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Stoesser Industries, dba Scientific Molding Corporation, Ltd.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SONOMA

HUEY ROUNDTREE, individually and on behalf
of all others similarly situated,

Plaintiffs,

v.

STOESSER INDUSTRIES; SCIENTIFIC
MOLDING CORPORATION, LTD; and DOES 1
through 20, inclusive,

Defendants.

Case No. SCV-270587

*Assigned for All Purposes to:
Judge Gary Nadler
Courtroom 19*

JOINT STIPULATION OF SETTLEMENT

1 It is stipulated and agreed by and among the undersigned Parties, subject to the approval of
2 the Court pursuant to the California Rules of Civil Procedure, Rules of Court, and applicable case
3 law, that the Settlement of this Action shall be effectuated upon and subject to the following terms
4 and conditions. Capitalized terms used herein shall have the meanings set forth in Article I or as
5 defined elsewhere in this Joint Stipulation of Settlement (“Agreement” or “Settlement”).

6 This Agreement is made by and between Named Plaintiff Huey Roundtree (“Named
7 Plaintiff”) and the Class Members, on the one hand, and Defendant Stoesser Industries dba Scientific
8 Molding Corporation, Ltd. (“Defendant”), on the other hand. Named Plaintiff and Defendant
9 collectively are referred to in this Agreement as “the Parties.”

10 The Parties agree that the Action shall be, and hereby is, ended, settled, resolved, and
11 concluded by agreement of Defendant to pay the gross settlement amount of One Million Dollars
12 (\$1,000,000.00) as provided in Section 3.06(a) below (“Gross Settlement Amount”) pursuant to the
13 terms and conditions of this Agreement and for the consideration set forth herein, including but not
14 limited to, a release of all claims by Plaintiff and the Class Members as set forth herein.

15 **ARTICLE I**

16 **DEFINITIONS**

17 Unless otherwise defined herein, the following terms used in this Agreement shall have the
18 meanings ascribed to them as set forth below:

19 a. “Action” means the action described as follows: *Huey Roundtree, individually and*
20 *on behalf of all others similarly situated v. Stoesser Industries; Scientific Molding Corporation, LTD.*
21 *and DOES 1 through 20, inclusive,”* Case No. SCV-270587, commenced on April 13, 2022, in the
22 Superior Court of the State of California for the County of Sonoma.

23 b. “Agreement” means this Joint Stipulation of Settlement, including the attached
24 Exhibit(s).

25 c. “Class” means all current and former non-exempt employees who are or were
26 employed by Defendant in California at any time during the Class Period.

27 d. “Class Counsel” means the attorneys for the Class and the Class Members, who are:
28 Samuel A. Wong

Kashif Haque
Jessica L. Campbell
Steven A. McNicholl
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
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e. “Class List” means a list based on Defendant’s business records that identifies each Class Member’s name, last known home or mailing address, Social Security number or, as applicable, other taxpayer identification number, dates of employment, and the number of Qualifying Workweeks worked during the Class Period.

f. “Class Member(s)” means all members of the Class.

g. “Class Period” means October 7, 2017 through March 18, 2023.

h. “Court” means the California Superior Court for the County of Sonoma, where the Action is currently pending.

i. “Date of Finality” means ten (10) days after the date that an order by the Court granting final approval becomes non-appealable. Non-appealable means that no party, including objectors, if any, has a right to appeal to, or seek reconsideration in, the California Court of Appeal, the California Supreme Court, or the U.S. Supreme Court or, to the extent any appeals have been filed, they have been resolved, exhausted or settled, such that no further appeal activity may be taken.

j. “Defendant” means Defendant Stoesser Industries dba Scientific Molding Corporation, Ltd.

k. “Defense Counsel” means counsel for Defendant:

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Andrew E. Saxon
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1 l. "Disposition" means the method by which the Court approves the terms of the
2 Settlement and retains jurisdiction over its enforcement, implementation, construction,
3 administration, and interpretation.

4 m. "Final Order Approving Settlement of Class Action" or "Final Order" means the final
5 formal court order signed by the Court following the Final Fairness and Approval Hearing in
6 accordance with the terms herein, approving this Agreement.

7 n. "Gross Settlement Amount" means One Million Dollars and Zero Cents
8 (\$1,000,000.00) to be paid by Defendant as provided by this Agreement to settle this Action. All
9 payments to the Class, administration costs, attorney's fees and costs, and Incentive Awards,
10 pursuant to Section 3.07(a) below, shall be paid out of the Gross Settlement Amount. The employer's
11 share of payroll taxes arising from the payments made under this settlement shall be paid by
12 Defendant separate from and in addition to the Gross Settlement Amount. The Gross Settlement
13 Amount is subject to a pro rata increase pursuant to Section 3.04(e) below. No part of the Gross
14 Settlement Amount shall revert to Defendant.

15 o. "Incentive Award" means a monetary amount of up to Ten Thousand Dollars
16 (\$10,000.00) for the Named Plaintiff, subject to Court approval, in recognition of his effort and work
17 in prosecuting the Action on behalf of Class Members, and for his general release of claims.

18 p. "Individual Settlement Payment(s)" means each Participating Class Member's
19 respective share of the Net Settlement Amount. Individual Settlement Payments will be determined
20 by the calculations provided in this Agreement.

21 q. "LWDA" means The State of California Labor and Workforce Development Agency.

22 r. "LWDA Payment" means 75% of the \$50,000 allocated to the settlement of PAGA
23 claims which, subject to Court approval, will be paid to the LWDA pursuant to Section 3.06(e) of
24 this Agreement, as provided for below.

25 s. "Motion for Final Approval" means Plaintiff's submission of a written motion,
26 including any evidence as may be required for the Court to conduct an inquiry into the fairness of
27 the Settlement as set forth in this Agreement, to conduct a Final Fairness and Approval Hearing, and
28 to enter a Final Order in this Action.

1 t. "Motion for Preliminary Approval" means Plaintiff's submission of a written motion,
2 including any evidence as may be required for the Court to grant preliminary approval of the
3 Settlement as required by Rule 3.769 of the California Rules of Court.

4 u. "Named Plaintiff" means Huey Roundtree.

5 v. "Net Settlement Amount" means the Gross Settlement Amount less Court-approved
6 administration costs, Class Counsels' attorney's fees and costs, Incentive Award, pursuant to Section
7 3.06(a)-(e) below.

8 w. "Non-Participating Class Member(s)" means any Class Member(s) who submit to the
9 Settlement Administrator a valid and timely written request to be excluded from the Class pursuant
10 to Section 3.04(b) below.

11 x. "Notice Packet" means the Notice of Proposed Class Action Settlement in a form
12 substantially similar to the Notice Packet attached hereto as **Exhibit A**, subject to Court approval.

13 y. "PAGA" means the California Private Attorneys General Act of 2004, which is
14 codified in California Labor Code §§ 2698 *et seq.*

15 z. "Participating Class Member(s)" is defined as a Class Member who does not timely
16 exclude himself or herself from the Settlement and will therefore receive his or her share of the Net
17 Settlement Amount automatically without the need to return a claim form. Each Participating Class
18 Member will be paid his/her Individual Settlement Payment.

19 aa. "PAGA Group Members" means all Class Members employed by Defendant at any
20 time between October 7, 2021 through January 27, 2023 ("PAGA Period").

21 bb. "Preliminary Approval Date" means the date the Court preliminarily approves the
22 Settlement embodied in this Agreement.

23 cc. "Qualified Settlement Fund" or "QSF" means a fund within the meaning of Treasury
24 Regulation § 1.468B-1, 26 CFR § 1.468B-1 *et seq.*, that is established by the Settlement
25 Administrator for the benefit of Participating Class Members.

26 dd. "Qualifying Workweeks" means the number of weeks that Class Members worked
27 for Defendant as non-exempt employees during the Class Period.
28

1 ee. "Released Parties" includes Defendant Stoesser Industries dba Scientific Molding
2 Corporation, Ltd. and its former, present and future owners, predecessors, parent companies,
3 subsidiaries, investors, affiliates, divisions, and all of their current, former and future officers,
4 directors, members, managers, employees, consultants, partners, shareholders, joint ventures, agents,
5 successors, assigns, accountants, insurers, attorneys, and representatives.

6 ff. "Response Deadline" means the deadline by which Class Members must postmark or
7 fax to the Settlement Administrator requests for exclusion or written notices of objection. The
8 Response Deadline will be forty-five (45) calendar days after the initial mailing of the Notice Packet
9 by the Settlement Administrator, unless the forty-fifth (45th) calendar day falls on a Sunday or
10 federal holiday, in which case the Response Deadline will be extended to the next day on which the
11 U.S. Postal Service is open. The Response Deadline will be extended as set forth herein if there is a
12 re-mailing.

13 gg. "Settlement Administration Costs" means all costs incurred by the Settlement
14 Administrator in administration of the Settlement, including, but not limited to, mailing of notice to
15 the class, calculation of Individual Settlement Payments, generation of Individual Settlement
16 Payment checks and related tax reporting forms, administration of unclaimed checks, and generation
17 of checks to Class Counsel for attorneys' fees and costs, to Named Plaintiffs for their Incentive
18 Awards, and to the LWDA. The Settlement Administration Costs shall be paid from the Gross
19 Settlement Amount.

20 hh. "Settlement Administrator" means ILYM Group, Inc., which the Parties have agreed
21 will be responsible for the administration of the Individual Settlement Payments to be made by
22 Defendant from the Gross Settlement Amount and related matters under this Agreement.

23 **ARTICLE II**

24 **CONTINGENT NATURE OF THE AGREEMENT**

25 **Section 2.01: Stipulation of Class Certification for Settlement Purposes**

26 Because the Parties have stipulated to the certification of the Class with respect to all causes
27 of action alleged in the Action for settlement purposes only, this Agreement requires preliminary and
28 final approval by the Court. Accordingly, the Parties enter into this Agreement on a conditional basis.

1 This Agreement is contingent upon the approval and certification by the Court. If the Date of Finality
2 does not occur, the fact that the Parties were willing to stipulate for the purposes of this Agreement
3 to a Class shall have no bearing on, nor be admissible in connection with, the issue of certification
4 of the Class with respect to all causes of action alleged in the Action. Defendant does not consent to
5 certification of the Class for any purpose other than to effectuate settlement of the Action. If the Date
6 of Finality does not occur, or if Disposition of this Action is not effectuated, any certification of the
7 Class as to Defendant will be vacated and Named Plaintiff, Defendant, and the Class will be returned
8 to their positions with respect to the Action as if the Agreement had not been entered into. In the
9 event that the Date of Finality does not occur: (a) any Court orders preliminarily or finally approving
10 certification of any class contemplated by this Agreement shall be null, void, and vacated, and shall
11 not be used or cited thereafter by any person or entity; and (b) the fact of the settlement reflected in
12 this Agreement, the fact that Defendant did not oppose the certification of a Class under this
13 Agreement, or that the Court preliminarily approved the certification of the Class, shall not be used
14 or cited thereafter by any person or entity, including in any manner whatsoever, including without
15 limitation any contested proceeding relating to the certification of any class. If the Date of Finality
16 does not occur, this Agreement shall be deemed null and void, shall be of no force or effect
17 whatsoever, and shall not be referred to or used for any purpose whatsoever. Defendant expressly
18 reserves the right to challenge the propriety of class certification in the Action for any purpose, if the
19 Date of Finality does not occur.

20 The Parties and their respective counsel shall take all steps that may be requested by the Court
21 relating to the approval and implementation of this Agreement, and shall otherwise use their
22 respective best efforts to obtain Court approval and implement this Agreement. If the Court does not
23 grant the Motion for Preliminary Approval and/or the Motion for Final Approval, the Parties agree
24 to meet and confer to address the Court's concerns. If the Parties are unable to agree upon a
25 resolution, the Parties agree to seek the assistance of mediator Steve Pearl to resolve the dispute.

26 **ARTICLE III**

27 **PROCEDURE FOR APPROVAL AND IMPLEMENTATION OF THE SETTLEMENT**

28 The procedure for obtaining Court approval of and implementing this Agreement shall be as

1 follows:

2 **Section 3.01: Motion for Conditional Class Certification and Preliminary Approval**

3 Named Plaintiff will bring a motion before the Court for an order conditionally certifying the
4 Class to include all claims pled in the Action based on the preliminary approval of this Agreement.
5 The date that the Court grants preliminary approval of this Agreement will be the “Preliminary
6 Approval Date.”

7 **Section 3.02: The Settlement Administrator**

8 The Parties have chosen ILYM Group, Inc. to administer this Settlement and to act as the
9 Settlement Administrator, including but not limited to distributing and responding to inquiries about
10 the Notice Packet, determining the validity of exclusions/opt-outs, calculating the Net Settlement
11 Amount and the Individual Settlement Payments, issuing the Individual Settlement Payment checks
12 and distributing them to Participating Class Members, establishing and maintaining the QSF, and
13 issuing the payment to Class Counsel for attorneys’ fees and costs, the Incentive Award check to
14 Named Plaintiff, and the employer payroll taxes to the appropriate taxing authorities. The Settlement
15 Administrator shall expressly agree to all of the terms and conditions of this Agreement.

16 All costs of administering the Settlement, including but not limited to all costs and fees
17 associated with preparing, issuing and mailing any and all notices to Class Members and/or
18 Participating Class Members, all costs and fees associated with computing, processing, reviewing,
19 and mailing the Individual Settlement Payments, all costs and fees associated with preparing any tax
20 returns and any other filings required by any governmental taxing authority or agency, all costs and
21 fees associated with preparing any other checks, notices, reports, or filings to be prepared in the
22 course of administering disbursements from the Net Settlement Amount, and any other costs and fees
23 incurred and/or charged by the Settlement Administrator in connection with the execution of its
24 duties under this Agreement (“Settlement Administration Costs”), shall be paid to the Settlement
25 Administrator from the Gross Settlement Amount.

26 **Section 3.03: Notice to Class Members**

27 No later than ten (10) business days after the Preliminary Approval Date, Defendant will
28 provide the Settlement Administrator with a “Class List” in electronic format based on its business

1 records, identifying the names of the Class Members, their last known home addresses, Social
2 Security numbers or, as applicable, other taxpayer identification number, their dates of employment
3 and weeks worked during the Class Period.

4 Within ten (10) business days of receiving a Class List from Defendant, the Settlement
5 Administrator will send Class Members, by first-class mail, at their last known address, the Court
6 approved Notice Packet, including notice of this Settlement and of the opportunity to opt out of the
7 Settlement Class. The Notice Packet will include a calculation of the Class Member's approximate
8 share of the Net Settlement Amount. Class Members will have forty-five (45) days from the date of
9 mailing in which to postmark written objections or requests for exclusion. Prior to the initial mailing,
10 the Settlement Administrator will check all Class Member addresses against the National Change of
11 Address database and shall update any addresses before mailing. The Settlement Administrator will
12 skip trace and re-mail all returned, undelivered mail within five (5) days of receiving notice that a
13 Notice Packet was undeliverable. If a Class Member's notice is re-mailed, the Class Member shall
14 have fifteen (15) calendar days from the re-mailing, or forty-five (45) calendar days from the date of
15 the initial mailing, whichever is later, in which to postmark objections or requests for exclusion.
16 Class Members shall not be required to submit claim forms in order to receive a proportional share
17 of the Net Settlement Amount.

18 If the Notice Packet is returned with a forwarding address, the Settlement Administrator shall
19 re-mail the Notice Packet to the forwarding address. With respect to those Class Members whose
20 Notice Packet is returned to the Settlement Administrator as undeliverable, the Settlement
21 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
22 mass search on LexisNexis or comparable databases based on set criteria and, if another address is
23 identified, shall mail the Notice Packet to the newly identified address. It is the intent of the parties
24 that reasonable means be used to locate Class Members and that the Settlement Administrator be
25 given discretion to take steps in order to facilitate notice of the Settlement and delivery of the
26 Individual Settlement Payments to all Participating Class Members.

1 If the Notice Packet is re-mailed, the Settlement Administrator will note for its own records
2 and notify Class Counsel and Defense Counsel of the date of each such re-mailing as part of a weekly
3 status report provided to the Parties.

4 In the event a Class Member's Notice Packet remains undeliverable forty-five (45) calendar
5 days after the Notice Packet was initially mailed, the Settlement Administrator will not mail the Class
6 Member's Individual Settlement Payment. The Settlement Administrator will hold the Class
7 Member's Individual Settlement Payment during the check cashing period on behalf of the Class
8 Member. If at the conclusion of the check cashing period the Class Member's Notice Packet and
9 Individual Settlement Payment remain undeliverable and/or unclaimed and uncashed, the Settlement
10 Administrator will distribute the funds from unclaimed/uncashed checks in accordance with the
11 procedures set forth in Section 3.06(f) below.

12 No later than twenty (20) court days prior to the Final Fairness and Approval Hearing, the
13 Settlement Administrator shall provide Defense Counsel and Class Counsel with a declaration
14 attesting to completion of the notice process, including any attempts to obtain valid mailing addresses
15 for and re-sending of any returned Notice Packets, as well as the number of valid requests for
16 exclusion and objections that the Settlement Administrator received.

17 **Section 3.04: Responses to Notice**

18 **a. Class Member Disputes**

19 If any Class Member disagrees with Defendant's records as to his or her Qualifying
20 Workweeks during the Class Period as reflected in the Notice Packet, the Class Member shall set
21 forth in writing the Qualifying Workweeks he/she claims to have worked during the Class Period
22 and submit such writing to the Settlement Administrator by the Response Deadline, along with any
23 supporting documentation. The Notice will also provide a method for the Class Member to challenge
24 the employment data on which his or her Individual Settlement Payment is based. The Settlement
25 Administrator shall contact the Parties regarding the dispute and the Parties will work in good faith
26 to resolve it. If the Parties are unable to resolve the dispute, the Court is the final arbiter of disputes.
27 Plaintiff will file with the Court all disputes submitted by class members, the evidence submitted,
28 and the resolution of those disputes.

1 **b. Requests for Exclusion from Class**

2 In order for any Class Member to validly exclude himself or herself from the Class and this
3 Settlement (*i.e.*, to validly opt out), a written request for exclusion must be signed by the Class
4 Member or his or her authorized representative, and must be sent to the Settlement Administrator,
5 postmarked no later than the Response Deadline (or fifteen (15) days after the Settlement
6 Administrator re-mails the Notice to the Class Member, whichever is later), or based on any other
7 timeline or requirements suggested by the Court. The Notice Packet shall contain instructions on how
8 to validly exclude himself or herself from the Class and this Settlement (*i.e.*, opt out), including the
9 language to be used in a request for exclusion. The date of the initial mailing of the Notice Packet,
10 and the date the signed request for exclusion was postmarked, shall be conclusively determined
11 according to the records of the Settlement Administrator. Any Class Member who timely and validly
12 requests exclusion from the Class and this Settlement will not be entitled to any Individual Settlement
13 Payment, will not be bound by the terms and conditions of this Agreement, and will not have any
14 right to object, appeal, or comment thereon.

15 Any Class Member who fails to timely submit a request for exclusion shall automatically be
16 deemed a Class Member whose rights and claims with respect to the issues raised in the Action are
17 determined by the Court's Final Order Approving Settlement of Class Action, and by the other
18 rulings in the Action. Thus, said Class Member's rights to pursue any claims covered by the Action
19 and/or released in this Agreement will be extinguished.

20 **c. Objections to Settlement**

21 For any Class Member to object to this Agreement, or any term of it, the person making the
22 objection must not submit a request for exclusion (*i.e.*, must not opt out), and should send to the
23 Settlement Administrator, postmarked no later than the Response Deadline (or fifteen (15) days after
24 the Settlement Administrator re-mails the Notice to the Class Member, whichever is later), a written
25 statement of the grounds of objection, signed by the objecting Class Member or his or her attorney,
26 along with all supporting papers, if any. The date of the initial mailing of the Notice Packet, and the
27 date the signed objection was postmarked, shall be conclusively determined according to the records
28 of the Settlement Administrator. The Settlement Administrator shall send any objections it receives

1 to Defense Counsel and Class Counsel within three (3) business days of receipt. Class Members may
2 also appear at the final approval hearing to object. Class Counsel shall be responsible for filing all
3 objections with the Court, prior to the Motion for Final Approval, or in such other matter as the Court
4 directs. The Court retains final authority with respect to the consideration and admissibility of any
5 Class Member objections.

6 **d. Encouragement of Class Members**

7 The Parties to this Agreement and the counsel representing such Parties shall not, directly or
8 indirectly, through any person, encourage or solicit any Class Member to exclude him or herself from
9 this Settlement (opt out), or to object to it. However, Class Counsel may respond to inquiries from
10 Class Members.

11 **e. Right of Plaintiff to Adjust Gross Settlement Amount**

12 Defendant has estimated the number of Class Members as 349 and the number of work weeks
13 as 38,412. If the number of Class Members exceeds 373 or the number of work weeks exceeds 41,100
14 as of the end of the Class Period, there will be a pro rata adjustment to the Gross Settlement Amount
15 per additional Class Member equal to \$2,865.32 or per additional workweek equal to \$26.03 per
16 additional work week, whichever is greater, or at Defendant's option, the release period will be
17 shortened to end at the time the weeks or Class Members numbers exceed 6% (i.e. 7%).

18 **Section 3.05: Final Fairness and Approval Hearing**

19 On the date set forth in the Order for Preliminary Approval and Notice Packet, a Final
20 Fairness and Approval Hearing shall be held before the Court in order to (1) review this Agreement
21 and determine whether the Court should give it final approval, and (2) consider any objections made
22 and all responses by the Parties to such objections. At the Final Fairness and Approval Hearing, the
23 Parties shall ask the Court to grant final approval to this Agreement and shall submit to the Court a
24 Proposed Final Order Approving Settlement of Class Action.

25 **Section 3.06: Settlement Payment Procedures**

26 **a. Settlement Amount**

27 In exchange for the Released Claims set forth in this Agreement, Defendant agrees to pay the
28 Gross Settlement Amount in the amount of One Million Dollars (\$1,000,000.00), subject to a pro

1 rata increase under the condition set forth in Section 3.04(e). The Gross Settlement Amount includes
2 all Individual Settlement Amounts to Participating Class Members, all administration costs, Class
3 Counsel's attorney's fees and costs, PAGA Settlement Amount, and the Incentive Payments.

4 Within sixty (60) calendar days after the Date of Finality, Defendant shall transfer the
5 \$1,000,000.00, as set forth herein, into a QSF established by the Settlement Administrator either
6 directly or by sending the funds to the Settlement Administer to be deposited and distributed plus
7 Defendant's share of employer-side payroll taxes. The Settlement Administrator will use these funds
8 to fund payment of the Individual Settlement Payments to Participating Class Members, Class
9 Counsel's attorneys' fees and costs, the Incentive Award, and the Settlement Administration Costs.
10 Within ten (10) court days after receiving Defendant's final payment, funding the Gross Settlement
11 Amount in full, the Settlement Administrator will pay the Individual Settlement Payments to
12 Participating Class Members, Class Counsel's attorneys' fees and costs, LWDA Payment, the
13 Incentive Awards, and employer and employee tax withholdings applicable to the Net Settlement
14 Amount allocated to wages. Prior to this distribution, the Settlement Administrator will perform a
15 search based on the National Change of Address Database to update and correct for any known or
16 identifiable address changes.

17 **b. Payment of Attorneys' Fees and Costs**

18 Class Counsel shall submit an application for an award of attorneys' fees of up to one-third
19 of the Gross Settlement Amount, which, based on the current Gross Settlement Amount, is Three
20 Hundred Thirty-Three Thousand and Three Hundred Thirty-Three Dollars and Thirty-Three Cents
21 (\$333,333.33). Class Counsel shall submit an application for an award of costs not to exceed Twenty-
22 Five Thousand Dollars (\$25,000.00). Such application for attorneys' fees and costs shall be heard
23 by the Court at the Final Fairness and Approval Hearing. Defendant shall not object to or oppose any
24 such application in these amounts. Class Counsel shall serve Defendant with copies of all documents
25 submitted in support of their application for an award of attorneys' fees and costs.

26 Any attorneys' fees and costs awarded to Class Counsel by the Court shall be paid from the
27 Gross Settlement Amount and shall not constitute payment to any Class Member(s). The attorneys'
28 fees and costs for Class Counsel approved by the Court shall encompass all work performed, costs,

1 and expenses related to the investigation, prosecution, and settlement of the Action incurred through
2 the Date of Finality. To the extent that the Court approves less than the amount of attorney's fees
3 and/or costs that Class Counsel requests, the difference between the requested and awarded amounts
4 will be reallocated to the Net Settlement Amount.

5 **c. Payment of Settlement Administration Costs**

6 The Settlement Administration Costs shall be paid out of the Gross Settlement Amount and
7 shall not constitute payment to any Participating Class Member(s). The amount shall not exceed
8 Fifteen Thousand Dollars (\$15,000.00).

9 **d. Payment of Incentive Award to Named Plaintiff**

10 Subject to Court approval, the Named Plaintiff shall receive an Incentive Award of up to Ten
11 Thousand Dollars (\$10,000.00), the request for which Defendant will not object to or oppose. The
12 Incentive Awards shall be paid out of the Gross Settlement Amount and shall not constitute payment
13 to any Participating Class Member(s) other than Named Plaintiff. To the extent that the Court
14 approves less than the amount of incentive award that Class Counsel request, the difference between
15 the requested and awarded amounts will be reallocated to the Net Settlement Amount.

16 Because it is the intent of the Parties that the Incentive Award represent payment to Named
17 Plaintiff for his service to the Class Members, and not wages, the Settlement Administrator will not
18 withhold any taxes from the Incentive Award. The Incentive Award will be reported on a Form 1099,
19 which the Settlement Administrator will provide to Named Plaintiff and to the pertinent taxing
20 authorities as required by law.

21 **e. Payment to the Labor and Workforce Development Agency**

22 In consideration of claims made under PAGA, Class Counsel will request that the Court
23 approve allocation of Fifty Thousand Dollars (\$50,000) of the Gross Settlement Amount to these
24 claims. Seventy-five percent (75%) of this payment will be paid to the California Labor and
25 Workforce Development Agency ("LWDA Payment"), and twenty-five percent (25%) will be paid
26 to the Net Settlement Amount for distribution to PAGA Group Members. Defendant will not oppose
27 this request. The entire PAGA Settlement Amount will be paid out of the Gross Settlement Amount.
28

1 The Court's adjustment, if any, of the amount allocated to Named Plaintiffs' PAGA claim in the
2 Action, will not invalidate this Agreement.

3 **f. Payment of Individual Settlement Payments to Participating Class Members**

4 The Parties agree that the Net Settlement Amount shall be used to fund Individual Settlement
5 Payments. The Parties agree that the Net Settlement Amount shall be divided between all
6 Participating Class Members in proportion to the number of individual Qualifying Workweeks for
7 each Class Member. To calculate the minimum amount each Class Member will receive based on
8 their individual Qualifying Workweeks, the Net Settlement Amount will be divided by the total
9 number of Qualifying Workweeks by all Class Members during the Class Period and then allocated
10 on a pro rata basis. Qualifying Workweeks will be rounded up to the next whole integer. Each Class
11 Member's approximate Individual Settlement Payment amount will be included in his or her Notice
12 Packet. After final approval by the Court, the Net Settlement Amount will be dispersed to
13 Participating Class Members (those who did not exclude themselves) on a pro rata basis based on the
14 individual Qualifying Workweeks worked during the Class Period by each Participating Class
15 Member.

16 Each Individual Settlement Payment will represent wages and penalties allocated using the
17 following formula: 10% allocated to wages and 90% allocated to penalties and interest. The amounts
18 paid as wages shall be subject to all tax withholdings customarily made from an employee's wages
19 and all other authorized and required withholdings and shall be reported by W-2 forms. The
20 employer-side taxes will be paid separate from and in addition to the Gross Settlement Amount. The
21 amounts paid as penalties and interest shall be subject to all authorized and required withholdings
22 other than the tax withholdings customarily made from employees' wages and shall be reported by
23 IRS 1099 forms.

24 No later than ten (10) business days after receiving the Gross Settlement Amount from
25 Defendant, the Settlement Administrator shall prepare and mail the checks for the Individual
26 Settlement Payments to Participating Class Members. Individual Settlement Payments paid from the
27 Net Settlement Amount allocated to wages will be reduced by applicable employer and employee
28 tax withholdings, and the Settlement Administrator will issue a Form W-2 for the wage portion of

1 the Individual Settlement Payments. The Settlement Administrator will issue a Form 1099 to the
2 extent required by law for the interest and penalty portions of the Individual Settlement Payments.
3 Participating Class Members shall have 180 days from the date their Individual Settlement Payment
4 checks are dated to cash their Settlement checks. Any checks that are not cashed upon the expiration
5 of that 180-day time period will be void, and the uncashed funds shall be paid to the State Controller
6 Unclaimed Property Fund or to a cy pres chosen by the Parties in the name of the Class Member for
7 whom the funds are designated.

8 If a check is returned to the Settlement Administrator as undeliverable, the Settlement
9 Administrator shall promptly attempt to obtain a valid mailing address by performing a skip trace or
10 a mass search on LexisNexis or a comparable database based on set criteria and, if another address
11 is identified, the Settlement Administrator shall mail the check to the newly identified address. If the
12 Settlement Administrator is unable to obtain a valid mailing address through this process, the
13 Settlement Administrator will tender the funds from the undeliverable checks to the State Controller
14 Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

15 **g. Default on Payment.**

16 In the event Defendant makes a late payment or does not pay any portion of the Gross
17 Settlement Amount, it shall be considered a default. In the event Defendant fails to make any payment
18 on the date it is due, under Section 3.06(a), the Settlement Administrator will provide notice to Class
19 Counsel and Defendant's counsel within three (3) business days of the missed payment. Thereafter,
20 Defendant will have seven (7) days to cure the default and tender payment to the Settlement
21 Administrator.

22 **h. No Credit Toward Benefit Plans.**

23 The Individual Settlement Payments made to Participating Class Members under this
24 Agreement, as well as any other payments made pursuant to this Agreement, will not be utilized to
25 calculate any additional benefits under any benefit plans to which any Class Members may be
26 eligible, including, but not limited to: profit-sharing plans, bonus plans, 401(k) plans, stock purchase
27 plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan. Rather, it is the Parties'
28

intention that this Agreement will not affect any rights, contributions, or amounts to which any Class Members may be entitled under any benefit plans.

ARTICLE IV

LIMITATIONS ON USE OF THIS SETTLEMENT

Section 4.01: No Admission

Defendant disputes all the allegations in the Action and disputes that, but for this Settlement, a Class should not have been certified in the Action. This Agreement is entered into solely for the purpose of settling highly disputed claims. Nothing in this Agreement is intended nor will be construed as an admission of liability or wrongdoing by Defendant or any named defendants.

Section 4.02: Non-Evidentiary Use

Whether or not the Date of Finality occurs, neither this Agreement, nor any of its terms, nor the Settlement itself, will be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage, or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Action, except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims released through this Agreement.

Section 4.03: Nullification

The Parties have agreed to the certification of the Class encompassing all claims alleged in the Action for the sole purpose of effectuating this Agreement. If (a) the Court should for any reason fail to certify this Class for settlement, or (b) the Court should for any reason fail to approve this Settlement, or (c) the Court should for any reason fail to enter the Final Order, or (d) the Final Order is reversed, or declared or rendered void, or (e) the Court should for any reason fail to dispose of the Action in its entirety, or (f) Defendant elects to exercise its right to terminate this Agreement pursuant to section 4.04, then (i) this Agreement shall be considered null and void; (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect; (iii) all Parties to

1 this Agreement shall stand in the same position, without prejudice, as if the Agreement had been
2 neither entered into nor filed with the Court; and (iv) the fact that the Parties were willing to stipulate
3 to class certification of all causes of action pled in the Action as part of the Settlement will have no
4 bearing on, and will not be admissible in connection with, the issue of whether the Class should be
5 certified by the Court in a non-settlement context in this Action or any other action, and in any of
6 those events, Defendant expressly reserves the right to oppose certification of the Class.

7 In the event of a timely appeal from the Final Order, the Final Order shall be stayed and the
8 Gross Settlement Amount shall not be distributed pending the completion of the appeal.

9 **Section 4.04: Defendant's Right to Terminate**

10 If ten percent (10%) or more members of the Class exercise their rights to exclude themselves
11 and opt out of the Settlement pursuant to section 3.04(b), Defendant may, in its sole discretion,
12 unilaterally withdraw from and terminate the Settlement. In the event of Defendant's withdrawal,
13 no party may use the terms of this MOU or the fact that the Parties had agreed to the MOU for any
14 purpose.

15 **ARTICLE V**

16 **RELEASES**

17 **Section 5.01: Released Claims by Class Members**

18 Upon the date Defendant transfers the Gross Settlement Amount, Named Plaintiff and
19 Participating Class Members who do not opt out of the Settlement, fully and finally release and
20 discharge Defendant Stoesser Industries dba Scientific Molding Corporation, Ltd. and its former,
21 present and future owners, predecessors, parent companies, subsidiaries, investors, affiliates,
22 divisions, and all of their current, former and future officers, directors, members, managers,
23 employees, consultants, partners, shareholders, joint ventures, agents, successors, assigns,
24 accountants, insurers, attorneys, and representatives (collectively, the "Released Parties"), from any
25 and all claims, rights, demands, liabilities and causes of action of any nature or description, including
26 any such claims, whether known or unknown, that were litigated in the Action against Defendant or
27 could have been litigated based on the facts and circumstances alleged in the entire Action against
28 Defendant, arising under the Operative Complaint, including but not limited to, all claims under the

1 California Labor Code, Wage Orders, and related orders of the California Industrial Commission and
2 Business and Professions Code section 17200, et seq. alleged in the Action or which could have been
3 alleged based on the facts alleged in the Action, including all of the following claims for relief: (1)
4 failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide meal periods
5 (4) failure to authorize or permit rest periods (5) failure to provide accurate itemized wage statements
6 (6) failure to pay wages timely during employment (7) failure to pay wages upon separation of
7 employment and within the required time and (8) violation of California Business and Professions
8 Code §§17200, *et seq.*, based on the preceding claims (the “Released Claims”). The claims released
9 under this paragraph shall include, but not necessarily be limited to, claims for: meal period violations
10 and failure to pay compensation in lieu thereof; rest break violations and failure to pay compensation
11 in lieu thereof; failure to pay minimum wages, regular wages, overtime and double time wages; all
12 theories related to unpaid wages (including but not limited to off-the-clock work, time shaving, time
13 rounding, on-call time, working through meal periods, regular rate claims, on-duty meal period
14 violations, or any other claims giving rise to minimum and/or overtime violations); unpaid meal
15 period penalties; unpaid rest period penalties; wage statement violations; failure to reimburse
16 business expenses; failure to pay wages upon separation from employment; late payment of wages;
17 waiting time penalties; any penalties or wages owed or derivative of violations of the Unfair
18 Competition Law, the Labor Code, including Labor Code section 2699, et seq., as well as any
19 damages, restitution, disgorgement, civil penalties, statutory penalties, taxes, interest or attorneys’
20 fees or costs resulting therefrom. This release will only release such claims during the Class Period.

1 **Section 5.02: Release of PAGA Claims**

2 Upon the date of funding the GSA, the State of California and PAGA Group Members shall
3 fully and finally release and discharge the Released Parties from all causes of action and claims for
4 civil penalties under the California Labor Code Private Attorneys General Act of 2004 that were
5 alleged in the Action, in Plaintiff's LWDA Notice, or reasonably could have been alleged based on
6 the facts and legal theories contained in the Action, including claims for civil penalties based on the
7 following: (1) failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide
8 meal periods (4) failure to authorize or permit rest periods (5) failure to provide accurate itemized
9 wage statements (6) failure to pay wages timely during employment (7) failure to pay wages upon
10 separation of employment and within the required time. This release will only release such claims
11 during the PAGA Period. PAGA Employees cannot exclude themselves from the PAGA release
12 contained in this paragraph.

13 **Section 5.03: Named Plaintiffs' Release of Unknown Claims**

14 Upon the date of funding the GSA, Named Plaintiff releases the Released Parties from any
15 and all charges, complaints, claims, causes of action, demands, disputes, damages, business
16 expenses, attorneys' fees, costs, losses, and liabilities of any kind or nature whatsoever, known or
17 unknown, suspected or unsuspected, asserted or unasserted, which Plaintiff, at any time, had, claimed
18 to have, or Plaintiff may have, including but not limited to any and all claims arising out of, relating
19 to, or resulting from his employment with and separation of employment with Released Parties,
20 including any claims arising under any federal, state, or local law relating to employment, including,
21 but in no way limited to, any claim under Title VII of the Civil Rights Act of 1964, as amended
22 ("Title VII"), 42 U.S.C. § 1981; the Americans with Disabilities Act ("ADA"); the Family and
23 Medical Leave Act ("FMLA"); the Employee Retirement Income Security Act ("ERISA"); the
24 California Family Rights Act ("CFRA"); the California Fair Employment and Housing Act
25 ("FEHA"); all claims for wages or penalties under the Fair Labor Standards Act ("FLSA"); all claims
26 for wages or penalties under the California Labor Code; Business and Professions Code §§ 17200 et
27 seq.; all laws relating to violation of public policy, retaliation, or interference with legal rights; any
28 and all other employment or discrimination laws; whistleblower claims; any tort, fraud, or

1 constitutional claims; and any breach of contract claims or claims of promissory estoppel. It is agreed
2 that this is a general release and is to be broadly construed as a release of all claims; provided that,
3 notwithstanding the foregoing, this paragraph expressly does not include a release of any claims that
4 cannot be released hereunder by law. Nothing in this Agreement prohibits Plaintiff from filing a
5 charge or complaint or communicating with a government agency where, as a matter of law,
6 Defendant may not restrict Plaintiff's ability to do so. However, Plaintiff hereby waives his rights to
7 any monetary benefits or recovery in connection with any such claim, charge or proceeding, except
8 this Agreement does not limit Plaintiff's right to receive an award for information provided to any
9 government agencies. Nothing in this Agreement waives Plaintiff's right to testify or prohibits him
10 from testifying in an administrative, legislative, or judicial proceeding concerning alleged criminal
11 conduct or alleged sexual harassment when he has been required or requested to attend the
12 proceeding pursuant to a court order, subpoena or written request from an administrative agency or
13 the California state legislature. Plaintiff understands and expressly agrees that this Agreement
14 extends to any and all claims that he has against Released Parties, of whatever nature and kind, known
15 or unknown, suspected or unsuspected, vested or contingent, past, present, or future, arising from or
16 attributable to an incident or event, occurring in whole or in part, on or before the Effective
17 Satisfaction of Judgment Date of this Agreement. Any and all rights granted under any state or federal
18 law or regulation limiting the effect of this Settlement Agreement, including the provisions of section
19 1542 of the California Civil Code, are hereby expressly waived. Section 1542 of the California Civil
20 Code reads as follows:

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

25 Plaintiff's general release provided herein is made with an express waiver and relinquishment
26 of any claim, right, or benefit under California Civil Code § 1542.
27
28

1 **ARTICLE VI**

2 **MISCELLANEOUS PROVISIONS**

3 **Section 6.01: Amendments or Modification**

4 The terms and provisions of this Agreement may be amended or modified only by an express
5 written agreement that is signed by all the Parties (or their successors-in-interest) and their counsel.

6 **Section 6.02: Assignment**

7 None of the rights, commitments, or obligations recognized under this Agreement may be
8 assigned by any Party, Class Member, Class Counsel, or Defense Counsel without the express written
9 consent of each other Party and their respective counsel. The representations, warranties, covenants,
10 and agreements contained in this Agreement are for the sole benefit of the Parties under this
11 Agreement and shall not be construed to confer any right or to avail any remedy to any other person.

12 **Section 6.03: Governing Law**

13 This Agreement shall be governed, construed, and interpreted, and the rights of the Parties
14 shall be determined, in accordance with the laws of the State of California, without regard to conflicts
15 of laws.

16 **Section 6.04: Entire Agreement**

17 This Agreement, including the Exhibits referred to herein, which form an integral part hereof,
18 contains the entire understanding of the Parties with respect to the subject matter contained herein.
19 In case of any conflict between text contained in Articles I through VI of this Agreement and text
20 contained in the Exhibits to this Agreement, the former (*i.e.*, Articles I through VI) shall be
21 controlling, unless the Exhibits are changed by or in response to a Court order. There are no
22 restrictions, promises, representations, warranties, covenants, or undertakings governing the subject
23 matter of this Agreement other than those expressly set forth or referred to herein. This Agreement
24 supersedes all prior agreements and understandings among the Parties with respect to the settlement
25 of the Action, including correspondence between Class Counsel and Defense Counsel,
26 memorandums of understanding, and drafts of prior agreements or proposals.

1 **Section 6.05: Waiver of Compliance**

2 Any failure of any Party, Defense Counsel, or Class Counsel hereto to comply with any
3 obligation, covenant, agreement, or condition set forth in this Agreement may be expressly waived
4 in writing, to the extent permitted under applicable law, by the Party or Parties and their respective
5 counsel entitled to the benefit of such obligation, covenant, agreement, or condition. A waiver or
6 failure to insist upon strict compliance with any representation, warranty, covenant, agreement, or
7 condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

8 **Section 6.06: Counterparts and Fax/PDF Signatures**

9 This Agreement, and any amendments hereto, may be executed in any number of counterparts
10 and any Party and/or their respective counsel may execute any such counterpart, each of which when
11 executed and delivered shall be deemed to be an original. All counterparts taken together shall
12 constitute one instrument. A fax or PDF signature on this Agreement shall be as valid as an original
13 signature.

14 **Section 6.07: Meet and Confer Regarding Disputes**

15 Should any dispute arise among the Parties or their respective counsel regarding the
16 implementation or interpretation of this Agreement, a representative of Class Counsel and a
17 representative of Defense Counsel shall meet and confer, in person or via telephone, in an attempt to
18 resolve such disputes prior to submitting such disputes to the Court.

19 **Section 6.08: Agreement Binding on Successors**

20 This Agreement will be binding upon, and inure to the benefit of, the successors in interest
21 of each of the Parties.

22 **Section 6.09: Cooperation in Drafting**

23 The Parties have cooperated in the negotiation and preparation of this Agreement. This
24 Agreement will not be construed against any Party on the basis that the Party, or the Party's counsel,
25 was the drafter or participated in the drafting of this Agreement.

26 **Section 6.10: Fair and Reasonable Settlement**

27 The Parties believe that this Agreement reflects a fair, reasonable, and adequate settlement of
28 the Action and have arrived at this Agreement through arm's-length negotiation and in the context

1 of adversarial litigation, taking into account all relevant factors, current and potential. The Parties
2 further believe that the Settlement is and is consistent with public policy, and fully complies with
3 applicable law.

4 **Section 6.11: Headings**

5 The descriptive heading of any section or paragraph of this Agreement is inserted for
6 convenience of reference only and does not constitute a part of this Agreement and shall not be
7 considered in interpreting this Agreement.

8 **Section 6.12: Notice**

9 Except as otherwise expressly provided in the Agreement, all notices, demands, and other
10 communications under this Agreement must be in writing and addressed as follows:

11 *To Named Plaintiff and the Class:*

12 Samuel A. Wong
13 Kashif Haque
14 Jessica L. Campbell
15 Steven A. McNicholl
16 AEGIS LAW FIRM, PC
17 9811 Irvine Center Drive, Suite 100
18 Irvine, California 92618
19 Telephone: (949) 379-6250
20 Facsimile: (949) 379-6251

21 And

22 *To Defendant:*

23 Danielle H. Moore
24 Andrew E. Saxon
25 FISHER & PHILLIPS LLP
26 4747 Executive Drive, Suite 1000
27 San Diego, California 92121
28 Telephone: 858.597.9600
Facsimile: 858.597.9601

29 **Section 6.13: Enforcement of Settlement and Continuing Court Jurisdiction**

30 To the extent consistent with class action procedure, this Agreement shall be enforceable by
31 the Court pursuant to California Code of Civil Procedure section 664.6 and California Rule of Court
32 3.769(h). The Final Order entered by the Court will not adjudicate the merits of the Action or the

liability of the Parties resulting from the allegations of the Action. Its sole purpose is to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. To that end, the Court shall retain continuing jurisdiction over this Action and over all Parties and Class Members, to the fullest extent to enforce and effectuate the terms and intent of this Agreement. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

Section 6.14: Mutual Full Cooperation

The Parties agree fully to cooperate with each other to accomplish the terms of this Agreement, including but not limited to the execution of such documents, and the taking of such other action, as may reasonably be necessary to implement the terms of this Agreement. The Parties to this Agreement shall use their best efforts, to effectuate and implement this Agreement and its terms. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of the Settlement, the Parties agree to seek the assistance of the Court.

Section 6.15: Authorization to Act

Class Counsel warrants and represents that they are authorized by Named Plaintiff, and Defense Counsel warrants that they are authorized by Defendant, to take all appropriate action required to effectuate the terms of this Agreement, except for signing documents, including but not limited to this Agreement, that are required to be signed by the Parties themselves. Defendant represents and warrants that the individual executing this Agreement on its behalf has the full right, power, and authority to enter into this Agreement and to carry out the transactions contemplated herein.

Section 6.16: No Reliance on Representations

The Parties have made such investigation of the facts and the law pertaining to the matters described herein and to this Agreement as they deem necessary, and have not relied, and do not rely, on any statement, promise, or representation of fact or law, made by any of the other parties, or any

of their agents, employees, attorneys, or representatives, with regard to any of their rights or asserted rights, or with regard to the advisability of entering into and executing this Agreement, or with respect to any other matters. No representations, warranties, or inducements, except as expressly set forth herein, have been made to any party concerning this Agreement.

Section 6.17: Confidentiality

The parties and attorneys will keep this Settlement confidential through preliminary approval. Thereafter, the Parties will agree to make no comments to the media or otherwise publicize the terms of the Settlement. However, Class Counsel shall be allowed to discuss the administration of this Settlement with Class Members, and disclose the Settlement to any Court for any matter for the of determining Class Counsel's adequacy as counsel. In response to any media inquiries, Named Plaintiff and Class Counsel will state that "the case was resolved with Court approval." Class Counsel shall not report the Settlement or its content in any medium or in any publication, shall not post or report anything regarding the claims of Named Plaintiff or the Settlement Class on their website, and shall not contact any reporters or media regarding the settlement, the Action, or their content. However, Class Counsel shall be permitted to post or report anything which would not identify Defendant by name or in a manner which would not identify Defendant on their website. Nothing in this provision is intended to prohibit: (i) Named Plaintiff from discussing this settlement with his spouse, attorneys, or tax advisors; (ii) Class Counsel from citing the Settlement in this case as evidence supporting their competence as counsel in wage/hour and/or class action matters in public court filings; or (iii) Class Counsel from communicating with the Plaintiff in this case, discussions with Class Members regarding the settlement, the L WDA, or with the court in which this action is pending.

EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: August 25, 2023

HUEY ROUNDTREE

By: _____

Huey Roundtree

DocuSigned by:

Huey Roundtree

AE34130E0AD3485...

1
2 Dated: August 21, 2023

STOESSER INDUSTRIES

3
4 By: 

Michael Schick
Chief Treasury Officer

5
6
7 APPROVED AS TO FORM ONLY:

8
9 **AEGIS LAW FIRM**

10 By: 

Jessica L. Campbell
Steven A. McNicholl
Attorneys for Named Plaintiff Huey
Roundtree

11
12
13
14
15 Dated: August 17, 2023

FISHER & PHILLIPS LLP

16
17 By: 

Danielle H. Moore
Andrew E. Saxon
Attorneys for Defendant, Stoesser
Industries

EXHIBIT A

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

Huey Roundtree v. Stoesser Industries, et al.
Sonoma County Superior Court, Case No. SCV-270587

If you worked for Stoesser Industries of Sonoma County as a non-exempt employee, in California at any time from October 7, 2017 through March 18, 2023, the settlement of this class action lawsuit may affect your rights.

This is a court-authorized notice. It is not a solicitation from a lawyer.

- A proposed settlement (the “Settlement”) has been reached in the class action lawsuit entitled *Huey Roundtree v. Stoesser Industries, et al.*, Case No. SCV-270587 (Sonoma County Superior Court) (the “Lawsuit”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Lawsuit, and to inform you of your rights and options in connection with the Lawsuit and the Settlement.
- The Court has preliminarily approved a class action settlement with Defendant Stoesser Industries dba Scientific Molding Corporation, Ltd. (“Defendant”), which will affect all non-exempt employees who worked for Defendant in California at any time from October 7, 2017 through March 18, 2023 (the “Class”).
- If the Court grants final approval of the Settlement, there may be money available to you.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Class and will be entitled to a settlement award as detailed below. But, you will not be able to bring your own lawsuit against Defendant for violations that relate to the claims brought in this Lawsuit.
OBJECT TO THE SETTLEMENT	Stay in this Lawsuit. Object. Receive a payment. Give up certain rights. If you object to the settlement, you will remain a member of the Class. If the Court approves the settlement, you will be entitled to collect a settlement award and be bound by the terms of the settlement in the same way as Class Members who do not object.
ASK TO BE EXCLUDED	Get out of this Lawsuit. Receive no payment from the class settlement. Keep your rights. If you ask to be excluded from the Settlement, you will not receive any payment from the settlement award. But, you keep your right to sue Defendant separately for the legal claims raised in this Lawsuit, except as to the claim under the California Private Attorneys General Act (“PAGA”). As a result, you may receive no payment at all. At most, you will receive a very small payment for resolution of the PAGA claim if you a PAGA Group Member, which is a subset of the Class.

- **Regardless of the option you choose, you will not be retaliated against.**
- Your options are explained in this notice. To object to the settlement or to ask to be excluded, you must act before [REDACTED].
- **Any questions?** Read on or contact Class Counsel or the Settlement Administrator listed below.

BASIC INFORMATION

1. Why did I get this notice?

Defendant's records show that you worked for Defendant as a non-exempt employee in California at some point between October 7, 2017 through March 18, 2023.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement may be fair, adequate, and reasonable. Any final determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of this Settlement. Judge Gary Nadler of the Superior Court of the State of California, County of Sonoma, is overseeing this lawsuit.

2. What is this lawsuit about?

In this Lawsuit, Plaintiff Huey Roundtree ("Plaintiff") claims that Defendant: (1) failed to pay minimum wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to permit rest breaks; (5) failed to provide accurate itemized wage statements; (6) failed to pay wages timely during employment; (7) failed to pay all wages due upon separation of employment; (8) violated California's Unfair Competition laws; and (9) that these violations entitle Plaintiff to recover civil penalties on behalf of the State of California under the "Private Attorneys General Act", Labor Code § 2698 et. seq ("PAGA").

Throughout the litigation, Defendant has denied—and continues to deny—the factual and legal allegations in the Lawsuit. Defendant denies any wrongdoing and asserts that its conduct at all times complied with the law. However, Defendant has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

3. What is a class action and who is involved?

In a class action lawsuit such as this, a person called the "Class Representative" sues on behalf of other people who may have similar claims. The people together are referred to as a "Class" or "Class Members." The person who is the Class Representative is also called the plaintiff. The company being sued is called the defendant. In class action litigation, a Court resolves the issues for everyone in the Class in one lawsuit, except for those people who choose to exclude themselves from the Class.

This class action also includes a PAGA claim, where the Plaintiff is attempting to recover civil penalties on behalf of the State of California. In a PAGA action, the State receives 75% of any recovered civil penalties, and the aggrieved employees receive 25%. This Settlement will resolve all claims by the State for civil penalties arising from the claims made by Plaintiff in the Lawsuit during the period of October 7, 2020 through March 18, 2023 (the "PAGA Period").

4. Why is this Lawsuit a class action?

For settlement purposes, Plaintiff and Defendant agreed that this case can proceed as a class action and have agreed to ask the Court to approve the class action Settlement. The Court has not ruled on the merits of the claims in the Lawsuit.

5. What are the terms of the proposed Settlement?

The major terms of the settlement are as follows:

1. Defendant has agreed to pay \$1,000,000 to settle the claims in this Lawsuit. This amount is also known as the “Gross Settlement Amount.”
2. Plaintiff has agreed to release all of his claims in this this Lawsuit against Defendant.
3. Plaintiff seeks the following deductions from the \$1,000,000 Gross Settlement Amount:
 - a. Up to one-third (1/3) of the Gross Settlement Amount (which is currently equal to \$333,333.33 for Class Counsel’s attorneys’ fees.
 - b. Up to \$25,000.00 for reimbursement of Class Counsel’s litigation costs.
 - c. An Incentive Award of up to \$10,000 for Plaintiff, for filing the Lawsuit, performing work in connection with the Lawsuit, and the risks associated with filing the Lawsuit.
 - d. Up to \$15,000.00 to cover the costs of the Settlement.
 - e. A PAGA Settlement Amount of up to \$50,000 for the release of PAGA claims. The PAGA Settlement Amount shall be allocated 75% (or \$37,500.00) to the California Labor and Workforce Development Agency and 25% (or \$12,500.00) to the non-exempt employees that worked for Defendant in California at any time during the PAGA Period (“PAGA Group Members”).

If the Court approves these requested deductions, there will be approximately \$579,166.67 remaining. The remaining funds will be referred to as the “Net Settlement Amount.” The Net Settlement Amount will be distributed to Class Members who do not request exclusion according to the number of weeks they worked for Defendant in California during the Class Period. This is referred to as the “Individual Settlement Payment.”

PAGA Settlement Amount. 25% of the PAGA Settlement Amount (or \$12,500.00) will be paid to PAGA Group Members based on the number of pay periods they worked for Defendant in California during the PAGA Period. If you are a PAGA Group Member, you will receive a pro rata share of the PAGA Group Payment regardless of whether you opt-out of the class settlement. This is referred to as the “Individual PAGA Payment.”

Check Cashing Period. If a settlement check remains uncashed after 180 days from the date it is issued, the check will become void and the amount of the uncashed check will be paid to Meals on Wheels

California, Inc. who will serve as the *cy pres* recipient pursuant to California Code of Civil Procedure section 384.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The “Class” includes all non-exempt employees employed by Defendant at any time from October 7, 2017 through March 18, 2023 (the “Class Period”).

7. I’m still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting ILYM Group, Inc., the “Settlement Administrator”, at the designated phone number for this matter at 888.250.6810 or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at the phone number or address listed in Section 19.

8. What is my approximate Individual Settlement Payment?

According to payroll records maintained by Defendant, the total number of pay periods you worked in California for Defendant as a non-exempt employee during the Class Period is [REDACTED]. The total number of pay periods you worked in California for Defendant as a non-exempt employee during the PAGA Period is [REDACTED].

Based on information provided above, anticipated court-approved deductions, and preliminary calculations of Qualified Workweeks, it is estimated your Individual Settlement Payment will be \$ [REDACTED], less applicable taxes and withholdings and your Individual PAGA Settlement Payment will be \$ [REDACTED].

You do not need to do anything further to receive your Individual Settlement Payment and Individual PAGA Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 16, below, of any changes to your mailing address for timely payment.

Disputing Your Payment Amount

If you believe your total pay periods worked during the Class Period and/or total pay periods worked during the PAGA Period shown above are not correct, you may contact the Settlement Administrator indicating what you believe is correct no later than [REDACTED]. You should send any documents or other information that supports your belief that the number of weeks set forth above is incorrect. The Settlement Administrator will attempt to resolve any dispute based upon Defendant’s records and any information you provide. Any dispute not resolved by the Settlement Administrator will be resolved by the Court.

9. What rights am I releasing if I participate in the Settlement?

Upon the date Defendant transfers the Gross Settlement Amount, Named Plaintiff and Participating Class Members irrevocably and unconditionally fully release and forever discharge the Released Parties from any and all the Released Claims during the Class Period.

“Released Claims” means any and all claims, rights, demands, liabilities and causes of action of any nature or description, including any such claims, whether known or unknown, that were litigated in the Action against Defendant or could have been litigated based on the facts and circumstances alleged in the entire Action against Defendant, arising under the Operative Complaint, including but not limited to, all claims under the California Labor Code, Wage Orders, and related orders of the California Industrial Commission and Business and Professions Code section 17200, et seq. alleged in the Action or which could have been alleged based on the facts alleged in the Action, including all of the following claims for relief: (1) failure to pay minimum wages (2) failure to pay overtime wages (3) failure to provide meal periods (4) failure to authorize or permit rest periods (5) failure to provide accurate itemized wage statements (6) failure to pay wages timely during employment (7) failure to pay wages upon separation of employment and within the required time and (8) violation of California Business and Professions Code §§17200, *et seq.*, based on the preceding claims. The claims released under this paragraph shall include, but not necessarily be limited to, claims for: meal period violations and failure to pay compensation in lieu thereof; rest break violations and failure to pay compensation in lieu thereof; failure to pay minimum wages, regular wages, overtime and double time wages; all theories related to unpaid wages (including but not limited to off-the-clock work, time shaving, time rounding, on-call time, working through meal periods, regular rate claims, on-duty meal period violations, or any other claims giving rise to minimum and/or overtime violations); unpaid meal period penalties; unpaid rest period penalties; wage statement violations; failure to reimburse business expenses; failure to pay wages upon separation from employment; late payment of wages; waiting time penalties; any penalties or wages owed or derivative of violations of the Unfair Competition Law, the Labor Code, including Labor Code section 2699, et seq., as well as any damages, restitution, disgorgement, civil penalties, statutory penalties, taxes, interest or attorneys’ fees or costs resulting therefrom.

“Released Parties” means Defendant Stoesser Industries dba Scientific Molding Corporation, Ltd. and its former, present and future owners, predecessors, parent companies, subsidiaries, investors, affiliates, divisions, and all of their current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint ventures, agents, successors, assigns, accountants, insurers, attorneys, and representatives.

Upon the date Defendant transfer the Gross Settlement Amount, the State of California and PAGA Group Members release the Released Parties from all claims exhausted in Plaintiff’s notice(s) sent to the LWDA and alleged in the Action which arose during the PAGA Period, regardless of whether PAGA Group Members opt out of the Class Settlement.

10. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (*i.e.*, you must not opt-out). To object, you may mail a written objection to the Settlement Administrator at the address in Section 16 below. Your written objection must set forth the grounds for your objection and be signed and dated, along with any supporting documents. Any written objection

must be mailed to the Settlement Administrator no later than [REDACTED]. You can also appear at the final approval hearing. The information for the hearing is included in Section 17 of this notice.

11. Why would I ask to be excluded?

You have the right to exclude yourself from the Class (and the class settlement). If you exclude yourself from the Class—sometimes called "opting-out" of the Class – you will not receive any money or benefits from the class settlement. However, if you opt out, you may then be able to sue or continue to sue Defendant for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's ruling in this Lawsuit except for the release by PAGA Group Members. Whether or not you submit a Request for Exclusion, if you are a PAGA Group Member, you will still receive your portion of the PAGA Group Payment.

12. How do I ask to be excluded from the Class?

If you are a Class Member and would like to exclude yourself from the Class ("opt-out"), you, or your authorized representative, need to submit a written statement requesting exclusion from the Class to the Settlement Administrator at the address in Section 16 below. Your written statement should include your full name and address, and say something like, "I am a member of the class in the case of *Huey Roundtree v. Stoesser Industries, et al.*, Sonoma Superior Court, Case No. SCV-270587, and I wish to exclude myself from the settlement, knowing I will not get payment as a class member and I will not release my claims as a class member." The statement must be signed by you or your authorized representative and must be postmarked on or before [REDACTED]. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted.

Any class member who fails to submit a valid and timely request for exclusion will be bound by all terms of the settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court. However, Class Members cannot opt out of releasing PAGA claims, as those claims technically belong to the State of California and Plaintiff has agreed to release those claims acting as a proxy for the State.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

Class Counsel:

Kashif Haque
Samuel A. Wong
Jessica L. Campbell
Steven A. McNicholl
AEGIS LAW FIRM, PC
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251
smcnicholl@aegislawfirm.com

The Court has preliminarily decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. The law firm's attorneys are experienced in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers' experience is available at www.aegislawfirm.com.

14. How will the lawyers be paid?

As part of the Settlement, Class Counsel has requested one-third of the Gross Settlement Amount (currently equal to \$333,333.33) in attorneys' fees, plus costs not to exceed \$25,000.00, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

15. How will the Plaintiff be paid?

As part of the Settlement, Class Counsel has requested an incentive award of up to \$10,000 to be paid to the Plaintiff for his efforts in this matter, while serving as Class Representative and taking on the burden and risks of litigation.

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

16. Who is handling the Settlement Administration process?

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Phone: 888.250.6810

17. When is the Final Fairness and Approval Hearing and do I have to attend?

The Final Fairness and Approval Hearing has been set for [REDACTED], at [REDACTED] in Courtroom 19 of the Superior Court of California, County of Sonoma, located at 600 Administrative Drive, Santa Rosa, CA 95403. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class.

The Final Fairness and Approval Hearing date and/or location is subject to change. To check if the hearing has changed, please go to <https://sonoma.courts.ca.gov/online-services/case-portal> and then click "Search Hearings." Then click "Smart Search." You may need to set up an account to proceed. Type in "SCV-270587" The information for the Final Fairness and Approval Hearing will be listed under "EVENTS AND HEARINGS."

If you wish to attend the hearing, please first visit <https://sonoma.courts.ca.gov/> to determine whether you can appear in person and how you can appear remotely by video or phone. Please check the Court's website for the Court's current pandemic protocols for appearance at hearings.

If the Court enters final judgment, then the Notice of Entry of Judgment will be posted on the Settlement Administrators' website at <https://ilymgroup.com>

18. When will I get money after the hearing?

The Court will hold a hearing on [REDACTED], at [REDACTED], to decide whether to approve the settlement. If the Court approves the settlement, then there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time.

If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 8 above is expected to be distributed after Defendant makes payment to the Settlement Administrator. To check on the progress of the settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed in Section 19.

GETTING MORE INFORMATION

19. Are more details available?

This Notice only summarizes the lawsuit, the Settlement, and related matters. For more information, the pleadings and other records in this litigation, including copies of the Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California, at the Sonoma County Superior Court, located at 600 Administrative Drive, Santa Rosa, CA 95403.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Claims Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact the Lawyers for the Class at the address, telephone number or email address set forth above. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:

ILYM Group, Inc.
P.O. Box 2031
Tustin, CA 92781
Phone: 888.250.6810

**PLEASE DO NOT CALL OR WRITE TO THE COURT, OR TO ANY OF DEFENDANT'S
MANAGERS, SUPERVISORS, OR DEFENDANT'S ATTORNEYS WITH QUESTIONS
ABOUT THIS NOTICE.**