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JOSE SALCIDO

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSE SALCIDO, as an individual and on behalf
of all others similarly situated,

Plaintiff,

vs.

ELECTRO ADAPTER, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 21STCV32600

*[Assigned for all purposes to the Hon. Stuart M.
Rice, Dept. SSC-1]*

**DECLARATION OF ELIZABETH
NGUYEN IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: April 26, 2023
Time: 10:30 a.m.
Dept.: SSC-1

Action Filed: September 2, 2021
Trial Date: None Set

1 I, ELIZABETH NGUYEN, declare as follows:

2 1. I am a shareholder of the law firm Lidman Law, APC, and counsel for the named Plaintiff
3 Jose Salcido ("Plaintiff") and the proposed Settlement Class in the above-captioned matter. I am a
4 member in good standing of the bar of the State of California and am admitted to practice in this Court.
5 I have personal knowledge of the facts stated in this declaration and could testify competently to them
6 if called upon to do so.

7 2. I am a 2005 graduate of Loyola Law School. During law school, I worked as an extern
8 for the Honorable Erithe A. Smith, U.S. Bankruptcy Court for the Central District of California. During
9 law school, I also worked as a law clerk in the Enforcement Unit of the Office of the Chief Trial Counsel
10 for the State Bar of California.

11 3. Since graduating from law school, my practice has focused almost exclusively on
12 employment litigation. In October 2007, I began working as an associate attorney at the international
13 law firm of Littler Mendelson P.C., at its Los Angeles office, which according to its website is the
14 "largest law firm in the world exclusively devoted to representing management in employment,
15 employee benefits and labor law matters."

16 4. In June 2012, I left Littler Mendelson to work at the Los Angeles office of Reed Smith
17 LLP. During my employment at Reed Smith, I worked exclusively in the labor and employment
18 practice group. In June 2013, I returned to Littler Mendelson as an associate attorney, was promoted to
19 Shareholder in 2015, and was elevated to participating Shareholder in 2017. Since October 2007, my
20 practice has been and continues to be exclusively labor and employment law, with a strong emphasis
21 on wage and hour class actions venued in both state and federal courts. During this time period and my
22 legal career in general, I also worked on a number of single and multi-plaintiff wage and hour matters
23 as well. During my employment at Littler Mendelson, I was a member of its Class Action Practice
24 Group.

25 5. During my employment at Littler Mendelson, I played a significant role in the class
26 actions that I was staffed on, and was primarily responsible for managing the litigation both in my role
27 as a Senior Associate and as a Shareholder. In particular, I received a wide-array of wage and hour
28

1 class action experience performing the following types of tasks: drafting demurrers, motions to strike
2 and/or dismiss; removing actions from state court to federal court; drafting and responding to written
3 discovery; drafting and opposing discovery related motions; arguing discovery related motions; drafting
4 motions to consolidate related matters; interviewing putative class members and obtaining declarations
5 in connection with class certification; drafting oppositions to motions for class certification; conducting
6 exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing
7 at class certification and potential damages resulting from such claims; drafting mediation briefs;
8 serving as the primary contact to in-house counsel; deposing named plaintiffs and putative class
9 members; deposing retained expert witnesses; and defending the depositions of corporate witnesses. I
10 also was involved in the negotiations and settlements of many large wage and hour class actions. In
11 short, I played an integral role in all aspects of litigation from the inception of a matter through and
12 beyond class certification. I also supervised the work of several associate attorneys who were staffed
13 on the same wage and hour class actions.

14 6. Although not exhaustive, below is a list of many of the wage and hour class and PAGA
15 actions that I performed substantial work on while I was an Associate and/or Shareholder at Littler
16 Mendelson:

- 17 ► *Branch v. PM Realty Group, Inc.* Case No. BC575759, Los Angeles Superior
18 Court, County of Los Angeles, Honorable Ann Jones, presiding.
- 19 ► *Herrera v. Pharmavite, LLC*, Case No. BC599201, Los Angeles Superior Court,
20 County of Los Angeles, Honorable Judge Carolyn Kuhl, presiding.
- 21 ► *Dugan v. Stoneledge Furniture, LLC*, Case No. 16-cv-01125-PA-FFMx, United
22 States District Court, Central District of California, Honorable Judge Percy
23 Anderson, presiding.
- 24 ► *Klune v. Stoneledge Furniture, LLC*, Case No. 14-cv-03986-PA-FFMx, United
25 States District Court, Central District of California, Honorable Judge Percy
26 Anderson, presiding.

- 1 ▶ *Diaz v. ABM Industries, Inc.; Ampco Parking*, Case No. BC362932, California
2 Superior Court, County of Los Angeles, Honorable Judge Jane Johnson,
3 presiding.¹
- 4 ▶ *Adams v. Luxottica Retail North America, Inc.*, Case No. 07CC01346, California
5 Superior Court, County of Orange, Honorable Judge Thierry Patrick Colaw,
6 presiding.
- 7 ▶ *Page v. Luxottica Retail North America, Inc.*, Case No. FCS041512, California
8 Superior Court, County of Solano, Honorable Judge Paul Berman, presiding.
- 9 ▶ *Parker v. FedEx National LTL, Inc.*, Case No. 11-CV-006380-DSF-FFM, United
10 States District Court, Central District of California, Honorable Judge Dale
11 Fischer, presiding.
- 12 ▶ *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
13 States District Court, Central District of California, Honorable Judge Margaret
14 Morrow, presiding.
- 15 ▶ *Bernal v. Comerica Bank, et al.*, Case No. 11-cv-01298-JAH-BGS, United States
16 District Court, Central District of California, Honorable Judge Margaret Morrow,
17 presiding.
- 18 ▶ *Granata v. Comerica Bank, et al.*, Case No. 37-2011-00086316-CU-OE-CTL,
19 California Superior Court, County of San Diego, Honorable Judge Jeffrey B.
20 Barton, presiding.
- 21 ▶ *Mathews v. Comerica Bank, et al.*, Case No. 111CV194781, California Superior
22 Court, County of Santa Clara.
- 23 ▶ *Gallegos v. Comerica Bank, et al.*, Case No. BC455515, California Superior
24 Court, County of Los Angeles, Honorable Judge Terry Green, presiding.
- 25 ▶ *Rumohr v. Comerica Bank, et al.*, Case No. CGC-11-508433, California Superior
26 Court, County of San Francisco.

27
28 ¹ This matter was consolidated and litigated collectively with Case Nos. BC380923, BC 381523 and BC 406663.

1 ▶ *Robertson v. FedEx National LTL, Inc.*, Case No. 09-CV-05016-DSF-FFM,
2 United States District Court, Central District of California, Honorable Judge Dale
3 Fischer, presiding.

4 ▶ *Wittman v. FedEx National LTL, Inc.*, Case No. 09-CV-03663-DSF-FFM, United
5 States District Court, Central District of California, Honorable Judge Dale
6 Fischer, presiding.

7 7. In January 2018, I voluntarily resigned from Littler Mendelson in order to start a law
8 firm with another former Littler Mendelson Shareholder, Scott M. Lidman, to represent employees
9 with work-related claims, including primarily wage and hour claims and almost exclusively on a class-
10 action basis. I am currently a Shareholder of Lidman Law, APC. Currently, over ninety percent (90%)
11 of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and I am
12 currently responsible for prosecuting over sixty-five (65) wage and hour class actions filed in State
13 courts throughout California, with several of them having been removed to Federal courts. I believe
14 that my professional experience renders me more than qualified to serve as class counsel in this lawsuit
15 involving claims of underpaid overtime and minimum wages, meal and rest period violations, and
16 derivative penalty claims. Not only have I litigated dozens of wage and hour cases throughout my
17 career involving similar claims, including the wage and hour class actions identified above, I have
18 litigated similar claims from both plaintiff and defense perspectives. As a result, I am able to
19 realistically assess and evaluate the facts and legal arguments that can be made in pursuit and defense
20 of similar wage and hour claims, as well as those facts and arguments in support and in opposition to
21 class certification. Consequently, I am able to appreciate the significant risks, uncertainties, and delay
22 involved in wage and hour class action litigation.

23 8. I have been appointed Class Counsel in: *Guardado v. Wesley Allen, Inc.*, Case No.
24 BC683027, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl
25 presiding; *Rodriguez v. Satco, Inc.*, Case No. BC682137, California Superior Court, County of Los
26 Angeles, Honorable Judge Ann I. Jones presiding; *Ong v. Howard's Appliances, Inc.*, Case No. 30-
27 2017-00964213-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge
28

1 William Claster presiding; *Hanke v. C&W Facility Services, Inc.*, Case No. CIVDS1814412,
2 California Superior Court, County of San Bernardino, Honorable Judge David Cohn presiding; *Molina*
3 *v. Mader News, Inc.*, Case No. BC685960, California Superior Court, County of Los Angeles,
4 Honorable Judge Yvette M. Palazuelos presiding; *Alvarez v. Salamander Fire Protection, Inc.*, Case
5 No. BC688326, California Superior Court, County of Los Angeles, Honorable Judge William F.
6 Highberger presiding; *Rodriguez v. H.F. Cox, Inc.*, Case No. BC653164, California Superior Court,
7 County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Fregoso v. Amerigas Propane,*
8 *Inc.*, Case No. BC697973, California Superior Court, County of Los Angeles, Honorable Judge Rafael
9 A. Ongkeko presiding; *Teran v. Western Plastics, Inc.*, Case No. RIC1722619, California Superior
10 Court, County of Riverside, Honorable Judge Sunshine Sykes presiding; *Villegas de Torres v. El*
11 *Monte Superstore Inc.*, Case No. BC688477, California Superior Court, County of Los Angeles,
12 Honorable Judge Daniel J. Buckley presiding; *Huynh v. Polypeptide Laboratories, Inc.*, Case No.
13 BC680872, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko
14 presiding; *Guzman v. Century Blinds*, Case No. RIC1723654, California Superior Court, County of
15 Riverside, Honorable Judge Sunshine S. Sykes presiding; *George v. Convergence Marketing*, Case
16 No. CIVDS1901039, California Superior Court, County of San Bernardino, Honorable Judge David S.
17 Cohn presiding; *Coffee, et al. v. Flyers Transportation Energy, LLC*, Case No. 34-2017-00222084,
18 California Superior Court, County of Sacramento, Honorable Judge Alan G. Perkins presiding; *Romero*
19 *v. Fillmore Hospitality, LLC*, Case No. BC705667, California Superior Court, County of Los Angeles,
20 Honorable Judge Maren E. Nelson presiding; *Wennerstrom, et al. v. Giant Inland Empire R.V. Center*,
21 Case No. CIVDS1617291, California Superior Court, County of San Bernardino, Honorable Judge
22 David S. Cohn presiding; *Contreras, et al. v. Letter Ride, LLC*, Case No. 37-2018-00020841-CU-OE-
23 CTL, California Superior Court, County of San Diego, Honorable Judge Eddie C. Sturgeon presiding;
24 *Davis v. WeDriveU*, Case No. 18CV322578, California Superior Court, County of Santa Clara,
25 Honorable Judge Brian C. Walsh presiding; *Acuna v. Canton Food Co., Inc.*, Case No. BC685001,
26 California Superior Court, County of Los Angeles, Honorable Judge David S. Cunningham presiding;

1 and *Contreras v. Worldwide Flight Services, Inc.*, Case No. 2:18-cv-06036-PSG-SS, United States
2 District Court for the Central District of California, the Honorable Judge Philip S. Gutierrez presiding.

3 9. As co-counsel for Plaintiff and the proposed Settlement Class, I have been intimately
4 involved in every aspect of this case from its inception through the present, and I believe that the
5 proposed Settlement is a favorable result for the Settlement Class under the circumstances presented.

6 10. Defendant Electro Adapter, Inc. (hereinafter “Electro Adapter” or “Defendant”)
7 manufactures connector accessories for the military and aerospace industry. On September 2, 2021,
8 Plaintiff filed the instant putative class action complaint. On August 23, 2022, in conjunction with
9 effectuating the terms of the settlement agreement, Plaintiff submitted a letter to the California Labor
10 & Workforce Development Agency (“LWDA”) and Electro Adapter of his intention of filing a PAGA
11 claim based on the labor code violations as alleged in his complaint. A true and correct copy of
12 Plaintiff’s letter to the LWDA and Electro Adapter is attached hereto as **Exhibit 1**. Now, after
13 exhausting his administrative remedies, and pursuant to effectuating the terms of the settlement
14 agreement, Plaintiff seeks to a First Amended Class and Representative Action Complaint adding
15 causes of action for wage statement penalties and civil penalties under the PAGA. Plaintiff’s primary
16 claims/allegations are that Electro Adapter: (1) failed to pay all minimum wages owed; (2) failed to
17 pay all overtime wages owed; (3) failed to provide all legally required meal periods; (4) failed to
18 authorize and permit all legally required rest periods; (5) failed to provide accurate, itemized wage
19 statements; (6) failed to timely pay all wages upon termination; (7) engaged in unlawful business
20 practices; and (8) is liable for civil penalties under the Labor Code Private Attorneys General Act of
21 2004 (“PAGA”). A true and correct copy of the proposed First Amended Complaint is attached hereto
22 as **Exhibit 2**.

23 11. In advance of mediation, Electro Adapter produced a 20% sampling timekeeping and
24 payroll data for the putative class, as well as its wage and hour policies and other relevant documents
25 and information relevant to the claims alleged. Electro Adapter also provided sufficient information for
26 Plaintiff to calculate the necessary metrics, including without limitation, class size, number of
27 workweeks and pay periods. After the detailed review of the documents and data produced by Electro
28 Adapter, Class Counsel drew on their extensive experience in similar cases to assess the strengths and

weaknesses of Plaintiff's case. This discovery allowed the parties to assess the merits and value of Plaintiff's claims and Electro Adapter's defenses thereto.

12. On August 16, 2022, a mediation was held with Jeffrey Krivis, Esq., a well-respected wage and hour class action mediator. During mediation, the parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff's claims, and the legal basis for the claims and defenses. Ultimately, the Parties agreed on a class-wide resolution that included Plaintiff filing an amended complaint adding causes of action for wage statement penalties and civil penalties under the PAGA. In the weeks that followed, the parties finalized the terms of settlement and executed the class Action and PAGA Settlement Agreement and Class Notice ("Settlement"). A true and correct copy of the Settlement is attached hereto as **Exhibit 3**. The proposed Class Notice is attached as Exhibit A to the Settlement. A true and correct copy of a redlined comparison of the LASC's model agreement with the Settlement in this matter is attached hereto as **Exhibit 4**.

13. The monetary terms of the Settlement are summarized below:

Gross Settlement Amount ("GSA"):	\$290,000.00
Minus Court-approved attorneys' fees (update to 1/3 of GSA):	\$96,666.66
Minus Court-approved, verified costs (up to \$25,000.00):	\$25,000.00
Minus Court-approved Class Representative Service Award:	\$5,000.00
Minus Settlement Administration Costs:	\$7,250.00
Minus PAGA payment to the LWDA:	\$11,250.00
Net Settlement Amount ("NSA"):	\$144,833.34
Settlement Class Members	126
Average Individual Payment: NSA/Settlement Class	\$1,149.47

Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date. *See* Settlement, ¶ 4.3. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final

1 Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the
2 following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court
3 enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after
4 the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is
5 filed, the day after the appellate court affirms the Judgment and issues a remittitur. Settlement, ¶ 1.18.

6 After deducting amounts for the Court-approved attorneys' fees and verified costs, Service
7 Award to Plaintiff, Settlement Administrator costs, and the PAGA payment to the LWDA, the
8 Settlement results in a Net Settlement Amount ("NSA") of at least \$144,833.34 to be paid out to all
9 Settlement Class Members who do not timely opt out.

10 14. According to Electro Adapter, there were approximately 126 total Settlement Class
11 Members as of the date of mediation defined as: All current and former hourly-paid, non-exempt
12 employees who worked for Defendant Electro Adapter, Inc. in California at any time from September
13 2, 2017 through granting of preliminary approval of Class Action Settlement or November 15, 2022,
14 whichever occurs sooner." The average Individual Class Payment is \$1,149.47. Based on the date of
15 this filing, November 15, 2022 has now passed and Plaintiff is requesting that the Court preliminarily
16 approve the settlement and class period of September 2, 2017 through November 15, 2022.

17 At the time of mediation in August 2022, there were approximately 67 Aggrieved Employees.
18 Aggrieved Employee is defined as "all current and former hourly-paid, non-exempt employees who
19 worked for Defendant Electro Adapter, Inc. in California at any time from September 2, 2021 through
20 granting of preliminary approval of Class Action Settlement or November 15, 2022, whichever occurs
21 sooner." The average Individual PAGA Payment is projected to be approximately **\$55.97**. Based on
22 the date of this filing, November 15, 2022 has now passed and Plaintiff is requesting that the Court
23 approve the settlement and PAGA Period of September 2, 2017 through November 15, 2022.

24 15. Settlement Class Members' claims arise from Electro Adapter's common, uniform
25 policies and practices that applied to Settlement Class members during the class period. Specifically,
26 Plaintiff alleged that Electro Adapter's common and uniform policies and practices resulted in the
27 following violations: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages
28 owed; (3) failure to provide all legally required meal periods; (4) failure to authorize and permit all

1 legally required rest periods; (5) failure to provide accurate, itemized wage statements; (6) failure to
2 pay all final wages upon separation of employment; (7) engagement in unlawful business practices;
3 and (8) liability for civil penalties under the PAGA.

4 16. As described in the accompanying Motion for Preliminary Approval, Plaintiff alleges
5 that he and Settlement Class Members were not fully compensated for all of their time worked.
6 Specifically, Plaintiff alleges Electro Adapter would unlawfully shave their work time and/or round
7 their work time such that they would not be fully paid for all time worked. Plaintiff also alleges that
8 this time shaving and/or rounding practice utilized by Electro Adapter was not-even handed over time
9 and would almost exclusively round and shave in Electro Adapter's favor such that the employees were
10 routinely underpaid for their time worked. Accordingly, Plaintiff's retained expert analyzed this
11 rounding issue and found that it appeared to favor the employer, and then calculated a total wage
12 underpayment of approximately \$105,856.00.

13 17. Electro Adapter contends that it compensated Settlement Class Members for all of their
14 time worked. Electro Adapter also contends that its rounding practices were lawful, and any unpaid
15 time was *de minimis* and therefore non-compensable. Electro Adapter further asserts that Plaintiff
16 would be unable to certify a rounding class given the individualized inquiries that would be required,
17 and also that Electro Adapter's rounding policy/mechanism was, according to it, neutral on its face and
18 in its application. In light of these defenses, Plaintiff discounted the maximum exposure by 45% for
19 the risk of non-certification, and an additional 30% to account for Electro Adapter's defenses on the
20 merits, to arrive at an estimated exposure of \$40,754.56.

21 18. Plaintiff alleges that he and Settlement Class Members were not provided with all
22 legally-compliant first meal periods beginning before the end of the fifth hour of work. Specifically,
23 Plaintiff alleges that as a result of the work demands imposed by Electro Adapter and the bell signaling
24 system, he and other non-exempt employees were not provided a full uninterrupted 30-minute meal
25 period before the end of the sixth hour of work. Based on the timekeeping data produced by Electro
26 Adapter in connection with mediation, it appears that there was an approximate 68% non-compliance
27 rate, with the majority of the violations being for meal periods that were both late and short.
28

1 Accordingly, Plaintiff calculated Electro Adapter's maximum exposure for the alleged meal period
2 violations at approximately \$1,126,162 (64,242 shifts with non-compliant meal periods x \$17.53
3 average hourly rate).

4 19. Electro Adapter counters that it has always maintained a lawful meal period policy and
5 provided non-exempt employees with an opportunity to take legally compliant meal periods, and any
6 non-compliant meal periods reflected in employee timekeeping records were solely the result of
7 employee choice, rather than any policy or practice of Electro Adapter. Electro Adapter also contends
8 its bell signaling system alerts its employees 5 minutes before the start of the meal period and 5 minutes
9 before the end. Further, Electro Adapter points out that it is only required to "provide" the opportunity
10 to take meal periods, not "ensure" meal periods are taken, and that they have always done so. Finally,
11 Electro Adapter contends Plaintiff's meal period claim is not suited for class certification, since
12 individual inquiries would be required to assess which employees took non-compliant meal periods,
13 how many meal periods were non-compliant or missed, and the reasons why a particular employee
14 took a non-compliant meal period or missed a meal period during a particular shift. Accordingly,
15 Plaintiff discounted the maximum exposure by 50% for the risk of non-certification, and an additional
16 60% to account for Electro Adapter's defenses on the merits to arrive at an estimated exposure of
17 \$225,232.40.

18 20. Plaintiff alleges that he and Settlement Class Members were also not authorized and
19 permitted to take all required rest periods due to Electro Adapter's rest period policies and practices.
20 Specifically, Plaintiff alleges that Electro Adapter did not authorize and permit a third rest period on
21 shifts over 10.0 hours. Thus, Plaintiff alleges that he and other non-exempt employees experienced at
22 least one rest period violation on every shift worked in excess of 10.0 hours. Therefore, Plaintiff
23 calculated Electro's maximum exposure for the alleged rest period violations at approximately
24 \$576,194 (32,869 shifts over 10.0 hours x \$17.53 average hourly rate).

25 21. Electro Adapter contends it has always maintained and enforced lawful rest period
26 policies and practices, and that Settlement Class Members were authorized and permitted to take all
27 off-duty rest periods in compliance with California law. Electro Adapter also argues that Plaintiff's
28

1 rest period claim is inherently unsuited for class treatment as it requires an individualized inquiry into
2 whether each Settlement Class Member was in fact authorized and permitted to take a compliant rest
3 period, which would devolve into an unmanageable series of mini-trials. Accordingly, Plaintiff
4 discounted the maximum exposure by 60% for the risk of non-certification, and an additional 55% to
5 account for Electro Adapter's defenses on the merits to arrive at an estimated exposure of \$103,714.92.

6 22. Plaintiff further alleges that Electro Adapter issued inaccurate wage statements in
7 violation of Labor Code section 226 as a result of the alleged unpaid minimum wages and overtime
8 wages, and meal and rest period premium wages described above. Specifically, Plaintiff contends that
9 this conduct violated Labor Code § 226(a) because the wage statements issued to Settlement Class
10 Members did not include all hours worked and the rate at which they were being paid. Plaintiff's data
11 analysis reflected that there were approximately 5,287 wage statements issued during the relevant time
12 period. Therefore, Plaintiff calculated Electro Adapter's maximum exposure for wage statement
13 violations at approximately \$525,850.00 (($\50.00×57 current employees) + ($\$100.00 \times 5,230$
14 subsequent wage statements)).

15 23. Electro Adapter argues that its alleged wage statement violations could not be shown to
16 be "knowing and intentional," and that Plaintiff cannot show that he or any other employee "suffer[ed]
17 injury" as a result of the alleged wage statement violations, as required by Lab. Code § 226(e) for
18 imposition of penalties. As such, Plaintiff discounted the calculated exposure by 45% for a risk of
19 non-certification and an additional 50% for a risk of being unsuccessful on the merits, to arrive at an
20 estimated total of \$144,608.75.

21 24. Plaintiff alleges that Electro Adapter is also liable for waiting time penalties under
22 Labor Code section 203 as a result of its failure to timely pay all wages upon separation. There are
23 approximately 53 Settlement Class Members who have separated their employment with Electro
24 Adapter during the relevant time period who could be entitled to waiting time penalties. Therefore,
25 Plaintiff calculated Electro Adapter's maximum exposure for waiting time penalties at approximately
26 \$222,971 (53 former employees x \$17.53/hour x 30 days x 8 hours/day).

1 25. Electro Adapter asserts it has strong defenses to the waiting time claim because there
2 exist good-faith disputes as to Plaintiff's underlying claims, precluding imposition of penalties.
3 Accordingly, Plaintiff discounted the maximum exposure by 45% for the risk of non-certification, and
4 an additional 40% to account for Electro Adapter's defenses on the merits, to arrive at an estimated
5 exposure of \$73,580.43.

6 26. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged
7 Labor Code violations. Plaintiff calculated Electro Adapter's maximum exposure at \$528,700 (5,287
8 pay periods x \$100 initial violation rate).

9 27. Electro Adapter argues that Plaintiff's PAGA claim will fail for the same reasons that
10 his underlying claims will fail. Electro Adapter also maintains that, given its good faith defenses, this
11 Court would exercise its discretion to substantially reduce any PAGA penalties if it were to find Electro
12 Adapter liable for any of Plaintiff's claims. Therefore, Plaintiff discounted the maximum exposure
13 figure by 45% for a risk of being unsuccessful on the merits, and an additional 55% to account for the
14 possibility of this Court reducing penalties, to arrive at an estimated exposure of \$130,853.25.

15 28. Using these estimated figures for each of the claims described above, Plaintiff predicted
16 the realistic total recovery for the Settlement Class would be approximately \$718,744.31. The proposed
17 settlement of \$290,000.00 therefore represents approximately 40% of the reasonably forecasted
18 recovery for the Settlement Class. Preliminary approval is appropriate as the settlement will provide
19 tangible monetary relief to Settlement Class Members, and will still provide an average recovery to
20 Settlement Class Members of over \$1,200.00.

21 29. Here, Class Counsel will also apply for an attorneys' fees award of one-third of the
22 GSA, which is currently estimated to be \$96,666.66, and up to \$25,000.00 in verified costs
23 reimbursement. Class Counsel has incurred substantial attorney fees conducting pre-filing
24 investigation, analyzing Plaintiff's claims, conducting legal research, analyzing timekeeping data and
25 payroll records, preparing for and attending mediation, negotiating and revising the long-form
26 Settlement, preparing this Motion, and otherwise litigating the case. Class Counsel expect to expend
27 additional attorney time in attending the hearing on this Motion, overseeing the Notice process and
28

1 fielding questions from Settlement Class Members, preparing the final approval papers and attending
2 the Final Approval hearing.

3 30. Plaintiff has provided written approval of the split of attorneys' fees in this action.

4 31. Plaintiff will seek a service payment of \$5,000.00 at the time of seeking final approval,
5 and I believe this is reasonable given Plaintiff's efforts in this case and the risks he undertook on behalf
6 of the Settlement Class members, including the risk that he could be liable for Electro Adapter's costs
7 if this case was unsuccessful. Plaintiff was integral in the prosecution of this action, by, among other
8 things, providing substantial factual information and documents to Class Counsel, attending multiple
9 meetings with Class Counsel to discuss the claims and theories at issue in the litigation, and otherwise
10 actively participating in the prosecution of their claims.

11 32. Although the parties engaged in informal discovery throughout this action, the parties
12 still had significant discovery to complete in formal litigation had the matter not settled. Moreover,
13 Plaintiff still had to file for class certification, and faced the prospect of appeals in the wake of a
14 disputed class certification ruling for Plaintiff and/or an adverse summary judgment ruling. Even if
15 the classes sought to be certified by Plaintiff were in fact certified, the parties would incur considerably
16 more attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. *Id.*
17 This Settlement avoids those risks and the accompanying expense.

18 33. I do not have any conflicts of interest with the class.

19 34. Plaintiff will serve the Motion for Preliminary Approval and proposed Settlement
20 Agreement on the LWDA on the same date he files his Motion for Preliminary Approval.

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

23 Executed on January 25, 2023, at El Segundo, California.

24
25 
26 Elizabeth Nguyen

EXHIBIT 1

EXHIBIT 1

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

August 23, 2022

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, CA 94612

VIA U.S. CERTIFIED MAIL – RETURN

RECEIPT REQUESTED

**LEWIS BRISBOIS BISGAARD & SMITH
LLP**

Rachel J. Lee
Nima Darouian
633 West 5th Street, Suite 4000
Los Angeles, California 90071

Attorneys for Defendant Electro Adapter, Inc.

Re: *Jose Salcido v. Electro Adapter, Inc.*

To Whom It May Concern:

Please be advised that this law firm represents Jose Salcido in claims arising from his employment with Electro Adapter, Inc. (“Defendant”). Mr. Salcido is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the Labor and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated.

For purposes of this letter, an “aggrieved employee” should be considered to include all of Defendant’s current and former hourly-paid employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the present date.

Mr. Salcido was employed by Defendant as a non-exempt employee from since approximately 1971 through approximately March 30, 2020 and was subsequently terminated on or about April 23, 2020. Mr. Salcido worked at Defendant’s facility in Chatsworth, California. Mr. Salcido was generally scheduled to work Monday through Friday, 6:00 a.m. to 4:30 p.m. Throughout his employment with Defendant, Defendant’s timekeeping policies and practices required Mr. Salcido to record time worked by scanning in and scanning out on a time clock.

During at least a portion of his employment, Defendant would keep track of Mr. Salcido’s and other non-exempt employees’ time worked and would unlawfully shave their work time and/or round their work time such that they would not be fully paid for all time worked. This time-shaving and/or rounding practice utilized by Defendant was not even-handed over time and would almost exclusively

round and shave in Defendant's favor such that Mr. Salcido and other non-exempt employees were routinely unpaid at least minimum wages for their time worked. Further, because Mr. Salcido and other non-exempt employees would typically work more than eight (8) hours per day and/or forty (40) hours per week, Defendant's time-keeping policies and practices also deprived Mr. Salcido and other non-exempt employees of overtime wages owed to them.

Throughout his employment, Mr. Salcido and other non-exempt employees were not provided all required meal periods due to Defendant's meal period policies and practices. During at least a portion of his employment, Defendant used a bell to signify the start of a meal period at 11:00 a.m. and the stop of a meal period at 11:30 a.m. and Defendant required employees to be clocked back in and at their work stations ready to resume work by the time the bell signifying the end of a meal period rang, which resulted in meal periods of less than 30 minutes and/or late meal periods. Additionally, on the occasions when Mr. Salcido and other non-exempt employees worked in excess of 10.0 hours, they were not provided with a second 30-minute meal period due to Defendant's meal period policies/practices that fail to provide for a second meal period for shifts over 10.0 hours. These policies/practices of Defendant failing to provide an uninterrupted, duty-free 30-minute meal period commencing before the end of the fifth hour of work and/or a second, uninterrupted, duty-free 30-minute meal period when Plaintiff and other non-exempt employees worked in excess of 10.0 hours in a workday violate California law.

Although Mr. Salcido and other non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Mr. Salcido and other non-exempt employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7. Upon information and belief during at least a portion of the class period, Defendant maintained no payroll code or other mechanism for the payment of meal period premium payments under Labor Code § 226.7 in the event that a legally compliant meal period was not provided to Mr. Salcido and the other non-exempt employees.

Mr. Salcido and other non-exempt employees were not authorized and permitted to take all legally required and compliant rest periods due to Defendants' unlawful rest period policies/practices. Defendant's rest period policies/practices fail to authorize and permit paid rest periods for every four hours worked, or *major fraction thereof*. Specifically, throughout his entire employment with Defendant, Defendant failed to authorize and permit Mr. Salcido and other non-exempt employees to take a third rest period when he worked shifts in excess of 10.0 hours.

On those occasions when Mr. Salcido and other non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendant failed to compensate them with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at least a portion of the class period, Defendant maintained no payroll code or other mechanism for paying rest period premiums when Defendant failed to provide a legally compliant rest period.

As a result, Defendant failed to provide Mr. Salcido and other non-exempt employees with accurate, itemized wage statements, in violation of Labor Code section 226.

As a further result of Defendant's failure to pay all minimum and overtime wages, and meal and rest period premium wages, Defendant failed to pay all wages owed to Mr. Salcido and other non-exempt employees upon their separation of employment from Defendant.

As described above, Defendants committed the following violations of the Labor Code and Industrial Welfare Commission Wage Order No. 1 (“Wage Order 1”):

Minimum Wage Violations

Defendant was required to pay its aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1194; 1194.2, 1197; The Wage Order 1, § 4. The aggrieved employees were not paid for all hours worked due to Defendant’s timekeeping and compensation practices. As alleged above, Defendant caused its aggrieved employees to work hours in a workweek but did not properly compensate its aggrieved employees at least minimum wages for all such hours, due to Defendant’s unlawful timekeeping practices of rounding and/or shaving their time worked. This practice by Defendant resulted in Defendant not paying the aggrieved employees for all wages owed for the work they performed, including failing to pay them all required minimum wages.

Overtime Violations

Defendant was required to pay its aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; the Wage Order 1, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated equal to one and one-half times their regular rate of pay for all overtime hours worked. As explained above, Defendant had a policy/practice of shaving its aggrieved employees’ work time and/or rounding their work time such that they were not fully paid for all time worked. As a result of these policies/practices, the aggrieved employees were not compensated for all overtime wages on occasions when they worked over eight hours in a workday and/or 40 hours in a workweek.

Meal Period Violations

As alleged above, Defendant failed to provide their aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As described above, as a result of the work demands imposed by Defendant, Defendant provided late, short, or otherwise unlawful meal periods to their non-exempt employees. As a result, the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”). Although the aggrieved employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate them with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Rest Period Violations

Defendant also failed to authorize and permit its aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. Specifically, as a result of the work demands imposed by Defendant, the aggrieved employees were often not authorized and permitted to take all legally required rest periods. As a result, the aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish their aggrieved employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and overtime wages earned, total gross wages earned, total net wages earned, and meal and rest period premium wages, in violation of Labor Code § 226 *et seq.* Defendant’s failure to furnish its aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures led to, among other things, the non-payment of all minimum and overtime wages earned, and unpaid meal period and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant’s reported data.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Defendant failed to timely pay Mr. Salcido and other aggrieved employees all of their final wages at the time of separation, which included, among other things, underpaid minimum and overtime wages, and meal and rest period premium wages. Pursuant to Labor Code § 203, Defendant’s failure to pay all final wages due to their aggrieved employees was willful and, consequently, entitles the aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Defendants failed to pay their final wages after their separation, up to a maximum of thirty days.

As an “aggrieved employee,” Mr. Salcido will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Mr. Salcido’s own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Mr. Salcido and the other aggrieved employees all overtime compensation earned;
- b) Defendant violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Mr. Salcido and the other aggrieved employees the statutory minimum wage for all hours worked;

- c) Defendant violated Labor Code §§ 226.7, 512, and 558 by failing to provide all legally required meal periods and failing to pay meal period premiums to Mr. Salcido and the other aggrieved employees;
- d) Defendant violated Labor Code §§ 226.7, 516, and 558 by failing to provide all legally required rest periods and failing to pay rest period premiums to Mr. Salcido and the other aggrieved employees;
- e) Defendant violated Labor Code § 226 by failing to furnish Mr. Salcido and the other aggrieved employees with accurate and compliant itemized wage statements;
- f) Defendant violated Labor Code § 204 by failing to pay Mr. Salcido and the other aggrieved employees all earned wages at least twice during each calendar month;
- g) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Mr. Salcido and the other aggrieved employees; and
- h) Defendant violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Mr. Salcido and the other aggrieved employees.

Pursuant to Labor Code section 2699.3(a)(2)(A), please notify us and Defendant if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT 2

EXHIBIT 2

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JOSE SALCIDO, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

ELECTRO ADAPTER, INC., a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: 21STCV30141

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT:**

- (1) **FAILURE TO PAY ALL
OVERTIME WAGES OWED
(LABOR CODE §§ 204, 510, 558,
1194, 1198);**
- (2) **FAILURE TO PAY ALL MINIMUM
WAGES OWED (LABOR CODE §§
1194, 1194.2, 1197);**
- (3) **FAILURE TO PROVIDE MEAL
PERIODS (LABOR CODE §§ 226.7,
512, 558);**
- (4) **FAILURE TO AUTHORIZE AND
PERMIT REST PERIODS (LABOR
CODE §§ 226.7, 516, 558);**
- (5) **FAILURE TO TIMELY PAY ALL
WAGES UPON TERMINATION
(LABOR CODE §§ 201-203);**
- (6) **UNFAIR COMPETITION (BUS &
PROF CODE § 17200 *et seq.*);**
- (7) **FAILURE TO PROVIDE
ACCURATE, ITEMIZED WAGE
STATEMENTS (LABOR CODE §
226 *et seq.*); and**

**(8) CIVIL PENALTIES UNDER THE
PRIVATE ATTORNEYS GENERAL
ACT (LABOR CODE § 2698 *et seq.*)**

**DEMAND FOR JURY TRIAL
UNLIMITED CIVIL CASE**

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Attorneys for Plaintiff
JOSE SALCIDO

1 Plaintiff Jose Salcido ("Plaintiff"), on behalf of himself and all others similarly situated,
2 hereby brings this First Amended Class and Representative Action Complaint ("FAC") against
3 Electro Adapter, Inc., a California corporation, and DOES 1 to 100, inclusive (collectively
4 "Defendants"), and on information and belief alleges as follows:

5 **JURISDICTION**

6 1. Plaintiff, on behalf of himself and all others similarly situated, hereby brings this
7 FAC for recovery of unpaid wages and penalties under California Business and Professions Code
8 § 17200 *et seq.*, Labor Code 201-203, 204, 218.5, 218.6., 226 *et seq.*, 226.7, 510, 512, 516, 558,
9 1194, 1198, 2698 *et seq.*, and Industrial Welfare Commission Wage Order 1 ("Wage Order 1"),
10 in addition to seeking declaratory relief and restitution. This FAC is brought pursuant to
11 California Code of Civil Procedure § 382. This Court has jurisdiction over Defendants' violations
12 of the California Labor Code because the amount in controversy exceeds this Court's
13 jurisdictional minimum.

14 **VENUE**

15 2. Venue is proper in this judicial district pursuant to Cal. Code of Civ. Proc. §§
16 395(a) and 395.5, as at least some of the acts and omissions complained of herein occurred in the
17 County of Los Angeles. Defendants own, maintain offices, transact business, have agent(s)
18 within the County of Los Angeles, and/or otherwise are found within the County of Los Angeles,
19 and Defendants are within the jurisdiction of this Court for purposes of service of process.

20 **PARTIES**

21 3. Plaintiff is an individual over the age of eighteen (18). At all relevant times herein,
22 Plaintiff was and currently is, a California resident. During the four years immediately preceding
23 the filing of the lawsuit in this action and within the statute of limitations periods applicable to
24 each cause of action pled herein, Plaintiff was employed by Defendants as a non-exempt
25 employee. Plaintiff was, and is, a victim of Defendants' policies and/or practices complained of
26 herein, lost money and/or property, and has been deprived of the rights guaranteed by Labor Code
27 §§ 201-203, 204, 218.5, 218.6, 226 *et seq.*, 226.7, 510, 512, 516, 558, 1194, 1198, 2698 *et seq.*,
28 and California Business and Professions Code § 17200 *et seq.* ("Unfair Competition Law"); and

1 Wage Order 1, which sets employment standards for the manufacturing industry, which includes
2 the industry in which Plaintiff worked for Defendants.

3 4. Plaintiff is informed and believes, and based thereon alleges, that during the four
4 years preceding the filing of the lawsuit and continuing to the present, Defendants did (and
5 continue to do) business by manufacturing connector accessories for the military and aerospace
6 industry. Defendants employed Plaintiff and other, similarly-situated non-exempt employees
7 within, among other counties, Los Angeles County and the state of California and, therefore, were
8 (and are) doing business in Los Angeles County and the State of California.

9 5. Plaintiff does not know the true names or capacities, whether individual, partner,
10 or corporate, of the defendants sued herein as DOES 1 to 100, inclusive, and for that reason, said
11 defendants are sued under such fictitious names, and Plaintiff will seek leave from this Court to
12 amend this FAC when such true names and capacities are discovered. Plaintiff is informed, and
13 believes, and based thereon alleges, that each of said fictitious defendants, whether individual,
14 partners, or corporate, were responsible in some manner for the acts and omissions alleged herein,
15 and proximately caused Plaintiff and the Classes (as defined in Paragraph 17) to be subject to the
16 unlawful employment practices, wrongs, injuries and damages complained of herein.

17 6. Plaintiff is informed, and believes, and thereon alleges, that at all times mentioned
18 herein, Defendants were and are the employers of Plaintiff and all members of the Classes.

19 7. At all times herein mentioned, each of said Defendants participated in the doing
20 of the acts hereinafter alleged to have been done by the named Defendants; and furthermore, the
21 Defendants, and each of them, were the agents, servants, and employees of each and every one of
22 the other Defendants, as well as the agents of all Defendants, and at all times herein mentioned
23 were acting within the course and scope of said agency and employment. Defendants, and each
24 of them, approved of, condoned, and/or otherwise ratified each and every one of the acts or
25 omissions complained of herein.

26 8. At all times mentioned herein, Defendants, and each of them, were members of
27 and engaged in a joint venture, partnership, and common enterprise, and acting within the course
28 and scope of and in pursuance of said joint venture, partnership, and common enterprise. Further,

1 Plaintiff alleges that all Defendants were joint employers for all purposes of Plaintiff and all
2 members of the Classes.

3 **GENERAL FACTUAL ALLEGATIONS**

4 9. Plaintiff was employed by Defendants as a non-exempt employee from since
5 approximately 1971 through approximately March 30, 2020 and was subsequently terminated on
6 or about April 23, 2020. Plaintiff worked at Defendants' facility in Chatsworth, California.
7 Plaintiff was generally scheduled to work Monday through Friday, 6:00 a.m. to 4:30 p.m.
8 Throughout his employment with Defendants, Defendants' timekeeping policies and practices
9 required Plaintiff to record time worked by scanning in and scanning out on a time clock.

10 10. During at least a portion of Plaintiff's employment, Defendants would keep track
11 of Plaintiff's time worked and would unlawfully shave Plaintiff's work time and/or round
12 Plaintiff's work time such that Plaintiff would not be fully paid for all time worked. This time-
13 shaving and/or rounding practice utilized by Defendants was not even-handed over time and
14 would almost exclusively round and shave in Defendants' favor such that Plaintiff and other non-
15 exempt employees were routinely unpaid at least minimum wages for their time worked. Further,
16 because Plaintiff and other non-exempt employees would typically work more than eight (8)
17 hours per day and/or forty (40) hours per week, Defendants' time-keeping policies and practices
18 also deprived Plaintiff and other non-exempt employees of overtime wages owed to them.

19 11. Throughout his employment, Plaintiff was not provided all required meal periods
20 due to Defendants' meal period policies and practices. During at least a portion of Plaintiff's
21 employment, Defendants used a bell to signify the start of a meal period at 11:00 a.m. and the
22 stop of a meal period at 11:30 a.m. and Defendants required employees to be clocked back in and
23 at their work stations ready to resume work by the time the bell signifying the end of a meal period
24 rang, which resulted in meal periods of less than 30 minutes and/or late meal periods.
25 Additionally, on the occasions when Plaintiff worked in excess of 10.0 hours, he was not provided
26 with a second 30-minute meal period due to Defendants' meal period policies/practices that fail
27 to provide for a second meal period for shifts over 10.0 hours. These policies/practices of
28 Defendants failing to provide an uninterrupted, duty-free 30-minute meal period commencing

1 before the end of the fifth hour of work and/or a second, uninterrupted, duty-free 30-minute meal
2 period when Plaintiff and other non-exempt employees worked in excess of 10.0 hours in a
3 workday violate California law.

4 12. Although Plaintiff and other non-exempt employees were not provided with all
5 legally-compliant meal periods to which he was entitled, Defendants failed to compensate
6 Plaintiff and other non-exempt employees with the required meal period premium for each
7 workday in which he experienced a meal period violation as mandated by Labor Code § 226.7.
8 Upon information and belief during at least a portion of the class period, Defendants maintained
9 no payroll code or other mechanism for the payment of meal period premium payments under
10 Labor Code § 226.7 in the event that a legally compliant meal period was not provided to Plaintiff
11 and the other non-exempt employees.

12 13. Plaintiff and other non-exempt employees were not authorized and permitted to
13 take all legally required and compliant rest periods due to Defendants' unlawful rest period
14 policies/practices. Defendants' rest period policies/practices fail to authorize and permit paid rest
15 periods for every four hours worked, or *major fraction thereof*. Specifically, throughout his entire
16 employment with Defendants, Defendants failed to authorize and permit Plaintiff and other non-
17 exempt employees to take a third rest period when he worked shifts in excess of 10.0 hours.

18 14. On those occasions when Plaintiff was not authorized and permitted to take all
19 legally-compliant rest periods to which he was entitled, Defendants failed to compensate Plaintiff
20 with the required rest period premium for each workday in which he experienced a rest period
21 violation as mandated by Labor Code § 226.7. Further, upon information and belief, during at
22 least a portion of the class period, Defendants maintained no payroll code or other mechanism for
23 paying rest period premiums when Defendants failed to provide a legally compliant rest period.

24 15. As a result of Defendants' failure to pay all minimum and overtime wages owed,
25 and failure to pay all meal and rest period premium wages, Defendants failed to timely pay all
26 wages owed to the hourly, non-exempt employees during employment and upon their separation
27 of employment from Defendants in violation of Labor Code § 203.

28 16. As a result of Defendants' failure to pay all minimum wages, overtime wages, as

well as meal period premium wages and rest period premium wages, Defendants maintained inaccurate payroll records and issued inaccurate wage statements to Plaintiff.

//

CLASS ACTION ALLEGATIONS

17. **Class Definitions:** Plaintiff brings this action on behalf of himself and the following Classes pursuant to § 382 of the Code of Civil Procedure:

- a. The Overtime Class consists of all of Defendants' current and former non-exempt employees in California who worked more than eight hours per day and/or more than forty hours per week and were subjected to Defendants' timekeeping policies and practices, during the four years immediately preceding the filing of the lawsuit through the present.
- b. The Minimum Wage Class consists of all of Defendants' current and former non-exempt employees in California who were subject to Defendants' timekeeping policies/practices, during the four years preceding the filing of the lawsuit through the present.
- c. The Meal Period Class consists of all of Defendants' current and former non-exempt employees who: (i) worked at least one shift in excess of 5.0 hours during the four years immediately preceding the filing of the lawsuit through the present; and/or (ii) worked at least at least one shift in excess of 10.0 hours during the four years immediately preceding the filing of the Complaint through the present.
- d. The Rest Period Class consists of all of Defendants' current and former non-exempt employees who worked at least one shift in excess of 10.0 hours during the four years immediately preceding the filing of the lawsuit through the present.
- e. The Waiting Time Penalty Class consists of Defendants' formerly employed members of the: (i) Minimum Wage Class; (ii) Overtime Class; (ii) Meal Period Class; and/or (iv) Rest Period Class, during the three years immediately preceding the filing of the lawsuit through the present.

f. The Wage Statement Class consists of all members of the: (i) Minimum Wage Class; (ii) Overtime Class; (iii) Meal Period Class; and/or (iv) Rest Period Class during the one year immediately preceding the filing of the lawsuit through the present.

g. The UCL Class consists of members of the: (i) Overtime Class; (ii) Minimum Wage Class; (iii) Meal Period Class; (iv) Wage Statement Class; and/or (v) Rest Period Class, during the four years immediately preceding the filing of the lawsuit through the present.

18. Plaintiff reserves the right under Rule 3.765(b) of the California Rules of Court, to amend or modify the description of the various classes with greater specificity or further division into subclasses or limitation to particular issues.

19. **Numerosity/Ascertainability:** The members of the Classes are so numerous that joinder of all members would be unfeasible and not practicable. The membership of the Classes is unknown to Plaintiff at this time; however, it is estimated that the members of the Classes number greater than one hundred (100) individuals. The identity of such membership is readily ascertainable via inspection of Defendants' employment records.

20. **Common Questions of Law and Fact Predominate/Well Defined Community of Interest:** There are common questions of law and fact as to Plaintiff and all other similarly situated employees, which predominate over questions affecting only individual members. Those common questions include, without limitation:

i. Whether Defendants properly paid all minimum wages and/or overtime wages to members of the Minimum Wage Class and Overtime Class pursuant to Labor Code §§ 204, 510, 558, 1192, 1194, 1194.2, 1197, and 1198;

ii. Whether Defendants provided all legally compliant meal periods to members of the Meal Period Class pursuant to Labor Code §§ 226.7 and 512;

iii. Whether Defendants authorized and permitted all legally compliant rest periods to members of the Rest Period Class pursuant to Labor Code §§ 226.7 and 516;

iv. Whether Defendants' policies and/or practices for the timing and amount of

1 payment of final wages to members of the Waiting Time Class at the time of their
2 separation of employment were lawful;

3 v. Whether Defendants furnished legally compliant wage statements to members of
4 the Wage Statement Class pursuant to Labor Code § 226; and

5 vi. Whether Defendants engaged in unlawful, unfair, illegal, and/or deceptive
6 business practices by and through the wage and hour policies and practices
7 described above, and whether as a result Defendants owe the classes restitution.

8 21. **Predominance of Common Questions:** Common questions of law and fact
9 predominate over questions that affect only individual members of the Classes. The common
10 questions of law set forth above are numerous and substantial and stem from Defendants' policies
11 and/or practices applicable to each individual class member, such as Defendants' uniform
12 timekeeping, wage payment, overtime wage payment, meal and rest period policies and practices,
13 and failure to timely pay all final wages due upon separation of employment. As such, the
14 common questions predominate over individual questions concerning each individual class
15 member's showing as to their eligibility for recovery or as to the amount of their damages.

16 22. **Typicality:** The claims of Plaintiff are typical of the claims of the Classes because
17 Plaintiff was employed by Defendants as a non-exempt employee in California during the
18 statute(s) of limitations period applicable to each cause of action pled in the FAC. As alleged
19 herein, Plaintiff, like the members of the Classes, was not paid for all hours worked, was not paid
20 all minimum wages, was not paid all overtime wages, was not provided all required meal periods,
21 did not receive meal period premium wages when he was not provided compliant meal periods,
22 was not authorized and permitted to take all required rest periods, and did not receive rest period
23 premium wages when he was not authorized or permitted to take compliant rest periods, and was
24 not timely paid all wages due upon separation of employment.

25 23. **Adequacy of Representation:** Plaintiff is fully prepared to take all necessary steps
26 to represent fairly and adequately the interests of the members of the Classes. Moreover,
27 Plaintiff's attorneys are ready, willing and able to fully and adequately represent the members of
28 the Classes and Plaintiff. Plaintiff's attorneys have prosecuted and defended numerous wage-

and-hour class actions in state and federal courts in the past and are committed to vigorously prosecuting this action on behalf of the members of the Classes.

24. **Superiority:** The California Labor Code is broadly remedial in nature and serves an important public interest in establishing minimum working conditions and standards in California. These laws and labor standards protect the average working employee from exploitation by employers who have the responsibility to follow the laws and who may seek to take advantage of superior economic and bargaining power in setting onerous terms and conditions of employment. The nature of this action and the format of laws available to Plaintiff and members of the Classes make the class action format a particularly efficient and appropriate procedure to redress the violations alleged herein. If each employee were required to file an individual lawsuit, Defendants would necessarily gain an unconscionable advantage since they would be able to exploit and overwhelm the limited resources of each individual plaintiff with their vastly superior financial and legal resources. Moreover, requiring each member of the Classes to pursue an individual remedy would also discourage the assertion of lawful claims by employees who would be disinclined to file an action against their former and/or current employer for real and justifiable fear of retaliation and permanent damages to their careers at subsequent employment. Further, the prosecution of separate actions by the individual class members, even if possible, would create a substantial risk of inconsistent or varying verdicts or adjudications with respect to the individual class members against Defendants herein; and which would establish potentially incompatible standards of conduct for Defendants; and/or legal determinations with respect to individual class members which would, as a practical matter, be dispositive of the interest of the other class members not parties to adjudications or which would substantially impair or impede the ability of the class members to protect their interests. Further, the claims of the individual members of the Classes are not sufficiently large to warrant vigorous individual prosecution considering all of the concomitant costs and expenses attending thereto. As such, the Classes identified in Paragraph 17 are maintainable as a Class under § 382 of the Code of Civil Procedure.

FIRST CAUSE OF ACTION

1 **FAILURE TO PAY ALL OVERTIME WAGES OWED**
2 **(AGAINST ALL DEFENDANTS)**

3 25. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

4 26. This cause of action is brought pursuant to Labor Code §§ 204, 510, 558, 1194,
5 and 1198, which provide that non-exempt employees are entitled to all overtime wages and
6 compensation for hours worked, and provide a private right of action for the failure to pay all
7 overtime compensation for overtime work performed.

8 27. At all times relevant herein, Defendants were required to properly compensate
9 non-exempt employees, including Plaintiff and members of the Overtime Class, for all overtime
10 hours worked pursuant to California Labor Code § 1194 and Wage Order 1. Wage Order 1, § 3
11 requires an employer to pay an employee “one and one-half (1½) times the employee’s regular
12 rate of pay” for work in excess of eight hours per workday and/or in excess of forty hours of work
13 in the workweek. Wage Order 1, § 3 also requires an employer to pay an employee double the
14 employee’s regular rate of pay for work in excess of twelve hours each work day and/or for work
15 in excess of eight hours on the seventh consecutive day of work in the workweek. Defendants
16 caused Plaintiff to work overtime hours but did not compensate Plaintiff or members of the
17 Overtime Pay Class at one and one-half times their regular rate of pay for such hours.

18 28. Defendants’ policy/practice of requiring overtime work and not paying at the
19 proper overtime rates for said work violates California Labor Code §§ 204, 210, 216, 510, 558,
20 1194, and 1198; and Wage Order 1.

21 29. The foregoing policies/practices alleged herein are unlawful and create entitlement
22 to recovery by Plaintiff and the members of the Overtime Class in a civil action for the unpaid
23 amount of overtime wages, including interest thereon, statutory penalties, civil penalties,
24 attorneys’ fees, and costs of suit according to California Labor Code §§ 204, 210, 216, 510, 558,
25 1194, and 1198; and Code of Civil Procedure § 1021.5.

26 **SECOND CAUSE OF ACTION**
27 **FAILURE TO PAY ALL MINIMUM WAGES OWED**
28 **(AGAINST ALL DEFENDANTS)**

30. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

31. This cause of action is brought pursuant to Labor Code §§ 204, 558, 1194 and 1198 which provide that all non-exempt employees are entitled to all minimum wages for all hours worked, and provide a private right of action for the failure to pay all minimum wage compensation for all work performed.

32. At all times relevant herein, Defendants were required to properly compensate Plaintiff and the members of the Minimum Wage Class for all hours worked pursuant to California Labor Code §§ 1194, 1197 and 1198, and the applicable Wage Order. The Wage Order requires an employer to pay to every employee on the established payday for the period involved not less than the applicable minimum wage for all hours worked in the payroll period. Defendants caused Plaintiff and the members of the Minimum Wage Class to work hours in a workweek but did not properly compensate Plaintiff and the members of the Minimum Wage Class at least minimum wages for such hours.

33. At all times relevant herein, Defendants lacked good faith and had no reasonable grounds for believing that their practices in failing to pay all minimum wages owed at the applicable rate was not a violation of any provision of the Labor Code relating to minimum wage, or an order of the Industrial Welfare Commission. Defendants therefore, in addition to owing minimum wages to Plaintiff and the members of the Minimum Wage Class, also owe liquidated damages in an amount equal to the wages unlawfully unpaid, and interest thereon, pursuant to Labor Code § 1194.2.

34. The foregoing practices and policies are unlawful and create entitlement to recovery by Plaintiff and the members of the Minimum Wage Class in a civil action for the unpaid amount of minimum wages owing, including interest thereon, as well as statutory penalties, liquidated damages, civil penalties, and attorneys' fees and costs of suit, pursuant to Labor Code §§ 204, 218.5, 218.6, 558, 1194, 1194.2, 1197, 1197.1 and 1198, the applicable Wage Order, California Code of Civil Procedure § 1021.5 California Code of Civil Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

THIRD CAUSE OF ACTION

1 **FAILURE TO PROVIDE MEAL PERIODS**

2 **(AGAINST ALL DEFENDANTS)**

3 35. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

4 36. Plaintiff is informed and believes, and based thereon alleges, that Defendants
5 failed in their affirmative obligation to provide all of their non-exempt employees in California,
6 including Plaintiff and members of the Meal Period Class, with all legally compliant meal periods
7 in accordance with the mandates of the California Labor Code and Wage Order 1, § 11. Despite
8 Defendants' violations, Defendants did not pay an additional hour of pay to Plaintiff and members
9 of the Meal Period Class at their respective regular rates of compensation, in accordance with
10 California Labor Code §§ 226.7, and 512.

11 37. As a result, Defendants are responsible for paying premium compensation for meal
12 period violations including interest thereon, as well as statutory penalties, civil penalties, and
13 costs of suit, pursuant to Labor Code §§ 226.7, 512, and 558, Wage Order 1, California Code of
14 Civil Procedure § 1021.5 and Civil Code §§ 3287(b) and 3289.

15 **FOURTH CAUSE OF ACTION**

16 **FAILURE TO AUTHORIZE AND PERMIT REST PERIODS**

17 **(AGAINST ALL DEFENDANTS)**

18 38. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

19 39. Wage Order 1, § 12 and California Labor Code §§ 226.7, 516 and 558 establish
20 the right of employees to be authorized and permitted to take a paid rest period of at least ten (10)
21 minutes net rest time for each four (4) hour period worked, or *major fraction thereof*.

22 40. As alleged herein, Defendants failed to authorize and permit Plaintiff and members
23 of the Rest Period Class to take all required rest periods.

24 41. The foregoing violations create an entitlement to recovery by Plaintiff and
25 members of the Rest Period Class in a civil action for the unpaid amount of rest period premiums
26 owing, including interest thereon, as well as statutory penalties, civil penalties, and costs of suit
27 according to California Labor Code §§ 226.7, 516, 558, Wage Order 1, California Code of Civil
28 Procedure § 1021.5, and Civil Code §§ 3287(b) and 3289.

1 **FIFTH CAUSE OF ACTION**

2 **FAILURE TO PAY ALL FINAL WAGES UPON TERMINATION**

3 **(AGAINST ALL DEFENDANTS)**

4 42. Plaintiff re-alleges and incorporates by reference all previous paragraphs as though
5 fully set forth herein.

6 43. This cause of action is brought pursuant to Labor Code §§ 201-204, which require
7 an employer to pay all wages due during employment and immediately at the time of separation
8 of employment in the event the employer discharges the employee or the employee provides at
9 least 72 hours of notice of their intent to quit. In the event the employee provides less than 72
10 hours of notice of their intent to quit, said employee's wages become due and payable not later
11 than 72 hours upon said employee's last date of employment.

12 44. Defendants failed to timely pay the hourly, non-exempt employees all wages due
13 during employment and all final wages due at the time of separation, which include, among other
14 things, underpaid minimum and overtime wages and meal period and rest period premium
15 wages. Further, Plaintiff is informed and believes, and based thereon alleges, that as a matter of
16 uniform policy and practice, Defendants continue to fail to pay members of the Waiting Time
17 Penalty Class all earned wages at the end of employment in a timely manner pursuant to the
18 requirements of Labor Code §§ 201-204. Defendants' failure to pay all final wages was willful
19 within the meaning of Labor Code § 203.

20 45. Defendants' willful failure to timely pay Plaintiff and the members of the Waiting
21 Time Penalty Class their earned wages upon separation from employment results in a continued
22 payment of wages up to thirty (30) days from the time the wages were due. Therefore, Plaintiff
23 and members of the Waiting Time Penalty Class are entitled to compensation pursuant to Labor
24 Code § 203, plus reasonable attorneys' fees and costs of suit.

25 **SIXTH CAUSE OF ACTION**

26 **UNFAIR COMPETITION**

27 **(AGAINST ALL DEFENDANTS)**

28 46. Plaintiff re-alleges and incorporates by reference all previous paragraphs as though

1 fully set forth herein.

2 47. Defendants have engaged and continue to engage in unfair and/or unlawful
3 business practices in California in violation of California Business and Professions Code § 17200
4 *et seq.*, by failing to pay all wages due, by failing to pay all minimum and overtime wages owed,
5 failing to provide all required meal periods and failing to authorize and permit all required rest
6 periods, failing to pay meal and rest period premium wage payments, and failing to pay all final
7 wages due upon separation of employment.

8 48. Defendants' utilization of these unfair and/or unlawful business practices deprived
9 Plaintiff and continues to deprive members of the Classes of compensation to which they are
10 legally entitled, constitutes unfair and/or unlawful competition, and provides an unfair advantage
11 over Defendants' competitors who have been and/or are currently employing workers and
12 attempting to do so in honest compliance with applicable wage and hour laws.

13 49. Because Plaintiff is a victim of Defendants' unfair and/or unlawful conduct alleged
14 herein, Plaintiff for himself and on behalf of the members of the Classes, seeks full restitution of
15 monies, as necessary and according to proof, to restore any and all monies withheld, acquired
16 and/or converted by Defendants pursuant to Business and Professions Code §§ 17203 and 17208.

17 50. The acts complained of herein occurred within the last four years immediately
18 preceding the filing of the Complaint in this action.

19 51. Plaintiff was compelled to retain the services of counsel to file this court action to
20 protect his interests and those of the Classes, to obtain restitution and injunctive relief on behalf
21 of Defendants' current commission-paid employees, and to enforce important rights affecting the
22 public interest. Plaintiff has thereby incurred the financial burden of attorneys' fees and costs,
23 which he is entitled to recover under Code of Civil Procedure § 1021.5.

24 **SEVENTH CAUSE OF ACTION**

25 **FAILURE TO PROVIDE ACCURATE, ITEMIZED WAGE STATEMENTS**

26 **(AGAINST ALL DEFENDANTS)**

27 52. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

28 53. Plaintiff is informed and believes, and based thereon alleges, that Defendants

1 knowingly and intentionally, as a matter of uniform policy and practice, failed to furnish Plaintiff
2 and members of the Wage Statement Class with complete and accurate wage statements with
3 respect to their rates of pay, hours worked at each rate of pay, total gross wages earned, and total
4 net wages earned in violation of Labor Code § 226 et seq.

5 54. Defendants' failures in furnishing Plaintiff and members of the Wage Statement
6 Class with complete and accurate itemized wage statements resulted in actual injury, as said
7 failures led to, among other things, the non-payment of all earned overtime and/or minimum
8 wages as well as meal and rest period premium wages, and deprived them of the information
9 necessary to identify the discrepancies in Defendants' reported data.

10 55. Defendants' failures create an entitlement to recovery by Plaintiff and members of
11 the Wage Statement Class in a civil action for all damages and/or penalties pursuant to Labor
12 Code § 226 et seq., including statutory penalties, civil penalties, reasonable attorneys' fees, and
13 costs of suit according to California Labor Code § 226 *et seq.*

14 **EIGHTH CAUSE OF ACTION**

15 **LABOR CODE PRIVATE ATTORNEYS GENERAL ACT OF 2004**

16 **(AGAINST ALL DEFENDANTS)**

17 56. Plaintiff re-alleges and incorporates by reference all previous paragraphs.

18 57. Defendants have committed several Labor Code violations against Plaintiff and
19 other Aggrieved Employees. Plaintiff, an "Aggrieved Employee" within the meaning of Labor
20 Code § 2698 et seq., acting on behalf of himself and other Aggrieved Employees, brings this
21 representative action against Defendants to recover the civil penalties due to Plaintiff, the other
22 aggrieved employees, and the State of California according to proof pursuant to Labor Code §
23 2699 (a) and (f) including, but not limited to: (1) \$250.00 for each initial violation and \$1,000.00
24 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; and/or
25 (2) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per
26 pay period for those violations of the Labor Code for which no civil penalty is specifically
27 provided, based on the following Labor Code violations:

- 1 a) Defendants violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to
2 pay Plaintiff and the other aggrieved employees all overtime compensation
3 earned;
- 4 b) Defendants violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay
5 Plaintiff and the other aggrieved employees the statutory minimum wage for all
6 hours worked;
- 7 c) Defendants violated Labor Code §§ 226.7, 512, and 558 by failing to provide all
8 legally required meal periods and failing to pay meal period premiums to
9 Plaintiff and the other aggrieved employees;
- 10 d) Defendants violated Labor Code §§ 226.7, 516, and 558 by failing to provide all
11 legally required rest periods and failing to pay rest period premiums to Plaintiff
12 and the other aggrieved employees;
- 13 e) Defendants violated Labor Code § 226 by failing to furnish Plaintiff and the
14 other aggrieved employees with accurate and compliant itemized wage
15 statements;
- 16 f) Defendants violated Labor Code § 204 by failing to pay Plaintiff and the other
17 aggrieved employees all earned wages at least twice during each calendar month;
- 18 g) Defendants violated Labor Code § 1174 by failing to maintain accurate records
19 on behalf of Plaintiff and the other aggrieved employees; and
- 20 h) Defendants violated Labor Code §§ 201, 202 and 203 by failing to timely pay
21 all final wages due to Plaintiff and the other aggrieved employees.

22 58. On August 23, 2022, Plaintiff notified Defendants via certified mail, and the
23 California Labor and Workforce Development Agency (“LWDA”) via e-mail, of Defendants’
24 violations of the California Labor Code and Plaintiff’s intent to bring a claim for civil penalties
25 under California Labor Code § 2698 et seq. with respect to violations of the California Labor
26 Code identified in Paragraph 57 (a)-(h). Attached hereto as Exhibit 1 is a true and correct copy of
27 the August 23, 2022 correspondence. Now that sixty-five days have passed from Plaintiff
28 notifying Defendants of these violations, Plaintiff has exhausted his administrative requirements

for bringing a claim under the Labor Code Private Attorneys General Act with respect to these violations.

59. Plaintiff was compelled to retain the services of counsel to file this court action to protect his interests and the interests of other aggrieved employees, and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred attorneys' fees and costs, which she is entitled to recover under California Labor Code § 2699(g).

PRAYER

WHEREFORE, Plaintiff prays for judgment for himself and for all others on whose behalf this suit is brought against Defendants, as follows:

1. For an order certifying the proposed Classes;
2. For an order appointing Plaintiff as representative of the Classes;
3. For an order appointing Counsel for Plaintiff as Counsel for the Classes;
4. Upon the First Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 510, 558, 1194, and 1198;
5. Upon the Second Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 204, 558, 1194, 1197, 1197.1 and 1198;
6. Upon the Third Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 512, and 558;
7. Upon the Fourth Cause of Action, for compensatory, consequential, general and special damages according to proof pursuant to Labor Code §§ 226.7, 516, and 558;
8. Upon the Fifth Cause of Action, for waiting time penalties pursuant to Labor Code § 203;
9. Upon the Sixth Cause of Action, for restitution to Plaintiff and members of the Class of all money and/or property unlawfully acquired by Defendants by means of any acts or practices declared by this Court to be in violation of Business and Professions Code § 17200 *et seq.*;
10. Upon the Seventh Cause of Action, for wage statement penalties pursuant to Labor

Code § 226;

11. Upon the Eighth Cause of Action, for civil penalties due to Plaintiff, other aggrieved employees, and the State of California according to proof pursuant to Labor Code §§ 558 and 2699(a) and (f) including, but not limited to: (1) \$100.00 for each initial violation for each failure to pay each employee and \$200.00 for each subsequent violation or willful or intentional violation pursuant to Labor Code § 210 for each failure to pay each employee, plus 25% of the amount unlawfully withheld; (2) \$250.00 for each initial violation and \$1,000.00 for each subsequent violation pursuant to Labor Code § 226.3 per employee per pay period; (3) \$50.00 for each initial violation and \$100.00 for each subsequent violation pursuant to Labor Code § 558 per employee per pay period; and/or (4) \$100.00 for each initial violation and \$200.00 for each subsequent violation per employee per pay period for those violations of the Labor Code for which no civil penalty is specifically provided, based on the Labor Code violations cited in Paragraph 57 (a)-(h) above.

12. Prejudgment interest on all due and unpaid wages pursuant to California Labor Code § 218.6 and Civil Code §§ 3287 and 3289;

13. On all causes of action, for attorneys' fees and costs as provided by Labor Code § 218.5 and Code of Civil Procedure § 1021.5 and all other applicable statutes; and

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

Dated: _____, 2022

Respectfully submitted,
LIDMAN LAW, APC

By: _____
Scott M. Lidman
Attorneys for Plaintiff
JOSE SALCIDO

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DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

Dated: _____, 2022

Respectfully submitted,
LIDMAN LAW, APC

By: _____
Scott M. Lidman
Attorneys for Plaintiff
JOSE SALCIDO

EXHIBIT 3

EXHIBIT 3

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Jose Salcido (“Plaintiff”) and Defendant Electro Adapter, Inc. (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS:

1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant Electro Adapter, Inc. captioned *Jose Salcido v. Electro Adapter, Inc.*, Case No. 21STCV32600, initiated on September 2, 2021, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. “Aggrieved Employee” means all current and former hourly-paid, non-exempt employees of Defendant who were employed in the state of California at any time during the PAGA Period.

1.5. “Class” means all current and former hourly-paid, non-exempt employees who worked for Defendant in California at any time during the Settlement Class Period.

1.6. “Class Counsel” means Scott M. Lidman, Elizabeth Nguyen and Milan Moore of Lidman Law, APC and Paul Haines of Haines Law Group, APC.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class

Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from September 2, 2017 through granting of preliminary approval of Class Action Settlement or November 15, 2022, whichever occurs sooner.

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “Defendant” means named Defendant Electro Adapter, Inc.

1.17. “Defense Counsel” means Rachel J. Lee and Nima Darouian of Lewis Brisbois Bisgaard & Smith LLP.

1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22. “Gross Settlement Amount” means \$290,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

1.23. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency

entitled, under Labor Code section 2699, subd. (i).

1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

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1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.31. “PAGA Period” means the period commencing on September 2, 2021, and ending on the date the Court signs an order granting preliminary approval of the Settlement, or November 15, 2022, whichever is sooner.

1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.33. “PAGA Notice” means Plaintiff Jose Salcido’s letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$3,750) and the 75% to LWDA (\$11,250.00) in settlement of PAGA claims.

1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. “Plaintiff” means Jose Salcido, the named plaintiff in the Action.

1.37. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.38. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.41. “Released Parties” means: Defendant and its respective former, current and future parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees) predecessors, successors, and assigns.

1.42. “Request for Exclusion” means a Class Member’s submission of a written request to be

excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS:

2.1. On September 2, 2021, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendant for (i) failure to pay all overtime wages owed; (ii) failure to pay all minimum wages owed; (iii) failure to provide meal periods; (iv) failure to authorize and permit all rest periods; (v) failure to timely pay all wages due during employment and upon separation of employment; and (vi) unfair competition. Upon Court approval of the Parties Stipulation, Plaintiff will file a First Amended Class and Representative Action Complaint alleging a seventh cause of action against Defendant for failure to provide accurate, itemized wages statements and for civil penalties under PAGA. The First Amended Class and Representative Action Complaint is the operative complaint in the Action (the "Operative Complaint."). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On August 16, 2022, the Parties participated in an all-day mediation presided over by Jeffrey Krivis, Esq. which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiff obtained, through informal discovery, Defendant's timekeeping and payroll data, as well as Defendant's wage and hour policies and other relevant documents and information relevant to the claims alleged. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS:

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$290,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross

Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1. To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$5,000.00 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3) of the Gross Settlement Amount (including 1/3 of any increase to the Gross Settlement Amount pursuant to the Escalator Clause at Paragraph 8 below) and a Class Counsel Litigation Expenses Payment of not more than \$25,000.00. One-Third of the Gross Settlement Amount is currently estimated to be \$96,666.66. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$7,250 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$7,250, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.5. Tax Allocation of Individual Class Payments. 30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the

“Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 70% of each Participating Class Member’s Individual Class Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.6. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.7. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$15,000.00 to be paid from the Gross Settlement Amount, with 75% (\$11,250.00) allocated to the LWDA PAGA Payment and 25% (\$3,750.00) allocated to the Individual PAGA Payments.

3.2.7.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties \$3,250.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.7.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS:

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 126 Class Members who collectively worked a total of 15,500 Workweeks, and 67 Aggrieved Employees who worked a total of 5,287 PAGA Pay Periods.

4.2. Class Data. Not later than 20 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant’s share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all

Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS: Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff's Release. Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested

benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. Notwithstanding the foregoing, the waiver and release in this Agreement does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, workers' compensation claims; (ii) rights or claims arising out of this Agreement after this Agreement is executed by Plaintiff; and (iii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. Plaintiff also agrees to not request an exclusion from this settlement. Any Incentive Award approved by the Court will result in the issuance of a Form 1099 to the class representative, who shall assume full responsibility and liability for the payment of taxes due on such award.

5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, *et seq.*; (6) failure to timely pay all wages due at separation; (7) unfair business practices in violation of Business and Professions Code section 17200, *et seq.* premised on the above claims; and violation of or liability under California Labor Code under sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1194, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys' fees and costs. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, *et seq.*; (6) failure to timely pay all wages due at separation, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and

all related claims for attorneys' fees and costs.

6. **MOTION FOR PRELIMINARY APPROVAL:** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 **Defendant's Declaration in Support of Preliminary Approval.** Within 5 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 **Plaintiff's Responsibilities.** Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and the Administrator. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 **Responsibilities of Counsel.** Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4 **First Amended Complaint.** As part of this Agreement and in conjunction with obtaining preliminary approval of the Agreement, the Parties agree to stipulate that Plaintiff be granted leave to file a First Amended Complaint to add causes of action for failure to provide accurate, itemized wage statements and for civil penalties under the PAGA. Defendant shall cooperate, as necessary, to stipulate to and/or otherwise effectuate the filing of the First Amended Complaint. Defendant shall cooperate, as necessary, to with respect to Plaintiff sending a letter to the Labor & Workforce Development Agency asserting claims based on the allegations asserted in the proposed First Amended Complaint.

6.5 **Duty to Cooperate.** If the Parties disagree on any aspect of the proposed Motion for Preliminary

Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION:

7.1 Selection of Administrator. The Parties have jointly selected to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's

determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

7.9 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.9.1 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.9.2 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.9.3 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.9.4 Administrator's Declaration. Not later than seven (7) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.9.5 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 10 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE:** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 126 Class Members and 15,500 Total Workweeks during the Class period and (2) there were 67 Aggrieved Employees who worked 5,287 Pay Periods during the PAGA Period. If the number of workweeks during the Settlement Class Period increases by more than 10% above 15,500, Defendant agrees to increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10% (i.e., if there was an 11% increase in the number of workweeks during the Class Period, Defendant shall increase the Gross Settlement Amount by 1% and so on).
9. **DEFENDANT'S RIGHT TO WITHDRAW:** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL:** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will

expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT: If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS:

12.1 No Admission of Liability, Class Certification or Representative Manageability for Other

Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately 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 pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement

Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
enguyen@lidmanlaw.com
mmoore@lidmanlaw.com

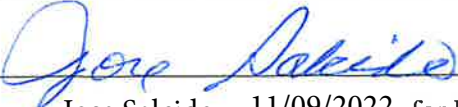
Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

To Defendant:

Rachel J. Lee
Vi Applen
Lewis Brisbois Bisgaard & Smith LLP
633 West 5th Street, Suite 4000
Los Angeles, California 90071
Telephone: (213) 250-1800
Facsimile: (213) 250-7900
Email: Rachel.lee@lewisbrisbois.com
Vi.Applen@lewisbrisbois.com

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.



Jose Salcido 11/09/2022 for Plaintiff _____ for Defendant



Elizabeth Nguyen 11/10/2022 _____
Elizabeth Nguyen Counsel for Plaintiff _____ Counsel for Defendant

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To Plaintiff:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
enguyen@lidmanlaw.com
mmoore@lidmanlaw.com

Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

To Defendant:

Rachel J. Lee
Vi Applen
Lewis Brisbois Bisgaard & Smith LLP
633 West 5th Street, Suite 4000
Los Angeles, California 90071
Telephone: (213) 250-1800
Facsimile: (213) 250-7900
Email: Rachel.lee@lewisbrisbois.com
Vi.Applen@lewisbrisbois.com

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_____	_____ <i>ELECTRA ADAPTER, INC.</i>
_____ for Plaintiff	_____ for Defendant
_____	<i>Rachel Lee</i> 11/2/2022
_____ Counsel for Plaintiff	<u>Rachel Lee</u> Counsel for Defendant

EXHIBIT A

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**

Jose Salcido v. Electro Adapter, Inc., Case No. 21STCV32600

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendant Electro Adapter, Inc. (“Electro Adapter”) for alleged wage and hour violations. The Action was filed by a former Electro Adapter employee, Jose Salcido (“Plaintiff”) and seeks payment of (1) unpaid minimum wages, overtime wages, missed meal and rest period premiums, wage statement penalties, waiting time penalties, and restitution under California Business and Professions Code section 17200 for a class of hourly, non-exempt employees (“Class Members”) who worked for Electro Adapter during the Class Period September 2, 2017 through [granting of preliminary approval of Class Action Settlement or November 15, 2022, whichever occurs sooner]; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all hourly-paid, non-exempt employees who worked for Electro Adapter during the PAGA Period September 2, 2021, and ending on [the date the Court signs an order granting preliminary approval of the Settlement, or November 15, 2022, whichever is sooner] (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring Electro Adapter to fund Individual Class Payments, and (2) a PAGA Settlement requiring Electro Adapter to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on Electro Adapter’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$__ (less withholding) and your Individual PAGA Payment is estimated to be \$__**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Electro Adapter’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on Electro Adapter’s records showing that **you worked** _____ **workweeks** during the Class Period and **you worked** _____ **workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Electro Adapter to make payments under the Settlement and requires Class

Members and Aggrieved Employees to give up their rights to assert certain claims against Electro Adapter.

If you worked for Electro Adapter during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Electro Adapter.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Electro Adapter, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Electro Adapter will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Electro Adapter that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Electro Adapter must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court’s Final Approval Hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods Written Challenges Must be Submitted by _____	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Electro Adapter’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former Electro Adapter employee. The Action claims Electro Adapter violated California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for restitution under California Business and Professions Code section 17200 and a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) (“PAGA”). Plaintiff is represented by attorneys in the Action: Scott M. Lidman, Elizabeth Nguyen and Milan Moore of Lidman Law, APC and Paul Haines of Haines Law Group, APC (“Class Counsel.”)

Electro Adapter strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Electro Adapter or Plaintiff is correct on the merits. In the meantime, Plaintiff and Electro Adapter hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case)

rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”) and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and Electro Adapter have negotiated a proposed Settlement that is subject to the Court’s Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Electro Adapter does not admit any violations or concede the merit of any claims. Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Electro Adapter has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Electro Adapter Will Pay \$ 290,000.00 as the Gross Settlement Amount (Gross Settlement). Electro Adapter has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Electro Adapter will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$96,666.66 (1/3 of the Gross Settlement) to Class Counsel for attorneys’ fees and up to \$25,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$5,000.00 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff’s Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$7,250.00 to the Administrator for services administering the Settlement.
 - D. Up to \$15,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions.

The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Electro Adapter are asking the Court to approve an allocation of 30% of each Individual Class Payment to taxable wages (“Wage Portion”) and 70% to interest and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Electro Adapter will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Electro Adapter have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than , that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Electro Adapter.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA

claims against Electro Adapter based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Electro Adapter have agreed that, in either case, the Settlement will be void: Electro Adapter will not pay any money and Class Members will not release any claims against Electro Adapter.
8. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and Electro Adapter has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Electro Adapter or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, *et seq.*; (6) failure to timely pay all wages due at separation; (7) unfair business practices in violation of Business and Professions Code section 17200, *et seq.* premised on the above claims; and violation of or liability under California Labor Code under sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1194, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys’ fees and costs. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’

compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Electro Adapter has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Electro Adapter, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Electro Adapter or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. The Aggrieved Employees' Releases are as follows:

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, *et seq.*; (6) failure to timely pay all wages due at separation, and the relevant Wage Orders issued by the Industrial Welfare Commission.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$3,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Electro Adapter's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Electro Adapter's calculation of Workweeks and/or Pay Periods based on Electro Adapter's records as accurate unless you send copies of

records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Electro Adapter's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. Aggrieved Employees. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee even if the Aggrieved Employee opts out of the Class Settlement.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as "Jose Salcido v. Electro Adapter", and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Electro Adapter are asking the Court to approve. At least 16 Court days before the _____ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website _____ (url) or the Court's website _____ (url).

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action Jose Salcido v. Electro Adapter and include your name, current address, telephone number, and approximate dates of employment for Electro Adapter and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at (time) in Department 7 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel 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.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Electro Adapter and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to (specify entity)'s website at (url). You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 21STCV32600. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
enguyen@lidmanlaw.com
mmoore@lidmanlaw.com

Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT 4

EXHIBIT 4

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT
AND CLASS NOTICE[†]

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between ~~plaintiff~~ _____ Plaintiff Jose Salcido (“Plaintiff”) and ~~defendant XYZ~~

_____, (~~“XYZ”~~). Defendant Electro Adapter, Inc. (“Defendant”). The Agreement refers to Plaintiff and ~~XYZ~~ Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS:

1.1. “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against ~~XYZ~~ Defendant Electro Adapter, Inc. captioned _____
_____, Jose Salcido v. Electro Adapter, Inc., Case No. 21STCV32600, initiated on
_____, September 2, 2021, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. “Administrator” means _____ Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. _____ “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. _____ “Aggrieved Employee” means ~~[e.g., a person]~~ all current and former hourly-paid, non-exempt employees of Defendant who were employed by XYZ in the state of California and classified as a _____
~~who worked for XYZ at any time~~ during the PAGA Period~~].~~

1.5. “Class” means ~~[define class e.g., all persons employed by XYZ]~~ all current and former hourly-paid, non-exempt employees who worked for Defendant in California ~~and classified as~~ who worked for XYZ at any time during the Settlement Class Period~~].~~

1.6. “Class Counsel” means _____ Scott M. Lidman, Elizabeth Nguyen and Milan Moore of Lidman Law, APC and Paul Haines of Haines Law Group, APC.

1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.8. “Class Data” means Class Member identifying information in ~~XYZ’s~~ Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, ~~and~~ and number of Class Period Workweeks and PAGA Pay Periods.

1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

~~1.10.~~ “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available

1.10. sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

~~1.11.~~ “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be 1.11. mailed to Class Members in English ~~[with a Spanish translation, if applicable]~~ in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. “Class Period” means the period from _____ ~~to —September 2, 2017 through granting of preliminary approval of Class Action Settlement or November 15, 2022, whichever occurs sooner.~~ⁱⁱ

1.13. “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “~~XYZ~~Defendant” means named Defendant
~~—Electro Adapter, Inc.~~

1.17. “Defense Counsel” means —Rachel J. Lee and Nima Darouian of Lewis Brisbois Bisgaard & Smith LLP.

~~1.18.~~ “Effective Date” means the date by when both of the following have occurred:
1.18. (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

~~1.22.~~ “Gross Settlement Amount” means \$~~_____~~290,000.00 which is the total amount ~~XYZ~~Defendant agrees to pay under the Settlement except as provided in Paragraph 98 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual

1.22. "PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. "Individual PAGA Payment" means ~~the~~each Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

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1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for ~~XYZ~~Defendant for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period ~~from~~ _____
~~to~~ commencing on September 2, 2021, and ending on the date the Court signs an order granting preliminary approval of the Settlement, or November 15, 2022, whichever is sooner.

1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.33. "PAGA Notice" means ~~Plaintiff's~~
~~Plaintiff Jose Salcido's~~ letter to ~~XYZ~~Defendant and the LWDA ~~[and Plaintiff's~~
~~letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$3,750) and the 75% to LWDA (\$11,250.00) in settlement of PAGA claims.
~~() and the 75% to LWDA () in settlement of PAGA~~
~~claims.~~

1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. "Plaintiff" means Jose Salcido , the named plaintiff in the Action.

1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39. "Released Class Claims" means the claims being released as described in Paragraph 65.2 below.

1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 6-25.3 below.

1.41. "Released Parties" means: XYZDefendant and ~~each of its~~ respective former, current and future parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present ~~directors, or future~~ officers, ~~shareholders, owners, [members], attorneys, insurers, directors and employees)~~ predecessors, successors, and assigns ~~[subsidiaries] [affiliates].~~

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means ~~[e.g., 60]~~45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for XYZDefendant for at least one day, during the Class Period:^{iv} .

2. RECITALS:

~~2.1. On~~ September 2, 2021 , Plaintiff commenced this Action by filing a Complaint alleging causes of action against XYZDefendant for .
~~[The Complaint is the operative complaint in the Action (the "Operative Complaint.")]~~
~~[On~~ (i) failure to pay all overtime wages owed; (ii) failure to pay all minimum wages owed; (iii) failure to provide meal periods; (iv) failure to authorize and permit all rest periods; (v) failure to timely pay all wages due during employment and upon separation

of employment; and (vi) unfair competition. Upon Court approval of the Parties Stipulation, Plaintiff ~~filed~~ will file a ~~[e.g., First Amended Class and Representative Action Complaint]~~ causes a seventh cause of action against ~~XYZ~~ Defendant for _____. The ~~[e.g., failure to provide accurate, itemized wages statements and for civil penalties under PAGA. The First Amended]~~ Complaint is the operative complaint in the Class and Representative Action Complaint is the operative complaint in the Action (the “Operative

2.1. Complaint.”)] XYZ.”). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. _____ Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to XYZDefendant and the LWDA by sending the PAGA Notice.

2.3. _____ On _____ (type in additional dates) _____, August 16, 2022, the Parties

2.3. _____ participated in an all-day mediation presided over by _____ Jeffrey Krivis, Esq. which led to this Agreement to settle the Action ~~(describe alternative means of negotiation).~~

(describe alternative means of negotiation)

2.4. _____ Prior to ☐ mediation ~~—☐ negotiating the Settlement~~, Plaintiff obtained, through

2.4. ☐ formal ☐ informal discovery, ~~—(Defendant’s timekeeping and payroll data, as well as Defendant’s wage and hour policies and other relevant documents, testimony and information obtained)—relevant to the claims alleged.~~ Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in Dunk v. Foot Locker Retail, Inc. (1996) 48 Cal.App.4th 1794, 1801 and Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 129-130 (“Dunk/Kullar”).

2.5. The Court ☐ has ~~—☐~~ has not granted class certification.

(insert details as needed)

2.6. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS**:

3.1. _____ Gross Settlement Amount. Except as otherwise provided by Paragraph 98 below, XYZDefendant promises to pay \$ 290,000.00 and no more as the Gross Settlement Amount ~~[and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments.] XYZ.~~ Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 6-14.3 of this Agreement.^v The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to XYZDefendant.

3.2. _____ Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

~~3.2.1.~~ To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$~~_____~~5,000.00 (in addition to any Individual Class Payment ~~[and any Individual PAGA Payment]~~ the Class Representative is

3.2.1. entitled to receive as a Participating Class Member). XYZDefendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than —%, which is currently estimated to be \$—one-third (1/3) of the Gross Settlement Amount (including 1/3 of any increase to the Gross Settlement Amount pursuant to the Escalator Clause at Paragraph 8 below) and a Class Counsel Litigation Expenses Payment of not more than \$ —. XYZ25,000.00. One-Third of the Gross Settlement Amount is currently estimated to be \$96,666.66. Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds XYZDefendant harmless, and indemnifies XYZDefendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed 3.2.3. \$7,250 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$ —7,250, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and 3.2.4. (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. % —30% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The % —70% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and

penalties} (the

3.2.5. ~~“Non-Wage Portion”~~^{vi}). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2.3.2.6. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5. ~~_____~~ To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$ _____15,000.00 to be paid from the Gross Settlement Amount, with 75%

3.2.7. ~~(\$— (\$11,250.00))~~ allocated to the LWDA PAGA Payment and 25% ~~(\$—3,750.00)~~ allocated to the Individual PAGA Payments.

3.2.5.1.3.2.7.1. ~~_____~~ The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties \$ ~~_____3,250.00~~ by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2.3.2.7.2. ~~_____~~ If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS:

4.1. ~~_____~~ Class Workweeks and Aggrieved Employee Pay Periods.

Based on a review of its records to date, ~~XYZ~~Defendant estimates there are _____

_____ 126 Class Members who collectively worked a total of

15,500 Workweeks, and _____

~~of 67~~ Aggrieved Employees who worked a total _____

_____ of 5,287 PAGA Pay Periods.

4.2. ~~_____~~ Class Data. Not later than ~~[e.g., 15]~~20 days after the Court grants Preliminary Approval of the Settlement, ~~XYZ~~Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. ~~XYZ~~Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which ~~XYZ~~Defendant

| must send the Class Data

4.2. to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. ~~_____~~ Funding of Gross Settlement Amount. ~~XYZ~~Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay ~~XYZ's~~Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than ~~{14}~~30 days after the Effective Date.

4.4. ~~_____~~ Payments from the Gross Settlement Amount. Within ~~{14}~~ days after ~~XYZ~~Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are ~~returned~~returned undelivered without USPS forwarding address. Within ~~{7}~~ days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

4.4.3. ~~_____~~ For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks ~~{to the California~~

4.4.3. Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). ~~for to a Court approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient")~~. ~~The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.(b).~~

4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate XYZDefendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

6.5.RELEASES OF CLAIMS:- Effective on the date when XYZDefendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

~~6.15.1~~ Plaintiff's Release. Plaintiff and his ~~or her~~ respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences ~~that~~ occurred during the Class Period~~],~~ including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice, ~~for ascertained during the Action and released under 6.2, below~~. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them. Notwithstanding the foregoing, the waiver and release in this Agreement does not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, workers' compensation claims; (ii) rights or claims arising out of this Agreement after this Agreement is executed by Plaintiff; and (iii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. Plaintiff also agrees to not request an exclusion from this settlement. Any Incentive Award approved by the Court will result in the issuance of a Form 1099 to the class representative, who shall assume full responsibility and liability for the payment of taxes due on such award.

~~6.15.1.1~~ Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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.

~~6.25.2~~ Release by Participating Class Members ~~Who Are Not Aggrieved Employees~~: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint ~~[and ascertained in the course of the Action]~~ ~~[including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.”]~~. Except as set forth in Section 6 ~~and ascertained in the course of the Action including, (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, et seq.; (6) failure to timely pay all wages due at separation; (7) unfair business practices in violation of Business and Professions Code section 17200, et seq. premised on the above claims; and violation of or liability under California Labor Code under sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1194, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys’ fees and costs. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.~~

~~6.35.3~~ — Release by ~~Non-Participating Class Members Who Are~~ Aggrieved Employees: All ~~Non-Participating Class Members who are~~ Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint~~[.] [and] the PAGA Notice [and ascertained in the course of the Action]~~ ~~[including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.”]~~, and the PAGA Notice including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, et seq.; (6) failure to timely pay all wages due at separation, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys’ fees and costs.

7.6. MOTION FOR PRELIMINARY APPROVAL.: The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion for Preliminary Approval”) that complies with the Court’s current checklist for Preliminary Approvals.

~~7.16.1~~ — ~~XYZ’s~~ Defendant’s Declaration in Support of Preliminary Approval. Within ~~—5~~ days of the full execution of this Agreement, ~~XYZ~~ Defendant will prepare and deliver to Class Counsel a signed Declaration from ~~XYZ~~ Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator ~~and Cy Pres Recipient.~~ In their Declarations, Defense Counsel and ~~XYZ~~ Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~7.2~~ Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~and/or the proposed Cy Pres~~; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration

6.2 from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~and/or~~ the Administrator ~~and/or the proposed Cy-Pres~~; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members, and the Administrator ~~and/or the Cy-Pres Recipient~~. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

7.36.3 — Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than ~~{30}~~ days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4 — First Amended Complaint. As part of this Agreement and in conjunction with obtaining preliminary approval of the Agreement, the Parties agree to stipulate that Plaintiff be granted leave to file a First Amended Complaint to add causes of action for failure to provide accurate, itemized wage statements and for civil penalties under the PAGA. Defendant shall cooperate, as necessary, to stipulate to and/or otherwise effectuate the filing of the First Amended Complaint. Defendant shall cooperate, as necessary, to with respect to Plaintiff sending a letter to the Labor & Workforce Development Agency asserting claims based on the allegations asserted in the proposed First Amended Complaint.

7.46.5 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8.7.SETTLEMENT ADMINISTRATION

8.1 — Selection of Administrator. The Parties have jointly selected 7.1 to serve as the Administrator and verified that, as a condition of appointment, Phoenix Class Action Administration Solutions agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

8.27.2 — Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.

8.37.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.

8.47.4 Notice to Class Members.

8.4.17.4.1 —No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, ~~PAGA Members~~Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

8.4.27.4.2 —Using best efforts to perform as soon as possible, and in no event later than ~~[14]~~ days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice ~~[with Spanish translation, if applicable]~~ substantially in the form attached to this Agreement as Exhibit ~~—A~~. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

8.4.37.4.3 —Not later than ~~[3]~~ business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

8.4.47.4.4 —The deadlines for Class Members’ written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional ~~[14]~~ days beyond the ~~[60]~~45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

8.4.57.4.5 —If the Administrator, ~~XYZ~~Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~[14] days after~~14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

~~receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.~~

~~8.5.7.5~~ Requests for Exclusion (Opt-Outs).

~~8.5.1~~7.5.1 —Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than ~~[60]~~45 days after the Administrator mails the Class Notice (plus an additional ~~[14]~~ days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

~~8.5.2~~7.5.2 —The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

~~8.5.3~~ —Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs ~~6.5.2~~ and ~~7.5.3~~ 6.5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

~~8.5.4~~7.5.4 —Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

~~6.4 of this Agreement and are eligible for an Individual PAGA Payment.~~

~~8.6~~ — Challenges to Calculation of Workweeks. Each Class Member shall have ~~[60]~~45 days after the Administrator mails the Class Notice (plus an additional ~~[14]~~ days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class

Notice. The Class Member may challenge the allocation by communicating with the

7.6 Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

8.7.7 Objections to Settlement.

8.7.17.7.1 —Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

8.7.27.7.2 —Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than ~~{60}~~45 days after the Administrator's mailing of the Class Notice (plus an additional ~~{14}~~ days for Class Members whose Class Notice was re-mailed).

8.7.37.7.3 —Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

8.8.7.8 — Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

8.8.17.9 — Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

8.8.2 — Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their

7.9.1 validity. Not later than ~~{five (5)}~~ days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

~~8.8.3~~7.9.2 — Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include ~~provide~~ the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

~~8.8.4~~7.9.3 — Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

~~8.8.5~~7.9.4 — Administrator’s Declaration. Not later than ~~{14}~~seven (7) days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.

~~8.8.6~~7.9.5 — Final Report by Settlement Administrator. Within ~~{10}~~ days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least ~~{15}~~10 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

9.8.CLASS SIZE ESTIMATES and ESCALATOR CLAUSE: Based on its records, XYZDefendant estimates that, as of the date of this Settlement Agreement, (1) there are —126 Class Members and —15,500 Total Workweeks during the Class period and (2) there were —67 Aggrieved Employees who worked —5,287 Pay Periods during the PAGA Period.^{vii} If the number of workweeks during the Settlement Class Period increases by more than 10% above 15,500, Defendant agrees to increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in number of workweeks worked by the Class Members above the 10% (i.e., if there was an 11% increase in the number of workweeks during the Class Period, Defendant shall increase the Gross Settlement Amount by 1% and so on).

10.9. XYZ'S/DEFENDANT'S RIGHT TO WITHDRAW: If the number of valid Requests for Exclusion identified in the Exclusion List exceeds % —5% of the total of all Class Members, XYZDefendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if XYZDefendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, XYZDefendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZDefendant must notify Class Counsel and the Court of its election to withdraw not later than [seven] (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

11.10.MOTION FOR FINAL APPROVAL: Not later than [16] court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than [seven] (7) days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

11.10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than that [than] five] (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

11.210.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

11.3Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,

| the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing

10.3 settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

11.410.4 **Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

11.510.5 **Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment.** If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

12.11.AMENDED JUDGMENT⚡: If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

13.12. ADDITIONAL PROVISIONS⚡:

13.1~~1~~ **No Admission of Liability, Class Certification or Representative Manageability for Other Purposes.** This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by XYZDefendant that any of the allegations in the Operative Complaint have merit or that XYZDefendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that XYZ'sDefendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval or enter Judgment, XYZDefendant reserves the right to contest certification of any class for any reasons, and XYZDefendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest XYZ'sDefendant's defenses. The Settlement, this Agreement and Parties' willingness to

12.1 settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

13.212.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, ~~XYZ~~Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency.

Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, ~~XYZ~~Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13.312.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13.412.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

13.512.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and ~~XYZ~~Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

13.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement

12.6 the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

13.712.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

13.812.8 No Tax Advice. Neither Plaintiff, Class Counsel, XYZDefendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

13.912.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

13.1012.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

13.1112.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

13.1212.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

13.1312.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

13.1412.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by XYZDefendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from XYZDefendant unless, prior to the Court's discharge of the Administrator's obligation, XYZDefendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

~~13.15~~12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

~~13.16~~12.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

~~13.17~~12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Scott M. Lidman
Elizabeth Nguyen
Milan Moore
Lidman Law, APC
2155 Campus Drive, Suite 150
El Segundo, California 90245
Telephone: (424) 322-4772
Facsimile: (424) 322-4775
Email: slidman@lidmanlaw.com
enguyen@lidmanlaw.com
mmoore@lidmanlaw.com

Paul K. Haines
Haines Law Group, APC
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

To ~~XYZ~~Defendant:

Rachel J. Lee
Vi Applen
Lewis Brisbois Bisgaard & Smith LLP
633 West 5th Street, Suite 4000
Los Angeles, California 90071
Telephone: (213) 250-1800
Facsimile: (213) 250-7900
Email: Rachel.lee@lewisbrisbois.com
Vi.Applen@lewisbrisbois.com

~~13.18~~12.18 Execution in Counterparts. This Agreement may be executed in one or more

counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

~~13.19~~12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Defendant ~~For~~for Plaintiff _____ ~~For XYZ~~for

Counsel ~~For~~for Plaintiff
Counsel ~~For XYZ~~

| for Defendant

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING
DATE FOR FINAL COURT APPROVAL**

(case name and number)

Jose Salcido v. Electro Adapter, Inc., Case No. 21STCV32600

***The Superior Court for the State of California authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against _____ (abbreviate name; “XYZ” is used herein as a placeholder) Defendant Electro Adapter, Inc. (“Electro Adapter”) for alleged wage and hour violations. The Action was filed by a ~~an~~ former ~~XYZ~~ Electro Adapter employee _____, Jose Salcido (“Plaintiff”) and seeks payment of (1) ~~back~~unpaid minimum wages ~~-, overtime wages, missed meal and other relief~~rest period premiums, wage statement penalties, waiting time penalties, and restitution under California Business and Professions Code section 17200 for a class of ~~[e.g., hourly], non-exempt~~ employees (“Class Members”) who worked for ~~XYZ~~Electro Adapter during the Class Period (~~— to —~~); September 2, 2017 through **[granting of preliminary approval of Class Action Settlement or November 15, 2022, whichever occurs sooner]**; and (2) penalties under the California Private Attorney General Act (“PAGA”) for all ~~[e.g., hourly]-paid, non-exempt~~ employees who worked for ~~XYZ~~Electro Adapter during the PAGA Period (~~— to —~~); September 2, 2021, and ending on **[the date the Court signs an order granting preliminary approval of the Settlement, or November 15, 2022, whichever is sooner]** (“Aggrieved Employees”).

The proposed Settlement has two main parts: (1) a Class Settlement requiring ~~XYZ~~Electro Adapter to fund Individual Class Payments, and (2) a PAGA Settlement requiring ~~XYZ~~Electro Adapter to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency (“LWDA”).

Based on ~~XYZ’s~~Electro Adapter’s records, and the Parties’ current assumptions, **your Individual Class Payment is estimated to be \$__ (less withholding) and your Individual PAGA Payment is estimated to be \$__**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to ~~XYZ’s~~Electro Adapter’s records you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.)

The above estimates are based on ~~XYZ’s~~Electro Adapter’s records showing that **you worked** _____ **workweeks** during the Class Period and **you worked** _____ **workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are

affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires XYZElectro Adapter to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZElectro Adapter.

If you worked for XYZElectro Adapter during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

(1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against XYZElectro Adapter.

(2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against XYZElectro Adapter, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

XYZElectro Adapter will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against <u>XYZElectro Adapter</u> that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is _____	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. <u>XYZElectro Adapter</u> must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

Plaintiff and ~~XYZ~~Electro Adapter have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, ~~XYZ~~Electro Adapter does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) XYZElectro Adapter has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. XYZElectro Adapter Will Pay \$~~290,000.00~~ as the Gross Settlement Amount (Gross Settlement). XYZElectro Adapter has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, XYZElectro Adapter will fund the Gross Settlement not more than ~~14~~ days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$~~_____~~ (~~_____~~%~~96,666.66~~ (1/3 of the Gross Settlement~~1~~) to Class Counsel for attorneys' fees and up to \$~~25,000.00~~ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$~~_____~~~~5,000.00~~ as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$~~_____~~~~7,250.00~~ to the Administrator for services administering the Settlement.
 - D. Up to \$~~_____~~~~15,000.00~~ for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

- ~~3.~~ Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross

3. Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiff and XYZElectro Adapter are asking the Court to approve an allocation of % 30% of each Individual Class Payment to taxable wages (“Wage Portion”) and % 70% to ~~[e.g., interest, etc.] and penalties~~ (“Non-Wage Portion~~→~~”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~[Option 1: (XYZElectro Adapter will separately pay employer payroll taxes it owes on the Wage Portion→)].~~ The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.
- ~~Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.~~

Although Plaintiff and XYZElectro Adapter have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don’t cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name.

~~☐ will be deposited with the California Controller's Unclaimed Property Fund in your name.~~

~~☐ will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy-Pres”).~~

If the monies represented by your check is sent to the Controller’s Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than —, [redacted], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the —Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against XYZElectro Adapter.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude

themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against ~~XYZ~~Electro Adapter based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and XYZElectro Adapter have agreed that, in either case, the Settlement will be void: XYZElectro Adapter will not pay any money and Class Members will not release any claims against XYZElectro Adapter.
8. Administrator. The Court has appointed a neutral company, Phoenix Class Action Administration Solutions (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and XYZElectro Adapter has fully funded the Gross Settlement ~~[Option 1: (and separately paid all employer payroll taxes)]~~, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against XYZElectro Adapter or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint ~~[and ascertained in the course of the Action]~~ ~~[including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.”]~~. ~~Except as set forth in Section 6~~ including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, et seq.; (6) failure to timely pay all wages due at separation; (7) unfair business practices in violation of Business and Professions Code section 17200, et seq. premised on the above claims; and violation of or liability under California Labor Code under sections 201, 202, 203, 204, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 516, 558, 1194, 1197, 1198, and the relevant Wage Orders issued by the Industrial Welfare Commission, and any and all related claims for attorneys’ fees and costs. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing

Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.^{viii}

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and XYZElectro Adapter has paid the Gross Settlement (and separately paid the employer-side payroll taxes),² all Aggrieved Employees will be barred from asserting PAGA claims against XYZElectro Adapter, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against XYZElectro Adapter or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement. The Aggrieved Employees' Releases are as follows:

~~The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:~~

~~All Participating and Non-Participating Class Members who are~~

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,], ~~and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.], and the PAGA Notice including the (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or provide premium wages in lieu thereof; (4) failure to provide rest periods or provide premium wages in lieu thereof; (5) wage statement violations under Labor Code section 226, et seq.; (6) failure to timely pay all wages due at separation, and the relevant Wage Orders issued by the Industrial Welfare Commission.~~

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ 3,250.00 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in XYZ's Electro Adapter's records, are stated in the first page of this Notice. You have until _____ to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept XYZ's Electro Adapter's calculation of Workweeks and/or Pay Periods based on XYZ's Electro Adapter's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of

Participating Class Members) and ~~XYZ's~~Electro Adapter's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
2. ~~Non-Participating Class Members.~~Aggrieved Employees. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee ~~who~~even if the Aggrieved Employee opts out of the Class Settlement-
~~(i.e., every Non-Participating Class Member).~~

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as _____

_____, "Jose Salcido v. Electro Adapter", and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and ~~XYZ~~Electro Adapter are asking the Court to approve. At least _____16 Court days before the _ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website

_____ (url) _____ or the Court's website _____ (url) _____.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested

by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action Jose Salcido v. Electro Adapter and include your name, current address,

____ telephone number, and approximate dates of employment for [XYZ]Electro Adapter and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on ____ at (time) in Department [7] of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel 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.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website _____ beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything XYZElectro Adapter and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity)'s website at ____(url)_____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. _____21STCV32600. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Name of Attorney:-

Email Address:-

Name of Firm:-

Mailing Address:-

Telephone:-

Scott M. Lidman
Elizabeth Nguyen

Paul K. Haines
Haines Law Group, APC

Milan Moore
Lidman Law, APC
2155 Campus Drive, Suite 150
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Telephone: (424) 322-4772
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2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
Email: phaines@haineslawgroup.com

Settlement Administrator:
Name of Company:

Email Address:
Mailing Address:
Telephone:
Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

☐ ~~you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds~~

☐ ~~you will have no way to recover the money.~~

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

~~ⁱ This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

~~ⁱⁱ Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ *Kullar* analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (*Luekey v. Superior Court* (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)~~

~~ⁱⁱⁱ See endnote ii above.~~

~~^{iv} The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.~~

~~^v The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.~~

~~^{vi} Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code Section 226(a) claim.)~~

~~^{vii} Insert negotiated terms, if any, addressing the possibility that XYZ’s estimates of class size, Workweeks or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an “escalator” clause memorializing XYZ’s promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated class size, Workweeks, or Pay Periods exceeds XYZ’s estimates.~~

~~^{viii} Releases in Notice should track the releases in the Settlement Agreement.~~