Representative Enhancement Payment, Plaintiff shall not have the right to revoke the Settlement, and it will remain binding, nor will Plaintiff seek, request, or demand an increase in the Gross Settlement Amount on that basis or any basis.

2. **To Class Counsel.** Class Counsel will apply to the Court for, and Defendant agree not to oppose, a total Attorney Fee Award not to exceed thirty-five percent (35%) or \$280,499.45 of the GSA and a Cost Award not to exceed \$25,000. The Settlement Administrator will pay the Court-approved amounts for the Attorney Fee Award and Cost Award out of the Gross Settlement Fund. The Settlement Administrator may purchase an annuity to utilize US treasuries and bonds or other attorney fee deferral vehicles for Class Counsel. Payroll tax withholding and deductions will not be taken from the Attorney Fee Award or the Cost Award. IRS Forms 1099 will be issued to Class Counsel with respect to these payments. Class Counsel shall be solely and legally responsible to pay all applicable taxes on the Fee and Cost Awards. In the event the Court does not approve the entirety of the application for the Attorney Fee Award and/or Cost Award, the Settlement Administrator shall pay whatever amount the Court awards, and neither Defendant nor the Settlement Administrator shall be responsible for paying the difference between the amount requested and the amount awarded. If the amount awarded is less than the amount requested by Class Counsel for the Attorney Fee Award and/or Cost Award, the difference shall become part of the NSA and will be distributed to Participating Class Members. In the event that the Court reduces the requested Attorney Fee Award and/or Cost Award, neither Plaintiff nor Class Counsel shall have the right to revoke the Settlement, and it will remain binding, nor will Plaintiff seek, request, or demand an increase in the Gross Settlement Amount on that basis or any basis.
3. **To the Responsible Tax Authorities.** The Settlement Administrator will withhold the amount of the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Settlement Share payment apportioned as wages. The Settlement Administrator will

calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes. The Settlement Administrator will submit Defendant's portion of payroll withholding tax calculation to Defendant for additional funding and forward those amounts along with each person's Individual Settlement Share withholdings to the appropriate taxing authorities. Defendant will pay its portion of employer-side payroll taxes at the same time Defendant funds the entire Gross Settlement Amount, in accordance with the requirements of Section III (I)(8)(a) of this Settlement Agreement.

4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself Administration Costs (reasonable fees and expenses) approved by the Court not to exceed \$10,000. This will be paid out of the Qualified Settlement Fund. If the actual amount of Administration Costs is less than the amount estimated and/or requested, the difference shall become part of the NSA and will be distributed to Participating Class Members.
5. **To Participating Class Members.** The Settlement Administrator will pay each Participating Class Member an Individual Settlement Share from the NSA.

- a. **Individual Settlement Share Calculation.** The Individual Settlement Share is calculated based on each Participating Class Member's pro rata share of the Net Settlement Amount based on workweeks during the Class Period as follows: (i) the number of weeks they worked as a member of the Class during the Class Period, divided by (ii) the total number of weeks worked by all Class Members collectively during the Class Period, which amount is then multiplied by the Net Settlement Amount. If a Class Member opts out of the Settlement, their pro rata share of the Net Settlement Amount will flow back to the Net Settlement Amount and be distributed to the Participating Class Members on a pro rata basis. The Settlement Administrator will use the Class Data to calculate the number of workweeks worked by each Class Member based on their dates of employment for purposes of this calculation.

- b. **Tax Treatment for Individual Settlement Shares.** Each Participating Class Member's Individual Settlement Share will be apportioned as follows: 20% wages and 80% interest, penalties, and reimbursements. The portion paid as wages shall be subject to all tax withholdings customarily made from an employee's wages and all other authorized and required withholdings and shall be reported by W-2 forms. Payment of all amounts will be made subject to backup withholding unless a duly executed W-4 form is received from the payee(s). The amounts paid as penalties and

interest shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. The employees' share of payroll tax withholdings shall be withheld from each persons' Individual Settlement Share. Participating Class Members will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Shares and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Shares.

6. To Eligible Aggrieved Employees. The Settlement Administrator shall pay each Eligible Aggrieved Employee according to their proportional share, which will be based upon the total number of pay periods he or she was employed during the PAGA Period.

a. Individual PAGA Payment Calculation. The Individual PAGA Payment is calculated based on each Eligible Aggrieved Employee's pro rata share of the PAGA Payment, which will be calculated based on pay periods during the PAGA Period as follows: (i) the number of pay periods he or she worked as an Eligible Aggrieved Employee during the PAGA Period, divided by (ii) the total number of pay periods worked by all Eligible Aggrieved Employees collectively during the PAGA Period, which percentage is then multiplied by the PAGA Payment. The Settlement Administrator will use the Class Data to calculate the number of pay periods worked by each Eligible Aggrieved Employee based on their dates of employment for purposes of this calculation.

b. Tax Treatment for Individual PAGA Payments. Each Eligible Aggrieved Employee's Individual PAGA Payments will be apportioned as 100% penalties and shall be subject to all authorized and required withholdings other than the tax withholdings customarily made from employees' wages and shall be reported by IRS 1099 forms. Eligible Aggrieved Employees will be responsible for the payment of any taxes and penalties assessed on the Individual PAGA Payments and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual PAGA Payments.

H. Appointment of Settlement Administrator. The Settlement Administrator shall be responsible for preparing, translating into Spanish, printing, and mailing the Class Notice to the Class Members; creating a static settlement website that will go live on the same date the Notice Packet is first mailed to the Class Members and that will include, among other things, the Complaint,

standalone generic copies of the Class Notice and Exclusion Form, all papers filed in connection with the Preliminary Approval Hearing (including all orders filed by the Court), all papers filed in connection with the Final Approval Hearing (including the fee motion and the final approval motion), and, if the Settlement is approved, the Final Approval Order and Judgment; keeping track of any objections or requests for exclusion from Class Members; performing skip traces and re mailing Class Notices and Individual Settlement Shares to Class Members; calculating any and all payroll tax deductions as required by law; calculating each Class Member's Individual Settlement Share; calculating Eligible Aggrieved Employees' Individual PAGA Payment; providing weekly status reports to Defendant's Counsel and Class Counsel, which is to include updates on any objections or requests for exclusion that have been received; providing a due diligence declaration for submission to the Court prior to the Final Approval Hearing; mailing Individual Settlement Shares to Participating Class Members; mailing Individual PAGA Payments to Eligible Aggrieved Employees; mailing the portion of the PAGA Payment due to the LWDA to the LWDA; distributing the Attorney Fee Award and Cost Award to Class Counsel; printing and providing Class Members, Eligible Aggrieved Employees and Plaintiff with W-2s and 1099 forms as required under this Settlement Agreement and applicable law; providing a due diligence declaration for submission to the Superior Court upon the completion of the Settlement; providing any funds remaining in the QSF as a result of uncashed checks to the State Controller's Unclaimed Property Fund in the name of the Class Member; providing for the administration of related tax reimbursements; and for such other tasks as the Parties mutually agree. The Parties each represent that they do not have any financial interest in Phoenix Class Action Settlement Administrators or otherwise have a relationship with Phoenix Class Action Settlement Administrators that could create a conflict of interest.

- I. 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 advisors, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of U.S. Treasury Dept. Circular 230 (31 C.F.R. 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 advisor to any Other Party to avoid any tax penalty that may be imposed on the Acknowledging Party; and

- (3) No attorney or advisor 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.

J. Injunctive Relief. As part of this Settlement, Defendant shall not be required to enter into any consent decree, nor shall Defendants be required to agree to any provision for injunctive relief, or to modify or eliminate any of its personnel, compensation, or payroll practices or policies, or adopt any new personnel, compensation, or payroll practices or policies.

K. Procedure for Approving Settlement.

1. Motion for Preliminary Approval and Conditional Certification.

- a.** Plaintiff will move for an order conditionally certifying the Class for settlement purposes only, giving Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice and Exclusion Form. Plaintiff will be responsible for drafting all documents necessary to obtain Preliminary Approval, subject to review and comment by counsel for Defendant who shall be provided a seven (7) calendar days to review prior to filing and an opportunity to comment on the motion's content.
- b.** At the Preliminary Approval Hearing, Plaintiff will appear, support the granting of the motion, and submit a proposed order granting conditional certification of the Class and Preliminary Approval of the Settlement; appointing the Class Representative, Class Counsel, and Settlement Administrator; approving the Class Notice; and setting the Final Approval Hearing.
- c.** Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement with prejudice, the Settlement will be null and void, and the Parties will have no further obligations under it. Provided, however, that the amounts of the Attorney Fee Award, Cost Award, Administration Costs, and Class Representative Enhancement shall be determined by the Court, and the Court's determination on these amounts shall be final and binding, and that the Court's approval or denial of any amount requested for these items are not conditions of this Settlement Agreement, and are to be considered separate and apart from the fairness, reasonableness, and adequacy of the Settlement. Any order or proceeding relating to an application for the Attorney Fee Award, Cost Award, Administration Costs, and Class

Representative Enhancement shall not operate to terminate or cancel this Settlement Agreement.

- d. Concurrently with the filing of the motion for Preliminary Approval, Plaintiff will, pursuant to California Labor Code § 2699(1), provide notice of the proposed Settlement to the LWDA. The Parties intend and believe that the notice pursuant to the procedures described in this section complies with the requirements of the PAGA.

2. Notice to Class Members. After the Court enters its Preliminary Approval Order, every Class Member will be provided with the Class Notice in accordance with the following procedure:

- a. Within ten (10) calendar days after notice of entry of the Preliminary Approval Order, Defendant shall deliver the Class Data to the Settlement Administrator. The Settlement Administrator shall maintain the Class Data as private and confidential and take reasonable and necessary precautions to maintain the confidentiality of the Class Data. The Settlement Administrator shall not distribute or use the Class Data or any information contained therein for any purpose other than to administer this Settlement. However, to resolve any irregularities or inconsistencies, the Class Data may be provided to Class Counsel or its agent upon reasonable request to properly discharge its duties to the Class, so long as the privacy rights of the Class Members are adequately preserved and the Class Data is used for no other purpose whatsoever. The Parties shall meet and confer about the best means to adequately preserve the privacy rights of the Class Members, to ensure that the Class Data is used only for a proper purpose, and to determine the least intrusive scope of production, in the event such a production is necessary.
- b. Upon receipt of the Class Data, the Settlement Administrator will perform a search based on the National Change of Address Database to update and correct any known or identifiable address changes.
- c. Within fourteen (14) calendar days after Defendant's deadline to provide the Class Data to the Settlement Administrator, the Settlement Administrator will mail the Class Notice to all identified Class Members via first-class regular U.S. Mail.
- d. If a Class Notice is returned because of an incorrect address, within three (3) business days from receipt of the returned Class Notice, the Settlement Administrator will conduct a search for a

more current address for the Class Member and re-mail the Class Notice to the Class Member. The Settlement Administrator will use the National Change of Address Database and skip traces to attempt to find the current address. The Settlement Administrator will be responsible for taking reasonable steps to trace the mailing address of any Class Member for whom a Class Notice is returned by U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, telephoning the Class Member at his or her last-known telephone number to ask for a current address; tracking all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are obtained. If the Settlement Administrator is unable to obtain a better address, the Class Notice shall be re-mailed to the original address. If the Class Notice is re-mailed, the Settlement Administrator will note for its own records the date and address of each re-mailing. Those Class Members who receive a re-mailed Class Notice, whether by skip-trace or forwarded mail, will have an additional fourteen (14) days to submit an Exclusion Form, or file and serve an objection to the Settlement or dispute the information provided in their Class Notice. The Settlement Administrator shall mark on the envelope whether the Class Notice is a re-mailed notice and shall provide on the envelope the Class Member's new deadline to respond.

- e. Class Members may dispute the information provided in their Class Notice, but must do so in writing by the Response Deadline. Class Members may submit written disputes by faxing or emailing them to the Settlement Administrator by the Response Deadline or mailing them to the Settlement Administrator by regular U.S. mail, postmarked by the Response Deadline. To the extent Class Members dispute the number of workweeks and/or pay periods to which they have been credited or the amount of their Individual Settlement Share and/or Individual PAGA Payment, Class Members must produce evidence to the Settlement Administrator showing that such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's records will be presumed determinative. However, if a Class Member produces evidence to the contrary, the Settlement Administrator will, after permitting Defendant an opportunity to provide responsive information or records, evaluate the evidence submitted by the Class Member and Defendant and will make the final decision as to the number of eligible weeks and/or pay periods that should be applied and/or the Individual Settlement Share and/or Individual PAGA Payment to which the Class Member may be entitled. The Settlement Administrator's determinations of workweek/pay period and Individual Settlement Share/Individual PAGA

Payment challenges will not be appealable or otherwise challengeable. The Settlement Administrator will mail Class Members notice of the determinations of their challenges within three (3) business days of the Settlement Administrator's determination.

- f. If any Exclusion Form received is incomplete or deficient, the Settlement Administrator shall send a letter informing the Class Member of the deficiency and allow fourteen (14) days to cure the deficiency. If after the cure period the Exclusion Form is not cured, it will be determined that the Class Member did not exclude himself or herself from the Settlement and will be bound by the Settlement.
- g. The Settlement Administrator shall provide a weekly status report to the Parties from the date Defendant provides the Settlement Administrator the Class Data. As part of its weekly status report, the Settlement Administrator will inform Class Counsel and Defendant's Counsel of the number of Notice Packets mailed, the number of Notice Packets returned as undeliverable, the number of Notice Packets re-mailed, and the number of Exclusion Forms received.
- h. No later than fourteen (14) calendar days after the Response Deadline, the Settlement Administrator will serve on the Parties a declaration of due diligence setting forth its compliance with its obligations under this Settlement Agreement. The declaration from the Settlement Administrator shall also be filed with the Court by Class Counsel no later than ten (10) calendar days before the Final Approval Hearing. Before the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. Objections to Settlement.

- a. **Class Notice.** The Class Notice will provide that the Class Members who wish to object to the Settlement may do so by submitting a written objection to the Settlement Administrator by the Response Deadline. Class Members may submit objections by faxing or emailing them to the Settlement Administrator by the Response Deadline or mailing them to the Settlement Administrator by regular U.S. mail, postmarked by the Response Deadline.

- b. Format.** Written objections should: (a) state the objecting Class Member's full name, address, and telephone number; (b) include the words "Notice of Objection" or "Formal Objection;" (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) the objector may call to testify at the Final Approval Hearing; and (e) provide true and correct copies of any exhibit(s) the objecting Class Member intends to offer at the Final Approval Hearing. However, an objection will be deemed valid as long as it is submitted or postmarked to the Settlement Administrator by the Response Deadline and provides sufficient information to allow the Settlement Administrator to ascertain that the Class Member objects to the Settlement or to some term(s) of the Settlement.
- c. Objector Appearances.** Participating Class Members may (though are not required to) appear at the Final Approval Hearing, either in person or through the objector's own counsel. The failure to file and serve a written objection does not waive a Participating Class Member's right to appear at and make an oral objection at the Final Approval Hearing. The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak, regardless of whether the Class Member has submitted a written objection.

4. Request for Exclusion from the Settlement ("Opt-Out").

- a. Class Notice.** The Class Notice will provide that Class Members who wish to exclude themselves from the class action Settlement may do so by submitting a written request for exclusion to the Settlement Administrator by the Response Deadline. Class Members may submit requests for exclusion by faxing or emailing them to the Settlement Administrator by the Response Deadline or mailing them to the Settlement Administrator by regular U.S. mail, postmarked by the Response Deadline. The written request for exclusion should: (a) include the Class Member's name and address, and the last four digits of the Class Member's Social Security number; (b) be addressed to the Settlement Administrator; (c) be signed by the Class Member; and (d) be submitted or postmarked to the Settlement Administrator no later than the Response Deadline. However, a request for exclusion will be deemed valid as long as it is submitted or postmarked to the Settlement Administrator by the Response Deadline and provides sufficient information to allow the Settlement Administrator to ascertain the Class Member's identity and that the Class Member wants to opt out of the Settlement.

- b. No Opt Out From PAGA.** Eligible Aggrieved Employees will not be able to exclude themselves from receiving their portion of the PAGA Payment. The Class Notice will inform Eligible Aggrieved Employees that they cannot opt out of the PAGA portion of the settlement and explain that they will not be permitted to pursue any action under PAGA against the Released Parties for any claim that arose during the PAGA Period and that they will remain entitled to their Individual PAGA Payments, even if they submit a valid and timely request for exclusion electing to opt out of the class portion of the Settlement.
- c. Validity and Effect.** Any Class Member who returns a timely, valid, and executed Exclusion Form will not participate in or be bound by the Settlement and Judgment, except its PAGA portion, and will not receive an Individual Settlement Share. A Class Member who does not complete and submit a timely Exclusion Form will be included in the Settlement, will receive an Individual Settlement Share, and be bound by all terms and conditions of the Settlement, if the Settlement is approved by the Court, and by the Judgment, regardless of whether they have objected to the Settlement.
- d. Report.** No later than seven (7) calendar days after the Response Deadline, the Settlement Administrator will provide the Parties with a complete and accurate accounting of the number of Notices mailed to Class Members, the number of Notices returned as undeliverable, the number of Notices re-mailed to Class Members, the number of re-mailed Notices returned as undeliverable, the number of Class Members who objected to the Settlement and copies of their submitted objections, the number of Class Members who submitted valid requests for exclusion, and the number of Class Members who submitted invalid requests for exclusion.
- e. Defendant's Option to Terminate.** If more than ten percent (10%) of the Class Members submit requests for exclusion, within ten (10) business days after learning that the number of Class Members who have opted out of the Settlement exceeds the ten percent (10%) threshold, as reflected in the Settlement Administrator's weekly report, Defendant may, at its sole option, withdraw from the Settlement, and this Settlement Agreement will become null and void. If Defendant exercises its right to withdraw from the Settlement under this provision, Defendant will be responsible for paying all Administration Costs incurred up to the point of Defendant's withdrawal from and termination of the Settlement.

5. No Solicitation of Objection or Requests for Exclusion. Neither the Parties nor their respective counsel will solicit directly or indirectly any Class Member to object to the Settlement, request exclusion from the Settlement, or appeal from the Judgment. Nothing in this provision shall interfere with the ethical duties Class Counsel owe to the Class Members.

6. Motion for Final Approval.

- a.** Class Counsel will file unopposed motions and memoranda in support thereof for Final Approval of the Settlement and the following payments in accord with the terms of the Settlement: (1) the Attorney Fee Award; (2) the Cost Award; (3) Administrative Costs; (4) the Class Representative Enhancement; and (5) PAGA Payment. Class Counsel will also move the Court for an order of Final Approval (and associated entry of Judgment) releasing and barring any Released Claims of the Participating Class Members and the PAGA Released Claims of the Eligible Aggrieved Employees. Class Counsel's motion for Final Approval of the Settlement, including Final Approval of the (1) Attorney Fee Award, (2) Cost Award, (3) Administrative Costs, (4) Class Representative Enhancement, and (5) PAGA Payment, shall be filed at least sixteen (16) Court days before the Final Approval Hearing.
- b.** If the Court denies Final Approval of the Settlement with prejudice, or if the Court's Final Approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will become null and void. If that occurs, the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount or any amounts that otherwise would have been owed under this Settlement Agreement. Further, should this occur, the Parties agree they shall be equally responsible for the Settlement Administrator's Administration Costs through that date. An award by the Court of a lesser amount than sought by Plaintiff and Class Counsel for the Class Representative Enhancement, the Attorney Fee Award, and/or the Cost Award, will not constitute a material modification to the Settlement within the meaning of this paragraph. A material modification would include, but not necessarily be limited to, any alteration of the Gross Settlement Amount.
- c.** Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed Final Approval Order, approving the Settlement and entering Judgment in accordance therewith. After

entry of Judgment, the Court shall have continuing jurisdiction over the Action for purposes of: (1) enforcing this Settlement Agreement; (2) addressing settlement administration matters, and (3) addressing such post-Judgment matters as may be appropriate under Court rules and applicable law. The Final Approval Order and Judgment will be posted on the Settlement Administrator's website.

- 7. Disbursement of Settlement Shares and Payments.** Subject to the Court finally approving the Settlement and the other terms of this Agreement, the Settlement Administrator shall distribute funds pursuant to the terms of this Settlement Agreement and the Superior Court's Final Approval Order and Judgment. The maximum amount Defendant can be required to pay under this Settlement for any purpose is the Gross Settlement Amount. The Settlement Administrator shall keep Defendant's Counsel and Class Counsel apprised of all distributions from the Gross Settlement Amount. The Settlement Administrator shall respond to questions from Defendant's Counsel and Class Counsel. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff, Class Counsel, or the Settlement Administrator based on the distributions and payments made in accordance with this Settlement Agreement.

- a. Funding the Settlement:** If no objection to the Settlement is filed, then no later than fourteen (14) calendar days after the after Judgment is entered, Defendant shall deposit the Gross Settlement Amount of Eight Hundred One Thousand Four Hundred and Twenty-Seven Dollars and Zero Cents (\$801,427) needed to pay the entire GSA, as well as Defendant's share of employer-side payroll taxes, by wiring the funds to the Settlement Administrator ("Fund the GSA").

If no objection to the Settlement is filed but an appeal is nonetheless filed before the period of filing an appeal to the Judgment has elapsed, the Settlement Administrator shall revert the Gross Settlement Amount to Defendant in its entirety. Defendant shall then Fund the GSA again no later than fourteen (14) calendar days after the Effective Final Settlement Date.

If an objection is filed but no appeal is filed, Defendant shall Fund the GSA no later than fourteen (14) calendar days after the Effective Final Settlement Date.

If an appeal is filed, Defendant shall Fund the GSA no later than fourteen (14) calendar days after the Effective Final Settlement Date.

b. Disbursement:

1. Within twenty-eight (28) calendar days after the Effective Final Settlement Date, the Settlement Administrator shall calculate and disburse all payments due under the Settlement Agreement, including all Individual Settlement Shares, Individual PAGA Payments, the Attorney Fee Award, the Cost Award, the Class Representative Enhancement, the PAGA Payment, and the Administration Costs. The Settlement Administrator will forward a check for 75% of the PAGA Payment to the LWDA for settlement of the PAGA claim. After such payment, Defendant shall have no liability for PAGA claims by or on behalf of Eligible Aggrieved Employees during the PAGA Time Period, which are released under this Settlement Agreement. The Settlement Administrator will not pay the Attorney Fee Award, Cost Award, and Class Representative Enhancement until after the Settlement Administrator has distributed the Individual Settlement Shares and Individual PAGA Payments to the Class Members and Eligible Aggrieved Employees.
2. Before the Settlement Administrator mails the Individual Settlement Shares and Individual PAGA Payments to the Participating Class Members and Eligible Aggrieved Employees, the Settlement Administrator shall update the Participating Class Members' and Eligible Aggrieved Employees' addresses using the National Change of Address Database. The Settlement Administrator will mail Individual Settlement Shares and Individual PAGA Payments to all Participating Class Members and Eligible Aggrieved Employees, including those for whom Notice Packets were return as undeliverable. With respect to returned checks directed to Participating Class Members and Eligible Aggrieved Employees whose Notice Packets were returned as undeliverable and for whom no new addresses are ascertained, the Settlement Administrator shall take no further steps. The Settlement Administrator shall remail all other returned checks to any forwarding address provided by the U.S.P.S. or, if no forwarding address is provided by the U.S.P.S., shall perform a skip trace and take other reasonable steps to attempt to find a current address for the Class Member and shall mail the returned check to the Class Member's ascertained current address. The Settlement Administrator shall remail checks to ascertained current

addresses within seven (7) business days of the return of the check.

- c. **QSF:** The Parties agree that the QSF is intended to be a “Qualified Settlement Fund” under Section 468B of the Code and Treasury Regulations § 1.4168B-1, 26 C.F.R. § 1.468B-1 *et seq.*, and will be administered by the Settlement Administrator as such. The Parties and Settlement Administrator shall treat the QSF as coming into existence as a Qualified Settlement Fund on the earliest date permitted as set forth in 26 C.F.R. § 1.468B-1, and such election statement shall be attached to the appropriate returns as required by law.

8. Uncashed Checks. Participating Class Members and Eligible Aggrieved Employees must cash or deposit their Individual Settlement Share and Individual PAGA Payment checks within one hundred eighty (180) calendar days after the checks are mailed to them. The void date of each Individual Settlement Share and Individual PAGA Payment check shall be stated on each check. If any checks are returned as undeliverable and without a forwarding address, the Settlement Administrator will conduct a skip trace search to find the most up to date mailing address and re-mail the checks promptly. If any checks are not redeemed or deposited within ninety (90) calendar days after mailing, the Settlement Administrator will send a reminder postcard indicating that unless the check is redeemed or deposited in the next ninety (90) calendar days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced. If any checks remain uncashed or not deposited by the expiration of the 90-day period after mailing the reminder notice, the Settlement Administrator will, within two hundred (200) calendar days after the checks are initially mailed, pay the amount of the unclaimed sums to the State Controller’s Unclaimed Property Fund in the name of the Class Member.

9. Final Report by Settlement Administrator. Within ten (10) calendar days after the disbursement of all funds, the Settlement Administrator will serve on the Parties a declaration providing a final report on the disbursements of all funds. Class Counsel shall file the Settlement Administrator’s declaration with the Court within ten (10) calendar days of receipt.

10. Defendant’s Legal Fees. Defendant are responsible for paying for all of Defendant’s own legal fees, costs, and expenses incurred in this Action outside of the Gross Settlement Fund.

L. Release of Claims. As of the Effective Final Settlement Date, in exchange for the consideration set forth in this Settlement Agreement, Plaintiff and the Participating Class Members release the Released Parties from the Released Claims for the Class Period.

M. PAGA Release. As of the Effective Final Settlement Date, the LWDA and each Eligible Aggrieved Employee, including Plaintiff, individually and on behalf of their heirs, executors, administrators, representatives, attorneys, successors and assigns are hereby voluntarily and knowingly barred from bringing any action against the Released Parties for the PAGA Released Claims during the PAGA Period. The release of the PAGA Released Claims is effective, regardless of whether the Eligible Aggrieved Employee submits a timely and valid request for exclusion. The release does not include claims, that as a matter of law cannot be released and does not include claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers' compensation benefits.

N. Plaintiff's Release of Claims and General Release. As of the Effective Final Settlement Date, and in exchange for the Class Representative Enhancement Payment to Plaintiff in an amount not to exceed Ten Thousand Dollars and Zero Cents (\$10,000.00), in recognition of her work and efforts in obtaining the benefits for the Class, and undertaking the risk for the payment of costs in the event this matter had not successfully resolved, Plaintiff hereby provides a general release of claims for herself and her spouse, heirs, successors, and assigns, and forever releases, remises, and discharges the Released Parties from any and all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties and expenses of any nature whatsoever, arising from the beginning of time through the date of the Court grants Preliminary Approval, known or unknown, suspected or unsuspected, whether in tort, contract, equity, or otherwise, for violation of any federal, state or local statute, rule, ordinance or regulation, including but not limited to all claims arising out of, based upon, or relating to her employment with Defendant or the remuneration for, or termination of, such employment. Plaintiff's general release of claims also includes a waiver of California Civil Code section 1542, which provides as follows:

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.

O. Miscellaneous Terms

1. No Admission of Liability. Defendant make no admission of liability or wrongdoing by virtue of entering into this Settlement Agreement. Additionally, Defendant reserve the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims

asserted in the Action, or that but for the Settlement, a Class should be certified in the Action or could proceed on a representative basis. This Settlement Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Settlement Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. This Settlement and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation, administrative proceeding or other special proceeding (other than solely in connection with this Settlement).

- 2. No Effect on Employee Benefits.** The Class Representative Enhancement Payments, Individual Settlement Shares and/or Individual PAGA Payments paid to Plaintiff, Participating Class Members and/or the Eligible Aggrieved Employees shall not be deemed to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (*e.g.*, vacation, holiday pay, retirement plans, etc.) of Plaintiff, Participating Class Members or Eligible Aggrieved Employees. The Parties agree that any Class Representative Enhancements, Individual Settlement Shares and/or Individual PAGA Payments paid to Plaintiff, Participating Class Members and/or the Eligible Aggrieved Employees under the terms of this Settlement Agreement do not represent any modification of Plaintiff's, Participating Class Members' or Eligible Aggrieved Employees' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant.
- 3. Publicity.** Class Counsel and Plaintiff agree to not discuss the terms of this Settlement with third parties except as necessary to effectuate the Settlement, including in declarations submitted to a court to establish Class Counsel's adequacy to serve as class counsel, in declarations submitted to a court in support of motions for preliminary approval, Final Approval, attorneys' fees/costs, in any other pleading filed with the Court or submission to the LWDA in conjunction with the Settlement. Class Counsel and Plaintiff agree to decline to respond to any media inquiries concerning the Settlement.
- 4. Integrated Agreement.** After this Settlement Agreement is signed and delivered by all Parties and their counsel, this Settlement Agreement and its exhibits will constitute the entire Settlement Agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any party concerning this Settlement Agreement or its exhibits, other than the representations, warranties, covenants, and inducements expressly stated in this Settlement Agreement and its exhibits.

- 5. Authorization to Enter into Settlement Agreement.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties under this Settlement Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement this Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties will seek the assistance of the Court, and in all cases, all such documents, supplemental provisions, and assistance of the Court will be consistent with this Settlement Agreement.
- 6. Exhibits and Headings.** The terms of this Settlement Agreement include the terms set forth in the 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 and must be approved substantially as written. The descriptive headings of any paragraphs or sections of this Settlement Agreement are inserted for convenience of reference only and do not constitute a part of this Settlement Agreement.
- 7. Interim Stay of Proceedings.** The Parties agree to stay and hold all proceedings in the Action in abeyance, except such proceedings necessary to implement and complete the Settlement, pending the Final Approval Hearing to be conducted by the Court.
- 8. Amendment or Modification of Agreement.** This Settlement Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest and approved by the Court.
- 9. Agreement Binding on Successors and Assigns.** This Settlement Agreement will be binding upon, and inure to the benefit of, the successors and assigns of the Parties, as previously defined.
- 10. No Prior Assignment.** Plaintiff hereby represents, covenants, and warrants that he has 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 rights herein released and discharged.
- 11. Applicable Law.** All terms and conditions of this Settlement Agreement and its exhibits will be governed by and interpreted according to the laws

of the State of California, without giving effect to any conflict of law principles or choice of law principles.

- 12. Fair, Adequate, and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Settlement Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Settlement Agreement through arms-length negotiations, taking into account all relevant factors, current and potential.
- 13. No Tax or Legal Advice.** The Parties understand and agree that the Parties are neither providing tax or legal advice, nor making representations regarding tax obligations or consequences, if any, related to this Settlement Agreement.
- 14. Jurisdiction of the Superior Court, County of Los Angeles.** The Court shall retain jurisdiction with respect to the interpretation, implementation, and enforcement of the terms of this Settlement Agreement and all orders and judgment entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Superior Court in and for the County of Los Angeles for purposes of interpreting, implementing, and enforcing the Settlement embodied in this Settlement Agreement and all orders and judgments in connection therewith.
- 15. Invalidity of Any Provision; Severability.** Before declaring any provision of this Settlement Agreement invalid, the Parties request that the Court first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents, so as to define all provisions of this Settlement Agreement valid and enforceable. In the event any provision of this Settlement Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.
- 16. Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Settlement Agreement. This Settlement Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 17. Escalator Clause.** The Parties negotiated this Settlement based on the representation that there are approximately 19,547 workweeks during the Class Period. If the actual workweeks exceeds by more than 10%, the Gross Settlement Amount shall be increased pro rata per additional workweek. Any additional amount to be paid shall be included in the Gross Settlement Amount. The Settlement Administrator will provide Class Counsel with the final workweek count prior to the initial mailing of the Notice Packets.

18. Execution in Counterpart. This Settlement Agreement may be executed in one or more counterparts. All executed counterparts, and each of them, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile or PDF signatures will be accepted. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Settlement Agreement.

IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel execute this Settlement Agreement.

Dated: 06/29/2022, 2022

SERENA JONES

Serena Jones

Dated: 4th July, 2022

AMADA WELD TECH INC.

David Fawcett

David Fawcett

Dated: June 29, 2022

JUSTICE LAW CORPORATION

D. Han

Douglas Han, Esq.

Attorneys for Plaintiff Serena Jones, on behalf of himself and all others similarly situated

Dated: July 5, 2022

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

Sami Hasan

Jennifer G. Redmond, Esq.

Sami Hasan, Esq.

Nina Montazeri, Esq.

Attorneys for Amada Weld Tech Inc.

EXHIBIT A

CALIFORNIA SUPERIOR COURT, COUNTY OF LOS ANGELES
Serena Jones v. Amada Weld Tech, Inc.
Case No. 21STCV33989

NOTICE OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you, and you are not being sued.
However, your legal rights are affected by whether you act or don't act.*

TO: All hourly-paid or non-exempt employees employed by Amada Weld Tech, Inc. within the State of California from March 5, 2017, through July 5, 2022.

The California Superior Court, County of Los Angeles, has granted preliminary approval of a proposed settlement ("Settlement") of the above-captioned class and representative action (referred to in this Notice as the "Action"). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class and Representative Action Settlement ("Notice") carefully.

The purpose of this Notice is to provide a brief description of the claims alleged in the Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS AND REPRESENTATIVE ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

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1. *Why Have I Received This Notice?*

The personnel records of Amada Weld Tech, Inc. (“Defendant”) indicate that you may be a Class Member (defined below) and therefore eligible to receive money from a class and representative action lawsuit against Defendant, entitled *Serena Jones v. Amada Weld Tech, Inc.* (“Action”). You are a Class Member if you were employed by Defendant as an hourly-paid or non-exempt employee within the State of California at any time during the period from March 5, 2017, through July 5, 2022 (the “Class Period”). You may also be an Eligible Aggrieved Employee if you were employed by Defendant as an hourly-paid or non-exempt employee within the State of California at any time during the period from April 8, 2021, through July 5, 2022 (the “PAGA Period”).

A Preliminary Approval Hearing was held on [date of Preliminary Approval], in the Los Angeles County Superior Court. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court has determined that there is sufficient evidence to suggest that the proposed Settlement may be fair, adequate, and reasonable and that any final determination of those issues will be made at the Final Approval Hearing.

The Court will hold a Final Approval Hearing concerning the proposed Settlement on [date of Final Approval Hearing], 2022 at [time a.m./p.m.], before the Honorable David S. Cunningham III, at the Los Angeles County Superior Court – Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012, Department 11.

2. *What Are My Options?*

The purpose of this Notice is to inform you of the proposed Settlement and your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: Defendant will not retaliate against you in any way for either participating or not participating in this Settlement.

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OPTIONS	CLASS MEMBERS	ELIGIBLE AGGRIEVED EMPLOYEES
DO NOTHING	If you do nothing and the Court grants final approval of the Settlement, you will be a Participating Class Member and be included in the class action portion of the Settlement, and the Settlement Administrator will mail you a check for your “Individual Settlement Share,” which will be based on the total number of workweeks you worked as a Class Member during the Class Period, to your address of record. You will give up your right to pursue the Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendant, for the Released Claims.	If you do nothing and the Court grants final approval of the Settlement, you will be included in the PAGA portion of the Settlement, and the Settlement Administrator will mail you a check for your “Individual PAGA Payment,” which will be based on the total number of pay periods you worked as an Eligible Aggrieved Employee during the PAGA Period, to your address of record. You will give up your right to pursue the PAGA Released Claims as defined in Section No. 9 below, meaning you will be unable to sue the Released Parties, including Defendant, for the PAGA Released Claims.
DISPUTE WORKWEEK/PAY PERIOD CALCULATIONS AND/OR INDIVIDUAL SETTLEMENT SHARES/INDIVIDUAL PAGA PAYMENTS	If you believe the number of workweeks with which you have been credited, and thereby the amount of your Individual Settlement Share, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.	If you believe the number of pay periods with which you have been credited, and thereby the amount of your Individual PAGA Payment, as provided in this Notice, is inaccurate, you may dispute this information. The procedure for disputing this information is described in Section No. 6 below.
OBJECT	You may object to the class portion of the proposed Settlement. If you would like to object, you may not opt out of the class portion of the Settlement. The procedure for objecting to the proposed Settlement is described in Section No. 8 below. If you object and the Court approves the proposed Settlement, the Settlement Administrator will mail you your Individual Settlement Share check, and you will give up your right to sue the Released Parties, including Defendant, for the Released Claims as defined in Section No. 9 below.	You do not have the right to object to the PAGA portion of the proposed Settlement. If the Court approves the proposed Settlement, the Settlement Administrator will mail you your Individual PAGA Payment check, and you will give up your right to sue the Released Parties, including Defendant, for the PAGA Released Claims as defined in Section No. 9 below.

REQUEST EXCLUSION (“OPT OUT”)	If you do not want to participate in the class portion of the proposed Settlement, you may timely request exclusion from, or opt out of, the class portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will not mail you an Individual Settlement Share, and you will not give up the right to sue the Released Parties, including Defendant, for any of the Released Claims as defined in Section No. 9 below. The procedure for requesting exclusion from the class portion of the proposed Settlement is described in Section No. 8 below.	You do not have the right to request exclusion from, or opt out of, the PAGA portion of the proposed Settlement. If the Court grants final approval of the Settlement, the Settlement Administrator will mail you your Individual PAGA Payment check, and you will give up the right to sue the Released Parties, including Defendant, for the PAGA Released Claims as defined in Section No. 9 below. Eligible Aggrieved Employees who opt out of the class portion of the proposed Settlement will still be mailed their Individual PAGA Payment checks and will give up the right to sue the Released Parties for the PAGA Released Claims.
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3. *What Is This Case About?*

Plaintiff Serena Jones (“Plaintiff”), a former employee of Defendant, commenced this class and representative action lawsuit against Defendant for alleged wage-and-hour violations in the Los Angeles County Superior Court (Case Number 21STCV33989).

Plaintiff’s lawsuit against Defendant sought damages, restitution, statutory penalties, civil penalties, interest, costs, attorneys’ fees and other relief based on the following alleged causes of action: 1) failure to pay overtime; 2) failure to provide meal period premiums; 3) failure to provide rest break premiums; 4) failure to pay minimum wages; 5) failure to timely pay final wages to separated employees; 6) failure to comply with employee wage statement provisions of the California Labor Code; 7) failure to reimburse business expenses; 8) violations of the Labor Code Private Attorneys General Act of 2004 (PAGA); and 9) violation of the Unfair Competition Law.

The Court has not made any determination as to whether the claims advanced by Plaintiff in the Action have any merit. Nor has it decided whether the Action could proceed as a class or representative action. Instead, both sides agreed to resolve the Action with no decision or admission of who is right or wrong.

In other words, the Court has not determined that Defendant violated any laws, nor has it decided in favor of Plaintiff or Defendant (the “Parties”); instead, both sides have agreed to resolve the Action with no decision or admission of who is right or wrong. By agreeing to resolve the Action, the Parties avoid the risks and costs of a trial.

Defendant denies all allegations made by Plaintiff, individually and on behalf of Class Members, in the Action and denies liability for any wrongdoing with respect to the alleged facts or causes of action asserted in the Action. The Settlement is not an admission by Defendant of any wrongdoing or an indication that any law was violated.

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4. How Does This Settlement Work?

In the Action, Plaintiff sued on behalf of himself and all other similarly situated employees who were employed by Defendant as hourly-paid or non-exempt employees within the State of California at any time during the Class Period. Plaintiff and other current and former employees comprise a “Class” and are “Class Members.”

The proposed Settlement has a class portion and a representative (PAGA) portion. Pursuant to the class portion of the Settlement, all Class Members who do not timely opt out or exclude themselves from the class portion of the Settlement by requesting to be excluded in the manner set forth in Section No. 8 below (“Participating Class Members”), will be paid Individual Settlement Shares and will release the Released Parties from the Released Claims described in Section No. 9 below. Pursuant to the representative (PAGA) portion of the Settlement, all Eligible Aggrieved Employees will be paid Individual PAGA Payments and will release the Released Parties from the PAGA Released Claims described in Section No. 9 below.

Plaintiff and Class Counsel believe the Settlement is fair and reasonable. The Court must also review the terms of the Settlement and determine if it is fair and reasonable to the Class and approve it. The Court file has the Settlement documents, which explain the Settlement in greater detail. If you would like copies of the Settlement documents, you can contact Class Counsel, whose contact information is below, and they will provide you with a copy free of charge.

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
JUSTICE LAW CORPORATION Douglas Han Shunt Tatavos-Gharajeh John Bickford 751 N. Fair Oaks Avenue, Suite 101 Pasadena, California 91103 Telephone: (818) 230-7502 Facsimile: (818) 230-7259	SHEPPARD, MULLIN, RICHTER & HAMPTON LLP Jennifer G. Redmond Sami Hasan Nina Montazeri Four Embarcadero Center, 17 th Floor San Francisco, California 94111 Telephone: (415) 434-9100 Facsimile: (415) 434-3947

The Court has decided that Justice Law Corporation is qualified to represent the Class Members simultaneously for the purposes of this Settlement.

Class Counsel is working on your behalf. If you want your own attorney, you may hire one at your own cost.

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6. *How Do I Dispute the Information Included in This Notice?*

Section No. 10 below states the number of workweeks with which you have been credited – meaning the number of workweeks you worked during the Class Period, based on Defendant’s records – and the estimated amount of your Individual Settlement Share, based on this number of workweeks. If you are also an Eligible Aggrieved Employee, Section No. 10 below also states the number of pay periods with which you have been credited – meaning the number of pay periods you worked during the PAGA Period, based on Defendant’s records – and the estimated amount of your Individual PAGA Payment. If you believe the number of workweeks and/or pay periods with which you have been credited, and therefore the estimated amount of your Individual Settlement Share and/or Individual PAGA Payment, is inaccurate, you may dispute this information.

If you choose to dispute the information included in this Notice, you must do so in writing by **[Response Deadline]**. You may submit your written dispute to the Settlement Administrator by faxing or emailing your dispute to the Settlement Administrator by **[Response Deadline]**, or by mailing your dispute by regular U.S. mail to the Settlement Administrator, postmarked by **[Response Deadline]**, using the contact information below:

Fax Number: **[INSERT FAX NUMBER]**

Email Address: **[INSERT EMAIL ADDRESS]**

Mailing Address: Amada Weld Tech, Inc. Settlement Administrator C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, **[INSERT ADDRESS]**

You must also produce and submit evidence to the Settlement Administrator, along with your dispute, showing that the disputed information is inaccurate. If the Settlement Administrator does not receive evidence from you rebutting the disputed information, the number of workweeks and/or pay periods contained in Defendant’s records will be presumed correct, and your challenge will be rejected by the Settlement Administrator. However, if you do submit evidence rebutting the disputed information, the Settlement Administrator will evaluate this evidence and make the final decision as to the number of workweeks and/or pay periods with which you will be credited and the Individual Settlement Share and/or Individual PAGA Payment to which you will be entitled.

The Settlement Administrator’s determinations of workweek/pay period and Individual Settlement Share/Individual PAGA Payment disputes are not appealable or otherwise challengeable. The Settlement Administrator will mail you notice of the determination of your dispute within three (3) business days of the Settlement Administrator’s determination.

Your dispute should state your name, and last four digits of your social security number, and must be submitted to the Settlement Administrator, along with your supporting evidence, by **[Response Deadline]**. You are encouraged to keep copies of any and all evidence you submit to the Settlement Administrator.

If you received a remailed Notice, you have an additional 14 days from the original response deadline to dispute the information included in your Notice. If your Notice is a remailed Notice, the envelope will indicate whether the Notice has been re-mailed and will state your new deadline by which to submit a dispute.

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7. *How Do I Object To The Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney. You may object to the Settlement by submitting a written objection to the Settlement Administrator by **[Response Deadline]**. You may submit your written objection by faxing or emailing your objection to the Settlement Administrator by **[Response Deadline]**, or by mailing your objection by regular U.S. mail to the Settlement Administrator, postmarked no later than **[Response Deadline]**, using the contact information provided below:

Fax Number: **[INSERT FAX NUMBER]**

Email Address: **[INSERT EMAIL ADDRESS]**

Mailing Address: Amada Weld Tech, Inc. Settlement Administrator C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, **[INSERT ADDRESS]**.

If you received a re-mailed Notice, you have an additional 14 days from the original response deadline to submit a written objection. If your Notice is a re-mailed Notice, the envelope will indicate whether the Notice has been re-mailed and will state your new deadline to submit an objection.

If you choose to object in writing, your objection should: (a) state your full name, address, and telephone number; (b) include the words “Notice of Objection” or “Formal Objection;” (c) describe, in clear and concise terms, the legal and factual arguments supporting the objection; (d) list identifying witness(es) you may call to testify at the Final Approval Hearing; and (e) provide true and correct copies of any exhibit(s) you intend to offer at the Final Approval Hearing. However, a written objection will be deemed valid as long as it is submitted or postmarked to the Settlement Administrator by **[Response Deadline]** and provides enough information to allow the Settlement Administrator to understand that you object to the Settlement or to some term(s) of the Settlement.

Class Members may appear at the Final Approval Hearing and object, either in person or through the objecter’s own counsel, even if they did not submit a written objection. Class Members’ timely and valid written objections to the Settlement will be considered even if the objector does not appear at the Final Approval Hearing. The Court will hear from any Class Member who attends the Final Approval Hearing and asks to speak, regardless of whether they have made a written objection.

If the Court approves the Settlement over objections, objecting Class Members will be mailed Individual Settlement Shares and will be bound by the terms of the Settlement, meaning the Class Members will be unable to sue the Released Parties for the Released Claims. As stated above, Eligible Aggrieved Employees do not have the right to object to the PAGA portion of the Settlement. Thus, if the Court approves the Settlement, all Eligible Aggrieved Employees will be mailed their Individual PAGA Payments and will be bound by the terms of the Settlement, meaning the Eligible Aggrieved Employees will be unable to sue the Released Parties for the PAGA Released Claims.

You may not submit both a request for exclusion from or opt out of the Settlement and an objection to the Settlement. In the event a Class Member submits both a valid request for exclusion or opt out and a valid objection, the request for exclusion will be deemed invalid, and the objection will remain valid.

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8. *How Do I Opt Out Or Exclude Myself From This Settlement?*

If you do not wish to participate in the class portion of the Settlement **and do not want to receive an Individual Settlement Share**, you can exclude yourself from the class portion of the Settlement (*i.e.*, “opt out”). A form (“ELECTION NOT TO PARTICIPATE IN (‘OPT-OUT’ FROM) CLASS ACTION SETTLEMENT”) (the “Exclusion Form”) has been provided to you along with this Notice, which can be used for this purpose; alternatively, you can submit your own written request for exclusion that includes all the same information. If you exclude yourself or opt out of the Settlement, you will not be bound by the Settlement and, therefore, you will not release the Released Claims, set forth in Section No. 9 below. You may submit your request for exclusion or opt out by faxing or emailing your request for exclusion to the Settlement Administrator by **[Response Deadline]**, or by mailing your request for exclusion to the Settlement Administrator by regular U.S. Mail, postmarked no later than **[Response Deadline]**, using the contact information provided below:

Fax Number: **[INSERT FAX NUMBER]**

Email Address: **[INSERT EMAIL ADDRESS]**

Mailing Address: Amada Weld Tech, Inc. Settlement Administrator C/O PHOENIX CLASS ACTION ADMINISTRATION SOLUTIONS, **[INSERT ADDRESS]**

If you received a remailed Notice, you have an additional 14 days from the original response deadline to submit a request for exclusion. If your Notice is a remailed Notice, the envelope will indicate whether the Notice has been re-mailed and will state your new deadline to submit a request for exclusion.

If you choose to exclude yourself or opt out from the class portion of the Settlement, your written request for exclusion should: (a) include your name and address, and the last four digits of your Social Security number; (b) be addressed to the Settlement Administrator; (c) be signed by you; and (d) be submitted or postmarked no later than the Response Deadline. However, a request for exclusion will be deemed valid as long as it is submitted or postmarked to the Settlement Administrator by **[Response Deadline]** and provides enough information to allow the Settlement Administrator to identify you and understand that you want to opt out of the Settlement.

The Court will exclude from the Settlement any Class Member who submits a valid and timely request for exclusion as described in the paragraph above. Any Class Member who fails to submit a valid and timely request for exclusion on or before the above-specified deadline shall be bound by all terms of the Settlement, release, and any Judgment entered in the Action if the Settlement receives final approval from the Court.

Class Members may only exclude or opt out of the class portion of the Settlement. Class Members who are also Eligible Aggrieved Employees cannot opt out of the PAGA portion of the Settlement. Therefore, a Class Member who submits a valid and timely request for exclusion will not receive an Individual Settlement Share and will not release the Released Claims, as described in Section No. 9 below. However, if such a Class Member is also an Eligible Aggrieved Employee, the Class Member will still be entitled to and will be mailed their Individual PAGA Payment and will still release the PAGA Released Claims, as described in Section No. 9 below.

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9. *How Does This Settlement Affect My Rights? What are the Released Claims and PAGA Released Claims?*

If the Court approves the proposed Settlement, the Court will enter a Judgment. All Class Members who do not timely opt out of the class portion of the Settlement (“Participating Class Members”) and all Eligible Aggrieved Employees will be bound by the Court’s Judgment.

As of the Effective Final Settlement Date, in exchange for the consideration provided by the Settlement Agreement – specifically, the Individual Settlement Shares and Individual PAGA Payments – Plaintiff and the Participating Class Members will fully release and discharge Defendant and its parents, predecessors, successors, affiliated entities, subsidiaries, officers, directors, members, agents, employees, insurers, and stockholders (“Released Parties”) from the Released Claims covering the Class Period, and Plaintiff and the Eligible Aggrieved Employees will release the Released Parties from the PAGA Released Claims covering the PAGA Period. The Effective Final Settlement Date is the date by which the Court’s order approving the Settlement becomes final, and there is no further recourse by an appellant, objector, intervenor, or otherwise by anyone who seeks to contest the Settlement. . The Released Claims and PAGA Released Claims are defined below.

A. Released Claims.

The Released Claims means all claims alleged or could have been alleged based on the facts alleged and the legal claims asserted in the Action, operative complaint, and in the notices to the California Labor and Workforce Development Agency and any claims which could have been asserted in the Action arising from the alleged facts and/or primary rights alleged to have been invaded to the fullest extent permitted by law, including, but not limited to, failure to pay minimum wages, including for failure to pay wages for time worked; failure to pay straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and/or interest; missed, late, short or interrupted meal and/or rest periods, including any claim for any alleged failure to provide meal or rest periods or pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; failure to reimbursement necessary business expenses; failure to provide sick leave, including failure to provide paid sick time at the regular rate of compensation; unlawful and unfair business practices; and attorneys’ fees and costs. This release includes claims alleging a violation of any applicable Wage Orders of the California Industrial Welfare Commission; and/or alleging a violation of the California Labor Code (including, but not limited to, the following causes of action: (a) Violation of California Labor Code §§ 510 and 1198 (Unpaid Wages and Overtime); (b) Violation of California Labor Code §§ 226.7, 512(a) (Unpaid or Underpaid Meal Period Premiums); (c) Violation of California Labor Code § 226.7 (Unpaid or Underpaid Rest Period Premiums); (d) Violation of California Labor Code §§ 221, 1182.12, 1194, 1197, 1197.1, 1198 (Unpaid Minimum Wages); (e) Violation of California Labor Code §§ 201-204, 210 (Wages and Final Wages Not Timely Paid); (f) Violation of California Labor Code §§ 226 and 226.3 (Non-Compliant Wage Statements); (g) Violation of California Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (h) Violation of California Labor Code § 246 (Failure to Provide Paid Sick Leave); and (i) Violations of California Business & Professions Code § 17200, *et seq.* (collectively, the “Released Claims”).) The period of the Release shall extend to the limits of the Class Period. The release does not include claims that as a matter of law cannot be released and does not include claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers’ compensation benefits. The period of the release extends to the limits of the Class Period.

B. PAGA Released Claims.

The PAGA Released Claims means all allegations and claims for civil penalties pursuant to PAGA that arose during the PAGA Period based on or arising out of any and all facts or Labor Code violations alleged in the Action, Complaint, or in the PAGA Notice and any claims which could have been asserted in the Action arising from the alleged facts and/or primary rights alleged to have been invaded to the fullest extent permitted by law, including, but not limited to, failure to pay minimum wages, including for failure to pay wages for time worked; failure to pay straight time compensation, overtime compensation, double-time compensation, reporting time compensation, and/or interest; missed, late, short or interrupted meal and/or rest periods, including any claim for any alleged failure to provide meal or rest periods or pay premiums for missed, late, short or interrupted meal or rest periods, or to pay such premiums at the regular rate of compensation; penalties arising out of or related to any or all of the aforementioned claims, including, but not limited to, recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; inaccurate or otherwise improper wage statements and/or failure to keep or maintain accurate records; failure to reimbursement necessary business expenses; failure to provide sick leave, including failure to provide paid sick time at the regular rate of compensation; unlawful and unfair business practices; and attorneys' fees and costs. This release includes claims under PAGA alleging a violation of any applicable Wage Orders of the California Industrial Welfare Commission; and/or alleging a violation of the California Labor Code (including, but not limited to, sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226.3, 226.7, 246(1), 510, 512, 558, 1174(d), 1174.5, 1182.12, 1194, 1197, 1197.1, 1198, 2800 and 2802.). The period of the PAGA release extends to the limits of the PAGA Period.

As explained above, Eligible Aggrieved Employees do not have the right to opt out of the PAGA portion of the Settlement. Therefore, if the Court approves the Settlement, all Eligible Aggrieved Employees will release the PAGA Released Claims, regardless of whether the Eligible Aggrieved Employee submits a timely and valid request for exclusion.

Neither the Released Claims nor the PAGA Released Claims include claims that as a matter of law cannot be released or claims for retaliation, discrimination, wrongful termination, and individual claims for the recovery of workers' compensation benefits.

10. How Much Can I Expect to Receive From This Settlement?

Defendant will pay, subject to Court approval, a Gross Settlement Amount of \$801,427. The Gross Settlement Amount will be used to pay the following amounts, subject to Court approval: (1) a \$10,000 Class Representative Enhancement Payment to Plaintiff; (2) up to \$10,000 in Administration Costs to the Settlement Administrator; (3) a \$280,499.45 Attorney Fee Award to Class Counsel; (4) a \$25,000 Cost Award to Class Counsel; and (5) a \$40,000 PAGA Payment, seventy-five percent (75%) of which (\$30,000) shall be paid to the LWDA, and the remaining twenty-five percent (25%) of which (\$10,000) shall be distributed to Eligible Aggrieved Employees as Individual PAGA Payments. The amount that remains after all payments are made is the Net Settlement Amount, which is currently estimated to be \$435,927.55.

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A. How Will My Individual Settlement Share Be Calculated?

The Settlement Administrator will pay each Participating Class Member an Individual Settlement Share from the Net Settlement Amount. If the Court approves any of the above-referenced payments in smaller amounts, the Net Settlement Amount will be larger. Your Individual Settlement Share will be based on your pro-rata share of the Net Settlement Amount and will be calculated as follows: (i) the number of weeks you worked as a Class Member during the Class Period, (ii) divided by the total number of weeks worked by all Class Members collectively during the Class Period, (iii) which is then multiplied by the Net Settlement Amount. If a Class Member opts out of the Settlement, their pro rata share of the Net Settlement Amount will flow back to the Net Settlement Amount and be distributed to the Participating Class Members on a pro rata basis. For purposes of this calculation, the Settlement Administrator will use the Class Data to calculate the number of workweeks worked by each Class Member based on their dates of employment.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: \$ [REDACTED], less taxes. This is based on Defendant's records, which show you worked [REDACTED] workweeks during the Class Period.

Twenty percent (20%) of your Individual Settlement Share will be treated as unpaid wages. Applicable tax withholdings customarily made required withholdings will be withheld from the wages portion of your Individual Settlement Share only and reported on an IRS Form W-2. The remaining eighty percent (80%) of your Individual Settlement Share will be treated as penalties, interest, and reimbursement and will be paid pursuant to an IRS Form 1099. Participating Class Members will be responsible for the payment of any taxes and penalties assessed on the Individual Settlement Shares and will be solely responsible for any penalties or other obligations resulting from their personal tax reporting of Individual Settlement Shares.

The Settlement Administrator will mail your Individual Settlement Share check to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

B. How Will My Individual PAGA Payment Be Calculated?

The Settlement Administrator will pay each Eligible Aggrieved Employee an Individual PAGA Payment from the portion of the PAGA Payment allocated to the Eligible Aggrieved Employees. Your Individual PAGA Payment will be based on your pro-rata share of the portion of the PAGA Payment allocated to the Eligible Aggrieved Employees and will be calculated as follows: (i) the number of pay periods you worked as an Eligible Aggrieved Employee during the PAGA Period, (ii) divided by the total number of pay periods worked by all Eligible Aggrieved Employees collectively during the PAGA Period, (iii) which is then multiplied by the \$40,000 of the PAGA Payment allocated to the Eligible Aggrieved Employees. For purposes of this calculation, the Settlement Administrator will use the Class Data to calculate the number of pay periods worked by each Eligible Aggrieved Employee based on their dates of employment.

Based upon the calculation above, your approximate Individual PAGA Payment is \$ [REDACTED]. This is based on Defendant's records, which show you worked [REDACTED] pay periods during the PAGA Period.

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One hundred percent (100%) of this payment will be considered penalties, and you will be issued an IRS Form 1099 if your payment exceeds \$600. You are responsible for paying any federal, state, or local taxes owed as a result of this payment.

The Settlement Administrator will mail your Individual PAGA Payment check to the address the Settlement Administrator has on record for you. Therefore, it is important that you keep the Settlement Administrator informed of any change of address.

If no amount is stated for your Individual PAGA Payment, according to Defendant's records, you are not an Eligible Aggrieved Employee eligible for an Individual PAGA Payment because you were not employed by Defendant as an hourly-paid or non-exempt employee within the State of California during the PAGA Period. Therefore, this subsection B does not apply to you.

C. When Will My Settlement Payment Be Mailed?

If no objection to the Settlement is filed, then no later than fourteen (14) calendar days after the after Judgment is entered, Defendant shall deposit the Gross Settlement Amount of Eight Hundred One Thousand Four Hundred and Twenty-Seven Dollars and Zero Cents (\$801,427) needed to pay the entire GSA, as well as Defendant's share of employer-side payroll taxes, by wiring the funds to the Settlement Administrator ("Fund the GSA").

If no objection to the Settlement is filed but an appeal is nonetheless filed before the period of filing an appeal to the Judgment has elapsed, the Settlement Administrator shall revert the Gross Settlement Amount to Defendant in its entirety. Defendant shall then Fund the GSA again no later than fourteen (14) calendar days after the Effective Final Settlement Date.

If an objection is filed but no appeal is filed, Defendant shall Fund the GSA no later than fourteen (14) calendar days after the Effective Final Settlement Date. If an appeal is filed, Defendant shall Fund the GSA no later than fourteen (14) calendar days after the Effective Final Settlement Date.

Within twenty-eight (28) calendar days after the Effective Final Settlement Date, the Settlement Administrator shall calculate and disburse all payments due under the Settlement Agreement, including all Individual Settlement Shares and Individual PAGA Payments. After such payment, Defendant shall have no liability for PAGA claims by or on behalf of Eligible Aggrieved Employees during the PAGA Time Period, which are released under this Settlement Agreement.

It is strongly recommended that upon receipt of your Individual Settlement Share and/or Individual PAGA Payment check(s), you immediately cash your check(s) or cash your check(s) before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period after mailing, the Settlement Administrator will, within two hundred (200) calendar days after the checks are initially mailed, pay the amount of the Individual Settlement Share(s) and/or Individual PAGA Payment(s) to State Controller's Unclaimed Property Fund in the name of the Class Member.

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11. How Will the Attorneys for the Class and the Class Representative Be Paid?

Class Counsel will be paid from the Gross Settlement Amount. Subject to Court approval, Class Counsel shall be paid an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (or \$280,499.45) for attorneys' fees (the "Attorney Fee Award"), and up to \$25,000 for litigation costs (the "Cost Award"). Class Counsel will file a motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award, with the Court at least sixteen (16) Court days before the Final Approval Hearing, the details of which are provided in Section No. 13 below. You can obtain a copy of this motion from Class Counsel, free of charge, by contacting Class Counsel using the information provided in Section No. 5 above. You can also obtain a copy of this motion, as well as the other documents on file with the Court in the Action, by following the steps laid out in Section No. 14 below.

Defendant has paid all its own attorneys' fees and costs.

As set forth in Section No. 10 above, Plaintiff will also be paid a Class Representative Enhancement Payment, subject to Court approval.

The Settlement Administrator will not pay the Attorney Fee Award, Cost Award, and Class Representative Enhancement Payment until after the Settlement Administrator has distributed the Individual Settlement Shares and Individual PAGA Payments to the Class Members and Eligible Aggrieved Employees.

12. Final Approval Hearing and Remote Appearance

The Court will hold a Final Approval Hearing concerning the proposed Settlement on [the date of final approval hearing], 2022 at [time a.m./p.m.], before the Honorable David S. Cunningham III in the Los Angeles County Superior Court – Spring Street Courthouse, located at 312 North Spring Street, Los Angeles, California 90012, Department 11. You can, but are not required to, appear at this hearing. At the hearing, the judge will decide whether to grant Final Approval to the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel, and counsel for Defendant before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>.) Check the Court's website for the most current information.

Any changes to the hearing date will be available on the Settlement Administrator's website: [INSERT WEBSITE ADDRESS]. If the Court approves the Settlement, the Final Approval Order and Judgment will also be available on the Settlement Administrator's website: [INSERT WEBSITE ADDRESS].

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13. *What if the Settlement Does Not Become Final?*

It is possible that the Court will deny Final Approval of the Settlement with prejudice. It is also possible that the Court's Final Approval of the Settlement will be reversed or materially modified on appeal. The Parties have agreed that, in either case, the Settlement will become null and void, meaning Defendant will no longer be obligated to pay any money owed under the Settlement Agreement, including the Gross Settlement Amount, which includes the Individual Settlement Shares and Individual PAGA Payments, the Class Members will not release the Released Parties from the Released Claims, and the Eligible Aggrieved Employees will not release the Released Parties from the PAGA Released Claims. Any award by the Court of a smaller amount than requested for the Attorney Fee Award, Cost Award, and Class Representative Enhancement Payment will not constitute a material modification to the Settlement within the meaning of this paragraph.

Defendant also has the option to withdraw from and terminate the Settlement if class participation is too low. If more than 10% of Class Members timely and validly opt out of the Settlement, Defendant has the right, but not the obligation, to terminate the proposed Settlement. If Defendant terminates the Settlement, Defendant will no longer be obligated to pay Individual Settlement Shares and Individual PAGA Payments to the Class Members and Eligible Aggrieved Employees, as applicable, and the Class Members and Eligible Aggrieved Employees will retain, rather than release, their rights to individually pursue the Released Claims and PAGA Released Claims, as applicable.

14. *How Do I Get More Information?*

IF YOU NEED MORE INFORMATION, HAVE ANY QUESTIONS, OR WOULD LIKE ELECTRONIC COPIES OF DOCUMENTS RELATING TO THE ACTION OR THE SETTLEMENT, you may contact the Settlement Administrator at the telephone number listed below, toll-free. Please refer to the "Amada Weld Tech, Inc. class action and PAGA settlement."

You may also visit the Settlement Administrator's website: [INSERT WEBSITE ADDRESS]. This website will include, among other things, the complaints Plaintiff filed in the Action, standalone generic copies of the Notice and Exclusion Form, all papers filed in connection with the Preliminary Approval Hearing (including all orders filed by the Court), all papers filed in connection with the Final Approval Hearing (including the motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award), and, if the Settlement is approved, the Final Approval Order and Judgment.

This Notice does not contain all the terms of the proposed Settlement or all the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Los Angeles County Superior Court at 111 N. Hill Street, Los Angeles, California 90012 between 8:30 a.m. and 4:30 p.m. You can also access the Court's file free-of-charge by visiting the Court's website, <https://www.lacourt.org>. Under the "Online Services" tab, under the heading "Civil," select "Case Access." Then, on the Case Access page, input the case number for the Action (21STCV33989) in the "Case Number" box, and select "Stanley Mosk Courthouse" from the dropdown menu in the "Filing Courthouse" box, then click "Search." This will take you to a page where you can access "Case Information," "Future Hearings," "Party Information," "Documents Filed," "Proceedings Held," and a "Register of Actions," for the Action.

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You may also contact Class Counsel with any questions you may have regarding the Action, the proposed Settlement of the Class Action, this Notice, or any other documents or information you have received pertaining to the Class Action and the Settlement, or to obtain copies of papers filed in connection with the Action free of charge, including the complaints, all papers filed in connection with the Preliminary Approval Hearing, and all papers filed in connection with the Final Approval Hearing, including the motion for Final Approval of the Settlement, including Final Approval of the Attorney Fee Award and Cost Award. You may contact Class Counsel directly by visiting Justice Law Corporation at 751 North Fair Oaks Avenue, Suite 101, Pasadena, California 91103 during regular business hours, from 9:00 a.m. to 6:00 p.m., or by calling (818) 230-7502. Class Counsel's contact information is also included above in Section No. 4 of this Notice. Class Counsel will provide you with an electronic copy of the Settlement documents or case documents free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.

EXHIBIT B

ELECTION NOT TO PARTICIPATE IN (“OPT OUT” FROM) CLASS ACTION SETTLEMENT

Superior Court of the State of California, County of Los Angeles

Serena Jones v. Amada Weld Tech, Inc.

Case No. 21STCV33989

ONLY SIGN AND MAIL THIS DOCUMENT IF YOU WISH TO EXCLUDE YOURSELF FROM THE CLASS PORTION OF THE SETTLEMENT. IF YOU EXCLUDE YOURSELF, YOU WILL NOT RECEIVE AN INDIVIDUAL SETTLEMENT SHARE FROM THE CLASS PORTION OF THE SETTLEMENT. This document must be faxed, emailed, or postmarked no later than _____, 2022 and sent via U.S. Mail to:

Amada Weld Tech, Inc. Settlement Administrator, C/O **Phoenix Class Action Settlement Administrators**

[Insert Administrator Address]

[City, State ZIP]

[Insert Email]

[Insert Fax]

By signing and mailing this form to exclude yourself from the class portion of the settlement, you are agreeing to and confirming the following:

It is my decision not to participate in the class portion of the settlement in *Jones v. Amada Weld Tech, Inc.* I understand that by excluding myself from the class portion of the settlement, I will not release the Released Claims and will not receive an Individual Settlement Share. However, if I am an Eligible Aggrieved Employee and qualify for an Individual PAGA Payment, I will release the PAGA Released Claims and will be mailed my Individual PAGA Payment, regardless of whether I timely and validly exclude myself from the class portion of the settlement.

I confirm that I am and/or was employed by Amada Weld Tech, Inc. as an hourly-paid or non-exempt employee within the State of California during the time period from March 5, 2017, to July 5, 2022. I confirm that I have received and reviewed the Notice of Class and Representative Action Settlement in this action. I have decided to be excluded from the class portion of the proposed settlement, and I have decided **not** to participate in the class portion of the proposed settlement.

Dated: _____

(Signature)

(Last Four Digits of Social Security Number)

(Type or print name and any former name(s) if applicable)

(Address)

(Address continued)

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

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

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

On September 19, 2022, I served the foregoing document described as

JOINT STIPULATION AND SETTLEMENT AGREEMENT

for the following case: **Jones v. Amada Weld Tech, Inc f/k/a Amada Miyachi America, Inc.**

LWDA/Court Case No.: **LWDA Case No.: CM- 877852-22
Court Case No.: 21STCV33989
Los Angeles County Superior Court**

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

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

[X] BY ELECTRONIC SUBMISSION

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

[X] STATE

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

Executed on September 19, 2022, at Pasadena, California.



Anna Okada