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

ALICIA VELASQUEZ, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

LINZER PRODUCTS CORPORATION, a
New York corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 22STCV28665

*[Assigned for all purposes to the Hon. Lawrence P.
Riff, Dept. SSC-7]*

**DECLARATION OF SCOTT M. LIDMAN
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: December 5, 2023
Time: 10:00 a.m.
Dept.: SSC-7

1 I, SCOTT M. LIDMAN, declare as follows:

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

7 2. I am a 1998 graduate of Santa Clara University School of Law, where I graduated *summa*
8 *cum laude*. During law school, I worked as a summer associate for the international employment law
9 firm of Littler Mendelson, P.C., located in Los Angeles, California.

10 3. Since graduating from law school, my practice has focused exclusively on employment
11 litigation. In September 1998, I began working as an associate attorney at the international law firm of
12 Littler Mendelson P.C., at its Los Angeles office, which according to its website is the largest law firm
13 in the world exclusively devoted to representing management in employment, employee benefits and
14 labor law matters.

15 4. In 2000, I left Littler Mendelson to work at the Los Angeles office of Jones Day, which
16 was at the time one of the largest international firms in the world. During my employment at Jones
17 Day, I worked exclusively in the labor and employment department. In or around 2003, I went to work
18 at the law firm of Loeb & Loeb, again working exclusively in the Labor & Employment department. In
19 2008, I returned to Littler Mendelson, was promoted to Shareholder in 2009, and from 2008 until the
20 end of 2017, I practiced exclusively labor and employment law, with a strong emphasis and most of my
21 time working on wage and hour class actions venued in both state and federal courts. During that time
22 and my legal career in general, I also worked on a number of single and multi-plaintiff wage and hour
23 matters as well.

24 5. During my employment at Littler Mendelson, I played a significant role in the class
25 actions that I was staffed on, and ran many on my own both as an Of Counsel and as a Shareholder. In
26 particular, I received a wide-array of wage and hour class action experience performing the following
27 types of tasks: drafting demurrers, motions to strike and/or dismiss; removing actions from state court
28

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

13 6. Although not exhaustive, below is a list of many of the wage and hour class and PAGA
14 actions that I performed substantial work on while I was a shareholder at Littler Mendelson:

- 15 ► *Ortega v. J.B. Hunt Transport, Inc.*, Case No. 07-cv-8336-RGK-AFMx, United
16 States District Court, Central District of California, Honorable Gary Klausner,
17 presiding¹.
- 18 ► *Aceves v. J.B. Hunt Transport, Inc.*, Case No. CIVDS1306133, California
19 Superior Court, County of San Bernardino, Honorable Michael Sachs, presiding.
- 20 ► *Moreno v. J.B. Hunt Transport, Inc.*, Case No. BC388612, California Superior
21 Court, County of Los Angeles, Honorable Mel Red Recana, presiding.
- 22 ► *Newcomb v. J.B. Hunt Transport, Inc.*, Case No. RG16815734, California
23 Superior Court, County of Alameda, Honorable Winifred Smith, presiding.
- 24 ► *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. 12-cv-08590-PA-MAN,
25 United States District Court, Central District of California, Honorable Percy
26 Anderson, presiding.

27 ¹ My work on this matter including proceedings not only in District Court, but also work before the United States Court of
28 Appeals for the Ninth Circuit as well as the United States Supreme Court.

- 1 ▶ *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. BC388612, California
2 Superior Court, County of Los Angeles, Honorable Elihu Berle, presiding.²
- 3 ▶ *Dugan v. Stoneledge Furniture, LLC*, Case No. 16-cv-01125-PA-FFMx, United
4 States District Court, Central District of California, Honorable Percy Anderson,
5 presiding.
- 6 ▶ *Klune v. Stoneledge Furniture, LLC*, Case No. 14-cv-03986-PA-FFMx, United
7 States District Court, Central District of California, Honorable Percy Anderson,
8 presiding.
- 9 ▶ *Diaz v. ABM Industries, Inc.; Ampco Parking*, Case No. BC362932, California
10 Superior Court, County of Los Angeles, Honorable Jane Johnson, presiding.³
- 11 ▶ *Adams v. Luxottica Retail North America, Inc.*, Case No. 07CC01346, California
12 Superior Court, County of Orange, Honorable Thierry Patrick Colaw, presiding.
- 13 ▶ *Sakkab v. Luxottica Retail North America, Inc.*, Case No. 12-cv-00436-GPC-
14 KSC, United States District Court, Southern District of California.⁴
- 15 ▶ *Page v. Oakley, Inc.*, Case No. FCS041512, California Superior Court, County
16 of Solano, Honorable Paul Berman, presiding.
- 17 ▶ *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00731617-CU-OE-CJC California
18 Superior Court, County of Orange, Honorable William Claster, presiding.
- 19 ▶ *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00723846-CU-DE-CXC, California
20 Superior Court, County of Orange, Honorable William Claster, presiding.
- 21 ▶ *Sierra v. Oakley, Inc.*, Case No. 13-cv-00319-AG-JPR, United States District
22 Court, Central District of California, Honorable Andrew Guilford, presiding.⁵
- 23
- 24
- 25

26 ² My work on this matter included proceedings not only in the trial court, but also before the California Courts of Appeal
27 and the California Supreme Court.

28 ³ This matter was consolidated and litigated collectively with Case Nos. BC380923, BC 381523 and BC 406663.

⁴ The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.

⁵ The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.

- 1 ▶ *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
2 States District Court, Central District of California, Honorable Margaret Morrow,
3 presiding.
- 4 ▶ *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
5 States District Court, Central District of California, Honorable Margaret Morrow,
6 presiding.
- 7 ▶ *Khelghatian v. Comerica Bank, et al.*, Case No. 11-cv-7689-DSF-FFMx, United
8 States District Court, Southern District of California, Honorable John A.
9 Houston, presiding.
- 10 ▶ *Babasa v. Comerica Bank, et al.*, Case No. 11-cv-0595-JAH-BGS, United States
11 District Court, Central District of California, Honorable Margaret Morrow,
12 presiding.
- 13 ▶ *Bernal v. Comerica Bank, et al.*, Case No. 11-cv-01298-JAH-BGS, United States
14 District Court, Central District of California, Honorable Margaret Morrow,
15 presiding.
- 16 ▶ *Khalili v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
17 States District Court, Northern District of California.
- 18 ▶ *Granata v. Comerica Bank, et al.*, Case No. 37-2011-00086316-CU-OE-CTL,
19 California Superior Court, County of San Diego, Honorable Jeffrey B. Barton,
20 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 Terry Green, presiding.
- 25 ▶ *Rumohr v. Comerica Bank, et al.*, Case No. CGC-11-508433, California Superior
26 Court, County of San Francisco.

1 ► *Smith v. Werner Enterprises*, Case No. 15-cv-02978-RS, United States District
2 Court, Northern District of California, Honorable Richard Seeborg, presiding.

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

18 8. I have been appointed Class Counsel in: *Guardado v. Wesley Allen, Inc.*, Case No.
19 BC683027, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl
20 presiding; *Rodriguez v. Satco, Inc.*, Case No. BC682137, California Superior Court, County of Los
21 Angeles, Honorable Judge Ann I. Jones presiding; *Ong v. Howard's Appliances, Inc.*, Case No. 30-
22 2017-00964213-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge
23 William Claster presiding; *Hanke v. C&W Facility Services, Inc.*, Case No. CIVDS1814412,
24 California Superior Court, County of San Bernardino, Honorable Judge David Cohn presiding; *Molina*
25 *v. Mader News, Inc.*, Case No. BC685960, California Superior Court, County of Los Angeles,
26 Honorable Judge Yvette M. Palazuelos presiding; *Alvarez v. Salamander Fire Protection, Inc.*, Case
27 No. BC688326, California Superior Court, County of Los Angeles, Honorable Judge William F.

Highberger presiding; *Rodriguez v. H.F. Cox, Inc.*, Case No. BC653164, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Fregoso v. Amerigas Propane, Inc.*, Case No. BC697973, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Teran v. Western Plastics, Inc.*, Case No. RIC1722619, California Superior Court, County of Riverside, Honorable Judge Sunshine Sykes presiding; *Villegas de Torres v. El Monte Superstore Inc.*, Case No. BC688477, California Superior Court, County of Los Angeles, Honorable Judge Daniel J. Buckley presiding; *Huynh v. Polypeptide Laboratories, Inc.*, Case No. BC680872, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Guzman v. Century Blinds*, Case No. RIC1723654, California Superior Court, County of Riverside, Honorable Judge Sunshine S. Sykes presiding; *George v. Convergence Marketing*, Case No. CIVDS1901039, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Coffee, et al. v. Flyers Transportation Energy, LLC*, Case No. 34-2017-00222084, California Superior Court, County of Sacramento, Honorable Judge Alan G. Perkins presiding; *Romero v. Fillmore Hospitality, LLC*, Case No. BC705667, California Superior Court, County of Los Angeles, Honorable Judge Maren E. Nelson presiding; *Wennerstrom, et al. v. Giant Inland Empire R.V. Center*, Case No. CIVDS1617291, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Contreras, et al. v. Letter Ride, LLC*, Case No. 37-2018-00020841-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge Eddie C. Sturgeon presiding; *Davis v. WeDriveU*, Case No. 18CV322578, California Superior Court, County of Santa Clara, Honorable Judge Brian C. Walsh presiding; *Acuna v. Canton Food Co., Inc.*, Case No. BC685001, California Superior Court, County of Los Angeles, Honorable Judge David S. Cunningham presiding; and *Contreras v. Worldwide Flight Services, Inc.*, Case No. 2:18-cv-06036-PSG-SS, United States District Court for the Central District of California, the Honorable Judge Philip S. Gutierrez presiding.

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

1 10. On September 2, 2022, Plaintiff filed the instant putative class action complaint
2 Defendant Linzer Products Corporation (hereinafter “Linzer” or “Defendant”). On September 12,
3 2022, Plaintiff submitted a letter to the California Labor & Workforce Development Agency
4 (“LWDA”) and Linzer of her intention of filing a PAGA claim based on the labor code violations as
5 alleged in his complaint. A true and correct copy of Plaintiff’s letter to the LWDA and Linzer is
6 attached hereto as **Exhibit 1**. On May 25, 2023, after exhausting her administrative remedies, Plaintiff
7 filed a First Amended Class and Representative Action Complaint adding a cause of action for civil
8 penalties under the PAGA. On July 21, 2023, pursuant to the settlement, Plaintiff submitted a
9 supplemental letter to the LWDA and Linzer of her intention of adding a cause of action for waiting
10 time penalties. A true and correct copy of Plaintiff’s supplemental letter to the LWDA and Linzer is
11 attached hereto as **Exhibit 2**. In connection with the terms of this Settlement, the Parties will submit a
12 request for leave to file a Second Amended Class and Representative Action Complaint adding a cause
13 of action for waiting time penalties. Plaintiff’s primary claims are that Linzer: (1) failed to pay all
14 minimum wages owed; (2) failed to pay all overtime wages owed; (3) failed to provide all legally
15 required meal periods; (4) failed to authorize and permit all legally required rest periods; (5) failed to
16 provide accurate, itemized wage statements; (6) failed to reimburse necessary business expenses; (7)
17 engaged in unlawful business practices; (8) failed to pay all wages upon separation of employment;
18 and (9) is liable for civil penalties under the Labor Code Private Attorneys General Act of 2004
19 (“PAGA”).

20 11. In advance of mediation, Linzer produced a 20% sampling timekeeping and payroll data
21 for the putative class, as well as its wage and hour policies and other relevant documents and information
22 relevant to the claims alleged.

23 Specifically, Plaintiff received a list of unique Employee ID numbers. The Parties agreed that
24 Plaintiff’s sample shall represent 20% of the total Employee ID numbers. Using Excel’s “RAND”
25 function which randomly generates a value between 0 and 1, each of the 422 Employee ID numbers
26 was randomly assigned such a value. After the random assignment, the list of Employee ID numbers
27 was sorted in ascending order according to the values randomly assigned. After the list was sorted,
28 Plaintiff selected first 84 Employee ID numbers, which represents a 20% sampling.

1 Accordingly, a sample of this group is representative of the entire Settlement Class and is
2 statistically significant and reliable for purposes of evaluating a potential settlement.

3 Here, the statistical analysis of the time punch and payroll data was used for the limited purpose
4 of determining the predominance of rounding and meal period violations in support of Plaintiff's claims
5 that Linzer maintained policies and practices during the relevant time period of not paying its non-
6 exempt employees for all time worked and not providing all legally compliant meal periods. Indeed,
7 based on the time punch data produced which included actual time punches and rounded paid hours,
8 Plaintiff was able to conduct a rounding analysis and conclude that Linzer's rounding practice was
9 widespread during the entire relevant time period. Moreover, from the time and payroll data, Plaintiff
10 was able to analyze the meal records and find an approximate 98.7% potential meal period violation
11 rate in which the majority of meal period violations were for short meal periods. The Settlement Class
12 members worked at the same facility, did similar work, and were paid under the same wage and hour
13 policies and procedures. Given these circumstances, the experiences of a subset of employees – the
14 20% sampling- can be probative as to the experiences of all of the Settlement Class. Further, if all
15 Settlement Class members brought lawsuits for unpaid wages and/or meal period violations, they would
16 rely on timekeeping records similar to the ones in this sampling which also supports a finding that the
17 sampling is statistically reliable.

18 In addition to the representative sampling, Linzer produced key data points and all relevant
19 written wage and hour policies in effect during the relevant time periods. Specifically, Plaintiff was
20 provided with the following:

- 21 • Plaintiff's personnel files and timekeeping and payroll documents;
- 22 • Key data points, including total number of employees, workweeks, and pay periods during
23 the relevant time period;
- 24 • Exemplars of the wage statements provided during the relevant time period;
- 25 • Linzer's Bell Schedule;
- 26 • Linzer's job descriptions;
- 27 • Linzer's Employee Handbook for 2018;

28 This information coupled with the representative data sampling, enabled Plaintiff to extrapolate

to the entire class and aided in Plaintiff's creation of a class-wide exposure model for all the claims at issue, including unpaid wages and penalties potentially owed for alleged minimum and overtime wages, and meal and rest and unpaid wages violations. Ultimately, this discovery allowed the parties to assess the merits and value of Plaintiff's claims and Linzer's defenses thereto

12. On April 19, 2023, a mediation was held with Jeffrey Ross, 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. 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"):	\$975,000.00
Minus Court-approved attorneys' fees (update to 1/3 of GSA):	\$325,000.00
Minus Court-approved, verified costs (up to \$30,000.00):	\$30,000.00
Minus Court-approved Class Representative Service Award:	\$5,000.00
Minus Settlement Administration Costs:	\$11,000.00
Minus PAGA payment to the LWDA:	\$56,250.00
Net Settlement Amount ("NSA"):	\$547,750.00
Settlement Class Members	420
Average Individual Payment: NSA/Settlement Class	\$1,304.17

Linzer shall fully fund the Gross Settlement Amount, including all amounts necessary to fully pay Linzer's share of payroll taxes, by transmitting such funds to the Administrator no later than 10 business days after the Effective Date. See Settlement, ¶ 4.3. "Effective Date" means the earliest date

1 by which both of the following have occurred: (a) the Court enters a Judgment based on its Final
2 Approval of the Settlement; and (b) the Judgment becomes “Final.” Final,” as used in the definition
3 of Effective Date shall mean the latest of: (i) if there is an appeal of the Court’s judgment, the date the
4 judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file
5 a petition for certiorari in the United States Supreme Court petition or a petition for review in the
6 California Supreme Court, as applicable; or (ii) if such a petition is filed, the date of denial of the
7 petition, or the date the judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the
8 expiration date of the time for filing or noticing any appeal from the judgment. Settlement, ¶ 1.18.

9 After deducting amounts for the Court-approved attorneys’ fees and verified costs, Service
10 Award to Plaintiff, Settlement Administrator costs, and the PAGA payment to the LWDA, the
11 Settlement results in a Net Settlement Amount (“NSA”) of at least \$547,750.00 to be paid out to all
12 Settlement Class Members who do not timely opt out.

13 14. According to Linzer, there were approximately 420 total Class Members as of the date
14 of mediation defined as: All current and former non-exempt, hourly employees of Defendant Linzer
15 Products Corp. who worked for Defendant Linzer Products Corp. at any time in California during the
16 Class Period, including all current and former non-exempt, hourly employees assigned by staffing
17 agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management
18 Services, LLC to work for Defendant Linzer Products Corp. at any time during the Class Period. The
19 Class Period means the time period between September 2, 2018 and Preliminary Approval, unless
20 Defendant elects to exercise its option to end the Class Period earlier pursuant to the Escalator Clause.
21 The average Individual Class Payment is \$1,304.17.

22 At the time of mediation in April 2023, there were approximately 238 Aggrieved Employees.
23 Aggrieved Employee is defined as “all current and former non-exempt, hourly employees of Defendant
24 Linzer Products Corp. who worked for Defendant Linzer Products Corp. at any time in California during
25 the PAGA Period, including all current and former non-exempt, hourly employees assigned by staffing
26 agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management
27 Services, LLC to work for Defendant Linzer Products Corp. at any time in California during the PAGA
28 Period.” The PAGA Period means the period between September 12, 2021 and Preliminary Approval,

1 unless Defendant elects to exercise its option to end the Class Period earlier pursuant to the Escalator
2 Clause. The average Individual PAGA Payment is projected to be approximately **\$78.78**.

3 15. Class Members' claims arise from Linzer's common, uniform policies and practices
4 that applied to Settlement Class Members during the class period. Specifically, Plaintiff alleged that
5 Linzer's common and uniform policies and practices resulted in the following violations: (1) failure to
6 pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide all
7 legally required meal periods; (4) failure to authorize and permit all legally required rest periods; (5)
8 failure to provide accurate, itemized wage statements; (6) failure to reimburse necessary business
9 expenses; (7) engagement in unlawful business practices; (8) failed to timely pay all wages upon
10 separation of employment; and (9) liability for civil penalties under the PAGA. As a result of the
11 common and uniform policies and practices that applied to all Class Members, their claims involve
12 common questions of law and fact as to whether in fact Linzer committed these alleged violations.

13 16. As described in the accompanying Motion for Preliminary Approval, Plaintiff alleges
14 the Class Members were not fully compensated for all of their time worked due to unlawful shaving of
15 time worked and/or rounding such that they would not be fully paid for all time worked. Plaintiff also
16 alleges that this practice was not-even handed over time and the employees were routinely underpaid
17 for their time worked. Based on Plaintiff's review of the timekeeping and payroll data, it appeared that
18 on average Class Members were underpaid about 12 minutes per shift. Additionally, Plaintiff alleges
19 that Linzer required her and other Class Members to complete daily screening questionnaires in
20 connection with the COVID-19 pandemic but failed to compensate them for such time, which took
21 approximately 5 minutes to complete. Plaintiff's estimates the total underpayment of wages due to
22 unlawful rounding and the COVID-19 screening is approximately \$595,295.

23 17. Linzer contends that it compensated Class Members for all of their time worked. Linzer
24 also contends that its rounding practices were lawful, and any unpaid time was *de minimis* and therefore
25 non-compensable. Linzer also contends that the screening questionnaire took seconds not minutes and
26 was compensated time. Linzer further asserts that Plaintiff would be unable to certify a rounding class
27 given the individualized inquiries that would be required, and also that Linzer's rounding
28

1 policy/mechanism was, according to it, neutral on its face and in its application. In light of these
2 defenses, and Linzer's contention that Class Members executed arbitration agreements, Plaintiff
3 discounted the maximum exposure by 35% for the risk of non-certification, and an additional 45% to
4 account for Linzer's defenses on the merits, to arrive at an estimated exposure of \$212,817.96.

5 18. Plaintiff alleges that as a result of the work demands imposed by Linzer and the bell
6 signaling system, the Settlement Class Members were not provided a full uninterrupted 30-minute meal
7 period before the end of the fifth hour of work. Based on a review of the timekeeping data, Plaintiff
8 calculated Linzer's maximum exposure for the alleged meal period violations at approximately
9 \$1,788,495, based on the following violations: (1) late first lunch; (2) missed first meal period; (3)
10 short first meal break; and (4) missed second meal break on shifts over 10 hours.

11 19. Linzer counters that it has always maintained a lawful meal period policy and provided
12 non-exempt employees with an opportunity to take legally compliant meal periods, and any non-
13 compliant meal periods reflected in employee timekeeping records were solely the result of employee
14 choice, rather than any policy or practice of Linzer. L Linzer also contends its bell signaling system
15 alerts its employees exactly at the start and end of the meal period. Further, Linzer points out that
16 under it is only required to "provide" the opportunity to take meal periods, not "ensure" meal periods
17 are taken, and that they have always done so. Finally, Linzer contends Plaintiff's meal period claim is
18 not suited for class certification, since individual inquiries would be required to assess which
19 employees took non-compliant meal periods, how many meal periods were non-compliant or missed,
20 and the reasons why a particular employee took a non-compliant meal period or missed a meal period
21 during a particular shift. Accordingly, Plaintiff discounted the maximum exposure by 40% for the risk
22 of non-certification, and an additional 40% to account for Linzer's defenses on the merits to arrive at
23 an estimated exposure of \$938,959.88.

24 20. Plaintiff alleges that as a result of the bell signaling system imposed by Linzer, non-
25 exempt employees were not authorized and permitted to take duty-free net 10-minute rest periods. A
26 bell rang at the beginning of the rest period and then a second bell rang exactly 10 minutes later
27 signaling the end of the rest period. Linzer's policy required the employees to return to their work
28

1 station prior to the second bell ringing. Thus, Plaintiff alleges the Class Members experienced at least
2 one rest period violation on every shift worked in excess of 3.5 hours. Therefore, Plaintiff calculated
3 Linzer's maximum exposure for the alleged rest period violations at approximately \$1,823,461.

4 21. Linzer contends that its policies and procedures authorized and permitted Settlement
5 Class Members to take all off-duty rest periods in compliance with California law. Linzer also argues
6 that Plaintiff's rest period claim is inherently unsuited for class treatment as it requires an
7 individualized inquiry into whether each Settlement Class Member was in fact authorized and
8 permitted to take a compliant rest period, which would evolve into an unmanageable series of mini-
9 trials. Accordingly, Plaintiff discounted the maximum exposure by 45% for the risk of non-
10 certification, and an additional 50% to account for Linzer's defenses on the merits to arrive at an
11 estimated exposure of \$501,451.78.

12 22. Plaintiff further alleges that Linzer issued inaccurate wage statements in violation of
13 Labor Code section 226 as a result of the alleged unpaid minimum wages and overtime wages, and
14 meal and rest period premium wages described above. Plaintiff also contends that this conduct violated
15 Labor Code section 226(a) because the wage statements issued to Settlement Class Members did not
16 include all hours worked and the rate at which they were being paid. Plaintiff's data analysis reflected
17 that there were approximately 8,857 wage statements issued during the relevant time period.
18 Therefore, applying \$50 for the first violation and \$100 for each subsequent violation, Plaintiff
19 calculated Linzer's maximum exposure for wage statement violations at approximately \$864,700.

20 23. Linzer argues that its alleged wage statement violations could not be shown to be
21 "knowing and intentional," and that Plaintiff cannot show that he or any other employee "suffer[ed]
22 injury" as a result of the alleged wage statement violations, as required by Lab. Code § 226(e) for
23 imposition of penalties. Linzer also argues that the assessing wage statements at the \$100 for each
24 subsequent violation is improper and misapplies the law. As such, Plaintiff discounted the calculated
25 exposure by 40% for a risk of non-certification and an additional 35% for a risk of being unsuccessful
26 on the merits, to arrive at an estimated total of \$337,233.00.

1 24. Plaintiff alleges that Linzer failed to reimburse him and Class Members for necessary
2 business expenditures, including the use of their personal cellular phones for work purposes, as
3 required under Labor Code section 2802. Specifically, Plaintiff alleges that Linzer required its non-
4 exempt employees to use their personal cellular phones for work-related purposes to complete the daily
5 COVID-19 screening survey but Linzer did not reimburse the Class Members for the cell phones and/or
6 the data usage. Plaintiff estimated employees should have been reimbursed approximately \$25.00 for
7 cellular related expenses. Therefore, Plaintiff calculated Linzer's exposure at \$107,600.

8 25. Linzer contends that any purportedly necessary expenses incurred by employees were
9 minimal. Linzer also contends the employees did not have to complete the surveys on their cellular
10 phones as there were paper surveys, and later, tablets, available to all employees. Linzer also argues
11 that this claim is not suitable for class treatment, it maintained a lawful expense reimbursement policy,
12 and individualized determinations would be required as to how often each employee used their personal
13 cellular phone and how long it took to complete the survey screening. Accordingly, Plaintiff
14 discounted the maximum exposure by 40% for the risk of non-certification, and an additional 35% to
15 account for Linzer's defenses on the merits and financial condition, to arrive at an estimated exposure
16 of \$41,964.00.

17 26. Plaintiff alleges that Linzer is also liable for waiting time penalties under Labor Code
18 section 203 as a result of its failure to timely pay all wages upon separation. There are approximately
19 328 Class Members who have separated their employment during the relevant time period. *Id.*
20 Therefore, Plaintiff calculated Linzer's maximum exposure for waiting time penalties at approximately
21 \$1,203,629.

22 27. Linzer asserts it has strong defenses to the waiting time claim because there exist good-
23 faith disputes as to Plaintiff's underlying claims, precluding imposition of penalties. Accordingly,
24 Plaintiff discounted the maximum exposure by 45% for the risk of non-certification, and an additional
25 40% to account for Linzer's defenses on the merits, to arrive at an estimated exposure of \$397,197.57.

1 28. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged
2 Labor Code violations. Plaintiff calculated Linzer's maximum exposure at \$885,700 (8,857 pay
3 periods x \$100 initial violation rate).

4 29. Linzer argues that Plaintiff's PAGA claim will fail for the same reasons that her
5 underlying claims will fail. Linzer also maintains that, given its good faith defenses, this Court would
6 exercise its discretion to substantially reduce any PAGA penalties if it were to find Linzer liable for
7 any of Plaintiff's claims. Therefore, Plaintiff discounted the maximum exposure figure by 35% for a
8 risk of being unsuccessful on the merits, and an additional 45% to account for the possibility of this
9 Court reducing penalties, to arrive at an estimated exposure of \$316,637.75.

10 30. Using these estimated figures for each of the claims described above, Plaintiff predicted
11 the realistic total recovery for the Settlement Class would be approximately \$2,746,261.93. The
12 proposed settlement of \$975,000.00 therefore represents approximately 36% of the reasonably
13 forecasted recovery for the Settlement Class. Preliminary approval is appropriate as the settlement will
14 provide tangible monetary relief to Settlement Class Members, and will still provide an average recovery
15 to Settlement Class Members of over \$1,300.00.

16 31. Here, Class Counsel will also apply for an attorneys' fees award of one-third of the
17 GSA, which is currently estimated to be \$325,000.00, and up to \$30,000.00 in verified costs
18 reimbursement. Class Counsel has incurred substantial attorney fees conducting pre-filing
19 investigation, analyzing Plaintiff's claims, conducting legal research, analyzing timekeeping data and
20 payroll records, preparing for and attending mediation, negotiating and revising the long-form
21 Settlement, preparing this Motion, and otherwise litigating the case. Class Counsel expect to expend
22 additional attorney time in attending the hearing on this Motion, overseeing the Notice process and
23 fielding questions from Settlement Class Members, preparing the final approval papers and attending
24 the Final Approval hearing.

25 32. Plaintiff has provided written approval of the split of attorneys' fees in this action.

26 33. Plaintiff will seek a service payment of \$5,000.00 at the time of seeking final approval,
27 and I believe this is reasonable given Plaintiff's efforts in this case and the risks she undertook on
28

1 behalf of the Settlement Class members, including the risk that he could be liable for Linzer's costs if
2 this case was unsuccessful. Plaintiff was integral in the prosecution of this action, by, among other
3 things, providing substantial factual information and documents to Class Counsel, attending multiple
4 meetings with Class Counsel to discuss the claims and theories at issue in the litigation, and otherwise
5 actively participating in the prosecution of their claims.

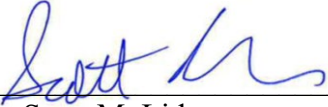
6 34. Although the parties engaged in informal discovery throughout this action, the parties
7 still had significant discovery to complete in formal litigation had the matter not settled. Moreover,
8 Plaintiff still had to file for class certification, and faced the prospect of appeals in the wake of a
9 disputed class certification ruling for Plaintiff and/or an adverse summary judgment ruling. This is
10 especially true in light of Linzer's contention that a number of Class Members were subject to
11 arbitration agreements. Even if the classes were certified, the parties would incur considerably more
12 attorneys' fees and costs through a possible decertification motion, trial, and possible appeal. This
13 Settlement avoids those risks and the accompanying expense.

14 35. I do not have any conflicts of interest with the class. I have also made reasonable inquiry
15 of other members of my firm and my co-counsel's firm, Haines Law Group, APC, and no one have any
16 conflicts of interest with the class.

17 36. Plaintiff will serve the Motion for Preliminary Approval and proposed Settlement
18 Agreement on the LWDA on the same date she files her Motion for Preliminary Approval.

19 37. Defendant and its counsel also confirmed that they are not aware of any other pending
20 lawsuits asserting claims against Defendant that may be adversely affected by this settlement. My firm
21 and co-counsel's firm are not aware of any pending matters either.

22 I declare under penalty of perjury under the laws of the State of California that the foregoing is
23 true and correct. Executed on September 14, 2023 at El Segundo, California.

24
25 
26

27 Scott M. Lidman
28

EXHIBIT 1

EXHIBIT 1

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

September 12, 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**

Linzer Products Corp.
c/o CSC – Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Re: *Alicia Velasquez v. Linzer Products Corporation*

To Whom It May Concern:

Please be advised that this law firm represents Alicia Velasquez in claims arising from her employment with Linzer Products Corporation, a New York corporation (“Defendant”). Ms. Velasquez 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, if the LWDA decides not to investigate, Ms. Velasquez intends to pursue a lawsuit on behalf of other “Aggrieved Employees”, which should be considered to include all current and former non-exempt employees in California who worked, at least in part, during the one year immediately preceding the date of this letter through the date of trial, the date judgment is entered, the date of settlement and/or other date approved by the Court.

Ms. Velasquez started working for Defendant on or about May 2012, as an hourly, non-exempt employee until on or about July 7, 2022, at which time she started a leave of absence. During her employment with Defendant, Ms. Velasquez’s job title was Packer, Production, and/or Assembly. Her job duties included but were not limited to packing items and assembly/production line work.

During her employment with Defendant, Ms. Velasquez was generally scheduled to work from 7:00 a.m. to 3:30 p.m., Saturday through Friday and sometimes 7:00 a.m. to 2:30 p.m. on Saturdays.

During at least a portion of Ms. Velasquez’s employment, Defendant would keep track of Ms. Velasquez’s time worked and would unlawfully shave Ms. Velasquez’s work time and/or round Ms. Velasquez’s work time such that Ms. Velasquez 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 Ms. Velasquez and other non-exempt employees were routinely unpaid at least minimum wages for their time worked. Further, because Ms. Velasquez 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 Ms. Velasquez and other non-exempt employees of minimum and overtime wages owed to them.

During Ms. Velasquez's employment with Defendant, Defendant required Ms. Velasquez and other non-exempt employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, Defendant required Ms. Velasquez and other non-exempt employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones and subjected them to temperature checks before clocking in, meaning Ms. Velasquez and the other non-exempt employees were not on-the-clock. Despite being under Defendant's direction and control and being required to answer the COVID-19 questionnaire and being required to have their temperature taken for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other non-exempt employees for this compensable time due to Defendant's policies and/or procedures. Ms. Velasquez and the other non-exempt employees would often work more than eight (8) hours per day and/or forty (40) hours per week. As a result, Defendant failed to pay Ms. Velasquez and the other non-exempt employees all required minimum and overtime wages.

Throughout Ms. Velasquez's employment with Defendant, Ms. Velasquez was not provided all required meal periods due to Defendant's meal period policies/practices which fail to provide uninterrupted, duty-free 30-minute meal periods prior to the start of the fifth hour of work. Specifically, during at least a portion of the relevant time period, Defendant had a policy/practice of notifying Ms. Velasquez and other non-exempt employees of the time to take a meal period by ringing a bell to signal the commencement of the meal period. Defendant had a policy of requiring Ms. Velasquez and their other non-exempt employees to be at their work stations ready to re-commence work by the time the second bell rang, which was 30 minutes after the first bell. As such, Defendant had a policy and/or practice of requiring Ms. Velasquez and their other non-exempt employees to return from their meal periods at least five minutes early to clock back in (given the long lines at the time clock) and be at their workstations ready to recommence work. Therefore, Defendant provided short or otherwise unlawful meal periods to Ms. Velasquez and their non-exempt employees because they would be required to cut their 30 minutes short in order to be back at their workstations ready to commence work.

Although Ms. Velasquez and other non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Velasquez 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.

Ms. Velasquez was also not authorized and permitted to take all legally required and compliant rest periods due to Defendant's rest period policies and practices. Specifically, Defendant required employees to be back at their workstations and working at the 10-minute mark. As such, Defendant had a policy and/or practice of requiring Ms. Velasquez and their other non-exempt employees to return from their rest periods before the full 10 minutes had elapsed and be at their workstations ready to recommence work. In addition, throughout Ms. Velasquez's employment with Defendant, Defendant failed to authorize and permit Ms. Velasquez and other non-exempt employees to take a third rest period when he worked shifts in excess of 10.0 hours. Thus, Defendant's rest period policies and practices did not authorize and permit Ms. Velasquez and the other non-exempt employees a net ten-minute rest period for every four hours worked, or *major fraction thereof*.

On those occasions when Ms. Velasquez and other non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which she was entitled, Defendant failed to compensate them with the required rest period premium for each workday in which she 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 the

payment of rest period premium payments under Labor Code § 226.7 in the event that a legally compliant rest period was not provided to their non-exempt employees.

During Ms. Velasquez's employment with Defendant, Ms. Velasquez and other non-exempt employees were required to use their personal cellular phone to discharge their duties. Specifically, Ms. Velasquez and the other non-exempt employees were required to use her personal cellular phone to answer a daily screening questionnaire related to COVID-19 before clocking in for their shift. Defendant knew or should have known that Ms. Velasquez and other non-exempt employees were necessarily incurring expenses due to the use of their personal cellular phone in the direct discharge of their duties. Yet, despite the necessity of Ms. Velasquez and other non-exempt employees using their personal cellular phone for work activities and Defendant knowing or should have known about same, Ms. Velasquez and other non-exempt employees were never reimbursed for a reasonable portion of their cellular phone expenses by Defendant, as mandated by *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137.

As a result of Defendant's failure to pay all minimum wages, overtime wages, as well as meal period premium wages and rest period premium wages, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Velasquez.

As described above, Defendant 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 Ms. Velasquez and other 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. As described above, during Ms. Velasquez's employment with Defendant, Defendants would keep track of Ms. Velasquez and other Aggrieved 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. As described above, Defendant frequently required Ms. Velasquez and other Aggrieved Employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, starting March 2020, Defendant required Ms. Velasquez and other Aggrieved Employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones before commencing their shift, while Ms. Velasquez and the other Aggrieved Employees were not on-the-clock. Despite being under Defendant's direction and control and being required to answer the COVID-19 questionnaire for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other Aggrieved Employees for this compensable time due to Defendant's policies and/or procedures. As a result, Defendant failed to pay Ms. Velasquez and other Aggrieved Employees all required minimum wages.

Overtime Violations

Defendant was required to pay Ms. Velasquez and other 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.” As described above, during Ms. Velasquez’s employment with Defendant, Defendants would keep track of Ms. Velasquez and other Aggrieved 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. As described above, Defendant frequently required Ms. Velasquez and other Aggrieved Employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, starting March 2020, Defendant required Ms. Velasquez and other Aggrieved Employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones before commencing their shift, while Ms. Velasquez and the other Aggrieved Employees were not on-the-clock. Despite being under Defendant’s direction and control and being required to answer the COVID-19 questionnaire for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other Aggrieved Employees for this compensable time due to Defendant’s policies and/or procedures. Ms. Velasquez and the other Aggrieved Employees would often work more than eight (8) hours per day and/or forty (40) hours per week. As a result, Defendant failed to pay Ms. Velasquez and other Aggrieved Employees all required overtime wages.

Meal Period Violations

Defendant failed to provide Ms. Velasquez and other Aggrieved Employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As described above, throughout Ms. Velasquez’s employment with Defendant, Ms. Velasquez was not provided all legally required meal periods due to Defendant’s meal period policies and practices, which fail to provide 30-minute duty free first meal periods before the end of the fifth hour of work in violation of California law. Specifically, during at least a portion of the relevant time period, Defendants had a policy/practice of notifying Ms. Velasquez and other Aggrieved Employees of the time to take a meal period by ringing a bell to signal the commencement of the meal period. Defendants had a policy of requiring Ms. Velasquez and other Aggrieved Employees to be at their work stations ready to recommence work by the time the second bell rang, which was 30 minutes after the first bell. As such, Defendants had a policy and/or practice of requiring Ms. Velasquez and other Aggrieved Employees to return from their meal periods at least five minutes early to clock back in (given the long lines at the time clock) and be at their workstations ready to recommence work. As a result, Ms. Velasquez and other 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 Ms. Velasquez and other Aggrieved Employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Velasquez and other Aggrieved 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.

Rest Period Violations

Defendant also failed to authorize and permit Ms. Velasquez and other Aggrieved Employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. Specifically, Defendants required employees to be back at their workstations and working at the 10-minute mark. As such, Defendants had a policy and/or practice of requiring Ms. Velasquez and other Aggrieved

Employees to return from their rest periods before the full 10 minutes had elapsed and be at their workstations ready to recommence work. In addition, throughout Ms. Velasquez's employment with Defendants, Defendants failed to authorize and permit Ms. Velasquez and other Aggrieved Employees to take a third rest period when he worked shifts in excess of 10.0 hours. As a result, Ms. Velasquez and other 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.") On those occasions when Ms. Velasquez and other Aggrieved Employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendant failed to compensate Ms. Velasquez and other Aggrieved Employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

Failure to Reimburse Business Expenses

During Ms. Velasquez's employment with Defendant, Ms. Velasquez and other Aggrieved Employees were required to use their personal cellular phone to discharge their duties. Specifically, Ms. Velasquez was required to use her personal cellular phone to answer a daily screening questionnaire related to COVID-19 before clocking in for their shift. Defendant failed to reimburse Ms. Velasquez and the Aggrieved Employees for necessary work expenses, including, but not limited to, expenses related to use of their personal cell phones. Defendant's policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 1 § 9, and Labor Code § 2802 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.") Ms. Velasquez the Aggrieved Employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Labor Code § 226 - Wage Statement Violations

Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Ms. Velasquez and other Aggrieved Employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and overtime wages earned, total and meal and rest period premium wages, in violation of Labor Code § 226 *et seq.* Defendant's failure to furnish Ms. Velasquez and other 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, meal and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant's reported data.

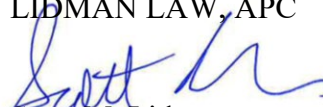
As an "aggrieved employee," Ms. Velasquez will initiate a civil action on behalf of herself and other Aggrieved Employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Velasquez's own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Velasquez and other Aggrieved Employees all overtime compensation earned;

- b) Defendant violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Ms. Velasquez and 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 Ms. Velasquez and 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 Ms. Velasquez and other Aggrieved Employees;
- e) Defendant violated Labor Code § 2802 by failing to reimburse Ms. Velasquez and the Aggrieved Employees for all necessary expenditures incurred;
- f) Defendant violated Labor Code § 226 by failing to furnish Ms. Velasquez and other Aggrieved Employees with accurate and compliant itemized wage statements;
- g) Defendant violated Labor Code § 204 by failing to pay Ms. Velasquez and other Aggrieved Employees all earned wages at least twice during each calendar month; and
- h) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Velasquez and 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

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

July 21, 2023

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

Katherine S. Catlos
Katherine L. Alphonso
KAUFMAN DOLOWICH & VOLUCK, LLP
425 California Street, Suite 2100
San Francisco, California 94104

Attorneys for Defendant
LINZER PRODUCTS CORPORATION

Re: *Alicia Velazquez v. Linzer Products Corporation*
LWDA Case No. LWDA-CM-907187-22

To Whom It May Concern:

Please be advised that this law firm represents Alicia Velazquez in claims arising from her employment with Linzer Products Corporation, a New York corporation (“Defendant”). Ms. Velazquez 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 and in her prior correspondence to the Labor and Workforce Development Agency (“LWDA”) dated September 12, 2022 (the “LWDA Letter”). Attached hereto as **Exhibit 1** is a true and correct copy of the LWDA letter and is incorporated herein by reference. By this letter, Ms. Velazquez hereby supplements her prior LWDA Letter. The purpose of the LWDA Letter and the instant supplement letter is to comply with Labor Code section 2699.3, which requires aggrieved employees to notify their employer and the LWDA of the specific provisions of the Labor Code allegedly violated.

In addition to pursuing a lawsuit on behalf of other “Aggrieved Employees” as described in Exhibit 1, Ms. Velazquez also intends to pursue a lawsuit on behalf of individuals assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., and/or Partners Personnel Management Services, LLC to work for Defendant in California and that these individuals are within the definition of “Aggrieved Employees” on whose behalf Ms. Velazquez intends to represent in a lawsuit and alleges that Defendant violated the Labor Code sections as described in Exhibit 1 against these Aggrieved Employees as well.

In addition to the Labor Code violations identified in the LWDA Letter, Ms. Velazquez alleges Defendant is also liable for the following:

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 Ms. Velazquez 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 Defendant failed to pay their final wages after their separation, up to a maximum of thirty days.

As an "aggrieved employee," Ms. Velazquez will initiate a civil action on behalf of herself and other Aggrieved Employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. "Aggrieved Employees" shall also include individuals assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., and/or Partners Personnel Management Services, LLC to work for Defendant. Based on Ms. Velazquez's own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- (a) Defendant violated Labor Code §§ 201, 202 and 203 by failing to timely pay all final wages due to Ms. Velazquez and 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.

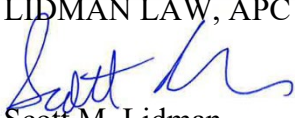
Very truly yours,
LIDMAN LAW, APC

Scott M. Lidman

EXHIBIT 1

EXHIBIT 1

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245

OFFICE: (424) 322-4772

FAX: (424) 322-4775

September 12, 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**

Linzer Products Corp.
c/o CSC – Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Re: *Alicia Velasquez v. Linzer Products Corporation*

To Whom It May Concern:

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During her employment with Defendant, Ms. Velasquez was generally scheduled to work from 7:00 a.m. to 3:30 p.m., Saturday through Friday and sometimes 7:00 a.m. to 2:30 p.m. on Saturdays.

During at least a portion of Ms. Velasquez’s employment, Defendant would keep track of Ms. Velasquez’s time worked and would unlawfully shave Ms. Velasquez’s work time and/or round Ms. Velasquez’s work time such that Ms. Velasquez 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 Ms. Velasquez and other non-exempt employees were routinely unpaid at least minimum wages for their time worked. Further, because Ms. Velasquez 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 Ms. Velasquez and other non-exempt employees of minimum and overtime wages owed to them.

During Ms. Velasquez's employment with Defendant, Defendant required Ms. Velasquez and other non-exempt employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, Defendant required Ms. Velasquez and other non-exempt employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones and subjected them to temperature checks before clocking in, meaning Ms. Velasquez and the other non-exempt employees were not on-the-clock. Despite being under Defendant's direction and control and being required to answer the COVID-19 questionnaire and being required to have their temperature taken for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other non-exempt employees for this compensable time due to Defendant's policies and/or procedures. Ms. Velasquez and the other non-exempt employees would often work more than eight (8) hours per day and/or forty (40) hours per week. As a result, Defendant failed to pay Ms. Velasquez and the other non-exempt employees all required minimum and overtime wages.

Throughout Ms. Velasquez's employment with Defendant, Ms. Velasquez was not provided all required meal periods due to Defendant's meal period policies/practices which fail to provide uninterrupted, duty-free 30-minute meal periods prior to the start of the fifth hour of work. Specifically, during at least a portion of the relevant time period, Defendant had a policy/practice of notifying Ms. Velasquez and other non-exempt employees of the time to take a meal period by ringing a bell to signal the commencement of the meal period. Defendant had a policy of requiring Ms. Velasquez and their other non-exempt employees to be at their work stations ready to re-commence work by the time the second bell rang, which was 30 minutes after the first bell. As such, Defendant had a policy and/or practice of requiring Ms. Velasquez and their other non-exempt employees to return from their meal periods at least five minutes early to clock back in (given the long lines at the time clock) and be at their workstations ready to recommence work. Therefore, Defendant provided short or otherwise unlawful meal periods to Ms. Velasquez and their non-exempt employees because they would be required to cut their 30 minutes short in order to be back at their workstations ready to commence work.

Although Ms. Velasquez and other non-exempt employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Velasquez 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.

Ms. Velasquez was also not authorized and permitted to take all legally required and compliant rest periods due to Defendant's rest period policies and practices. Specifically, Defendant required employees to be back at their workstations and working at the 10-minute mark. As such, Defendant had a policy and/or practice of requiring Ms. Velasquez and their other non-exempt employees to return from their rest periods before the full 10 minutes had elapsed and be at their workstations ready to recommence work. In addition, throughout Ms. Velasquez's employment with Defendant, Defendant failed to authorize and permit Ms. Velasquez and other non-exempt employees to take a third rest period when he worked shifts in excess of 10.0 hours. Thus, Defendant's rest period policies and practices did not authorize and permit Ms. Velasquez and the other non-exempt employees a net ten-minute rest period for every four hours worked, or *major fraction thereof*.

On those occasions when Ms. Velasquez and other non-exempt employees were not authorized and permitted to take all legally-compliant rest periods to which she was entitled, Defendant failed to compensate them with the required rest period premium for each workday in which she 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 the

payment of rest period premium payments under Labor Code § 226.7 in the event that a legally compliant rest period was not provided to their non-exempt employees.

During Ms. Velasquez's employment with Defendant, Ms. Velasquez and other non-exempt employees were required to use their personal cellular phone to discharge their duties. Specifically, Ms. Velasquez and the other non-exempt employees were required to use her personal cellular phone to answer a daily screening questionnaire related to COVID-19 before clocking in for their shift. Defendant knew or should have known that Ms. Velasquez and other non-exempt employees were necessarily incurring expenses due to the use of their personal cellular phone in the direct discharge of their duties. Yet, despite the necessity of Ms. Velasquez and other non-exempt employees using their personal cellular phone for work activities and Defendant knowing or should have known about same, Ms. Velasquez and other non-exempt employees were never reimbursed for a reasonable portion of their cellular phone expenses by Defendant, as mandated by *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137.

As a result of Defendant's failure to pay all minimum wages, overtime wages, as well as meal period premium wages and rest period premium wages, Defendant maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Velasquez.

As described above, Defendant 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 Ms. Velasquez and other 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. As described above, during Ms. Velasquez's employment with Defendant, Defendants would keep track of Ms. Velasquez and other Aggrieved 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. As described above, Defendant frequently required Ms. Velasquez and other Aggrieved Employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, starting March 2020, Defendant required Ms. Velasquez and other Aggrieved Employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones before commencing their shift, while Ms. Velasquez and the other Aggrieved Employees were not on-the-clock. Despite being under Defendant's direction and control and being required to answer the COVID-19 questionnaire for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other Aggrieved Employees for this compensable time due to Defendant's policies and/or procedures. As a result, Defendant failed to pay Ms. Velasquez and other Aggrieved Employees all required minimum wages.

Overtime Violations

Defendant was required to pay Ms. Velasquez and other 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.” As described above, during Ms. Velasquez’s employment with Defendant, Defendants would keep track of Ms. Velasquez and other Aggrieved 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. As described above, Defendant frequently required Ms. Velasquez and other Aggrieved Employees to perform work before they clocked in for their shift. In connection with the COVID-19 pandemic, starting March 2020, Defendant required Ms. Velasquez and other Aggrieved Employees to answer a daily screening questionnaire related to COVID-19 using their personal cellular phones before commencing their shift, while Ms. Velasquez and the other Aggrieved Employees were not on-the-clock. Despite being under Defendant’s direction and control and being required to answer the COVID-19 questionnaire for the benefit of Defendant, Defendant failed to compensate Ms. Velasquez and the other Aggrieved Employees for this compensable time due to Defendant’s policies and/or procedures. Ms. Velasquez and the other Aggrieved Employees would often work more than eight (8) hours per day and/or forty (40) hours per week. As a result, Defendant failed to pay Ms. Velasquez and other Aggrieved Employees all required overtime wages.

Meal Period Violations

Defendant failed to provide Ms. Velasquez and other Aggrieved Employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As described above, throughout Ms. Velasquez’s employment with Defendant, Ms. Velasquez was not provided all legally required meal periods due to Defendant’s meal period policies and practices, which fail to provide 30-minute duty free first meal periods before the end of the fifth hour of work in violation of California law. Specifically, during at least a portion of the relevant time period, Defendants had a policy/practice of notifying Ms. Velasquez and other Aggrieved Employees of the time to take a meal period by ringing a bell to signal the commencement of the meal period. Defendants had a policy of requiring Ms. Velasquez and other Aggrieved Employees to be at their work stations ready to recommence work by the time the second bell rang, which was 30 minutes after the first bell. As such, Defendants had a policy and/or practice of requiring Ms. Velasquez and other Aggrieved Employees to return from their meal periods at least five minutes early to clock back in (given the long lines at the time clock) and be at their workstations ready to recommence work. As a result, Ms. Velasquez and other 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 Ms. Velasquez and other Aggrieved Employees were not provided with all legally-compliant meal periods to which they were entitled, Defendant failed to compensate Ms. Velasquez and other Aggrieved 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.

Rest Period Violations

Defendant also failed to authorize and permit Ms. Velasquez and other Aggrieved Employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. Specifically, Defendants required employees to be back at their workstations and working at the 10-minute mark. As such, Defendants had a policy and/or practice of requiring Ms. Velasquez and other Aggrieved

Employees to return from their rest periods before the full 10 minutes had elapsed and be at their workstations ready to recommence work. In addition, throughout Ms. Velasquez's employment with Defendants, Defendants failed to authorize and permit Ms. Velasquez and other Aggrieved Employees to take a third rest period when he worked shifts in excess of 10.0 hours. As a result, Ms. Velasquez and other 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.") On those occasions when Ms. Velasquez and other Aggrieved Employees were not authorized and permitted to take all legally-compliant rest periods to which they were entitled, Defendant failed to compensate Ms. Velasquez and other Aggrieved Employees with the required rest period premium for each workday in which they experienced a rest period violation as mandated by Labor Code § 226.7.

Failure to Reimburse Business Expenses

During Ms. Velasquez's employment with Defendant, Ms. Velasquez and other Aggrieved Employees were required to use their personal cellular phone to discharge their duties. Specifically, Ms. Velasquez was required to use her personal cellular phone to answer a daily screening questionnaire related to COVID-19 before clocking in for their shift. Defendant failed to reimburse Ms. Velasquez and the Aggrieved Employees for necessary work expenses, including, but not limited to, expenses related to use of their personal cell phones. Defendant's policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 1 § 9, and Labor Code § 2802 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.") Ms. Velasquez the Aggrieved Employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

Labor Code § 226 - Wage Statement Violations

Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Ms. Velasquez and other Aggrieved Employees with accurate and complete, itemized wage statements that included, among other requirements, all minimum and overtime wages earned, total and meal and rest period premium wages, in violation of Labor Code § 226 *et seq.* Defendant's failure to furnish Ms. Velasquez and other 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, meal and rest period premium wages, and deprived them of the information necessary to identify discrepancies in Defendant's reported data.

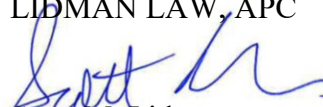
As an "aggrieved employee," Ms. Velasquez will initiate a civil action on behalf of herself and other Aggrieved Employees to recover damages, statutory penalties, and civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Velasquez's own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Velasquez and other Aggrieved Employees all overtime compensation earned;

- b) Defendant violated Labor Code §§ 1194, 1194.2, and 1197 by failing to pay Ms. Velasquez and 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 Ms. Velasquez and 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 Ms. Velasquez and other Aggrieved Employees;
- e) Defendant violated Labor Code § 2802 by failing to reimburse Ms. Velasquez and the Aggrieved Employees for all necessary expenditures incurred;
- f) Defendant violated Labor Code § 226 by failing to furnish Ms. Velasquez and other Aggrieved Employees with accurate and compliant itemized wage statements;
- g) Defendant violated Labor Code § 204 by failing to pay Ms. Velasquez and other Aggrieved Employees all earned wages at least twice during each calendar month; and
- h) Defendant violated Labor Code § 1174 by failing to maintain accurate records on behalf of Ms. Velasquez and 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 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 Alicia Velazquez (“Plaintiff”), a Class representative as well as a representative for the State of California and other similarly situated Aggrieved Employees, and Linzer Products Corp., a New York corporation (“Defendant” or “Linzer”), and is approved by their respective counsel of record, subject to the terms and conditions herein and the Court’s approval. The Agreement refers to Plaintiff and Linzer collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

- 1.1. **“Action”** means Plaintiff’s lawsuit alleging wage and hour violations against Linzer, captioned in, *Alicia Velazquez v. Linzer Products Corporation*, Case No. 22STCV28665, initiated on September 2, 2022, and pending in the Superior Court of California, County of Los Angeles.
- 1.2. **“Administrator”** means Phoenix Class Action Administration Solutions, the neutral third-party administrator which the Parties have agreed to appoint to administer the Settlement, pursuant to Court approval.
- 1.3. **“Administration Expenses Payment”** means the amount the Administrator will be paid from the Gross Settlement Amount (subject to Court approval) 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 Employees”** means all current and former non-exempt, hourly employees of Defendant Linzer Products Corp. who worked for Defendant Linzer Products Corp. at any time in California during the PAGA Period, including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer Products Corp. at any time in California during the PAGA Period.
- 1.5. **“Class”** means all current and former non-exempt, hourly employees of Defendant Linzer Products Corp. who worked for Defendant Linzer Products Corp. at any time in California during the Class Period, including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer Products Corp. at any time in California during the Class Period.
- 1.6. **“Class Counsel”** means Lidman Law, APC; and Haines Law Group, APC.
- 1.7. **“Class Counsel Fee Award”** means the Court-approved award of attorneys’ fees to be paid to Class Counsel for the services they rendered on behalf of Plaintiff, the Class, and the Aggrieved Employees. Class Counsel will not seek, and Defendant

will not oppose, attorneys' fees of more than one-third (1/3) of the Gross Settlement Amount (include one-third (1/3) of an increase pursuant to the Escalator Clause at Paragraph 8 below) as their Fee Award.

- 1.8. **"Class Counsel Litigation Expenses Payment"** is the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' expenses incurred to prosecute the Action.
- 1.9. **"Class Data"** means Class Member identifying information in Linzer's possession, including each Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.10. **"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).
- 1.11. **"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.
- 1.12. **"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** to this Agreement, and incorporated by reference into this Agreement.
- 1.13. **"Class Period"** means the time period between September 2, 2018 and Preliminary Approval, unless Defendant elects to exercise its option to end the Class Period earlier pursuant to the Escalator Clause at Paragraph 8 below.
- 1.14. **"Class Representative"** means the named Plaintiff in the Second Amended Complaint to be filed in the Action seeking Court approval to serve as a Class Representative.
- 1.15. **"Class Representative Service Payment"** means the payment to the Class Representative for initiating the Action and providing services in support of the Action, which will not exceed Five Thousand Dollars (\$5,000.00).
- 1.16. **"Court"** means the Superior Court of California, County of Los Angeles, or any other Court which may possess jurisdiction to rule on this Action..
- 1.17. **"Defense Counsel"** means Katherine S. Catlos and Katherine Alphonso of Kaufman Dolowich & Voluck, LLP.

- 1.18. **“Effective Date”** means the earliest date by which both of the following have occurred: (a) the Court enters a Judgment based on its Final Approval of the Settlement; and (b) the Judgment becomes “Final.” Final,” as used in the definition of Effective Date shall mean the latest of: (i) if there is an appeal of the Court’s judgment, the date the judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for certiorari in the United States Supreme Court petition or a petition for review in the California Supreme Court, as applicable; or (ii) if such a petition is filed, the date of denial of the petition, or the date the judgment is affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal from the judgment.
- 1.19. **“Final Approval Hearing”** means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.20. **“Final Approval Order”** means the Court’s order granting final approval of the Settlement and entering judgment.
- 1.21. **“Final Judgment”** means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. **“Gross Settlement Amount”** means Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000.00) and is non-reversionary. The Gross Settlement Amount and Linzer’s share of payroll taxes comprises the total amount Linzer agrees to pay, can ever be required to pay, or can ever cause to be paid, 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 Fee Award, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the Administration’s Expenses Payment.
- 1.23. **“Individual Class Payment”** means each Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked by the participating Class Member during the Class Period.
- 1.24. **“Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period by each Aggrieved Employee.
- 1.25. **“Judgment”** means the judgment entered by the Court upon granting Final Approval.
- 1.26. **“Linzer”** means Defendant Linzer Products Corp.
- 1.27. **“LWDA”** means the California Labor and Workforce Development Agency.
- 1.28. **“LWDA PAGA Payment”** means the 75% of the PAGA Penalties paid to the LWDA pursuant to California Labor Code § 2699(i).

- 1.29. **“Net Settlement Amount”** means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (a) the Individual PAGA Payments, (b) the LWDA PAGA Payment, (c) the Class Representative Service Payments, (d) the Class Counsel Fee Award, (e) the Class Counsel Litigation Expenses Payment, and (f) the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.30. **“Non-Participating Class Member”** means any Class Member who opts out of the Settlement’s release of class action claims by sending the Administrator a valid and timely Request for Exclusion.
- 1.31. **“PAGA Pay Period”** means any pay period during which an Aggrieved Employee worked for Linzer for at least one day during the PAGA Period.
- 1.32. **“PAGA Period”** means the period between September 12, 2021 and Preliminary Approval, unless Defendant elects to exercise its option to end the Class Period earlier pursuant to the Escalator Clause at Paragraph 8 below.
- 1.33. **“PAGA”** means the Private Attorneys General Act of 2004 (California Labor Code §§ 2698 *et seq.*).
- 1.34. **“PAGA Notice”** means Plaintiff’s letters dated September 12, 2022 and July 21, 2023 to Linzer and the LWDA providing notice pursuant to California Labor Code § 2699.3(a).
- 1.35. **“PAGA Penalties”** means the total amount of \$75,000 in PAGA penalties to be paid from the Gross Settlement Amount, 25% of which (\$18,750) shall be paid to the Aggrieved Employees, and 75% of which (\$56,250) shall be paid to the LWDA in settlement of the Released PAGA Claims.
- 1.36. **“Participating Class Member”** means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.37. **“Plaintiff”** means Alicia Velazquez, the named Plaintiff in the Action.
- 1.38. **“Preliminary Approval Order”** means the Order Granting Preliminary Approval of the Settlement.
- 1.39. **“Released Class Claims”** means the claims being released as described in Paragraphs 5.2.
- 1.40. **“Released PAGA Claims”** means the claims being released as described in Paragraph 5.3.
- 1.41. **“Released Parties”** means Linzer Products Corp. and any of its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs,

representatives, accountants, auditors, consultants, as well as staffing agency partners who assigned individuals to work at Linzer (including Partnership Staffing Solutions, LLC, Partnership 3, Inc., and Partners Personnel Management Services LLC.) and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys.

- 1.42. **“Request for Exclusion”** means a Class Member’s timely and valid submission of a written request to be excluded from the Settlement’s release of class action claims signed by the Class Member.
- 1.43. **“Response Deadline”** means 60 days after the Administrator mails Class Notices 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 Released Class Claims of the Settlement, or (b) fax, email, or mail written objections to class components of the Settlement. For Class Members to whom Class Notices are re-mailed after having been returned undeliverable to the Administrator, the Response Deadline shall be extended by an additional 14 days.
- 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 Linzer for at least one day during the Class Period.

2. RECITALS.

- 2.1. On September 2, 2022, Plaintiff filed a putative class action against Linzer in this Court captioned *Alicia Velazquez v. Linzer Products Corporation*, Case No. 22STCV28665.
- 2.2. On May 25, 2023, Plaintiff filed a First Amended Complaint alleging the following putative class action and representative claim against Linzer: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to reimburse necessary business expenses; (6) failure to provide accurate, itemized wage statements; (7) unfair competition under California Business & Professions Code §§ 17200 *et seq.*; and (8) civil penalties under California Private Attorneys General Act of 2004, §§ 2698, *et seq.*
- 2.3. Pursuant to California Labor Code § 2699.3(a), Plaintiff gave written notice to Linzer and the LWDA by sending the PAGA Notice.
- 2.4. On April 19, 2023, the Parties participated in an all-day mediation presided over by mediator Jeffrey Ross which led to this Agreement to settle the Action. The Parties represent that, prior to mediation, they conducted significant investigation of the facts and law through informal discovery. Linzer produced documents relating to its policies, practices, and procedures regarding its wage and hour practices, paying non-exempt employees for all hours worked, meal and rest period policies, and other policies. As part

of Linzer's production, Class Counsel represent they also reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Class Counsel to understand the number of workweeks and pay periods in the Class Period and the PAGA Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged within the course and scope of the Parties' mediation, are more than sufficient to assess the merits of the respective Parties' positions and to compromise the issues on a fair and equitable basis. 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 Parties agree that neither the Parties' settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the settlement and Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.
- 2.6. Defendant denies all of the allegations in the Action, including all PAGA claims, and denies that it has committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind and further denies that this Action is appropriate for PAGA representative treatment for any purpose other than settling the Action. Defendant has denied and continues to deny each and every material factual allegation and alleged claims asserted against it in the Action.
- 2.7. 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.
- 2.8. In consideration of the promises and agreements contained herein, the Parties agree and covenant as follows:

3. MONETARY TERMS.

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Linzer agrees to pay Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000) 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. Linzer 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 Linzer.
- 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 Order:

- 3.2.1. To Plaintiff: Class Representative Service Payment, subject to Court approval, of no more than Five Thousand Dollars (\$5,000.00) to the Class Representative in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member and/or Aggrieved Employee. Linzer will not oppose Plaintiff's request for Class Representative Service Payment that does not exceed this amount. Plaintiff will seek Court approval for any Class Representative Service Payment. Plaintiff and Class Counsel shall file this motion no later than 16 court days prior to the Final Approval Hearing. If the Court approves an amount of Class Representative Service Payment that is less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for all employee taxes owed on her Class Representative Service Payment. Plaintiff will be bound by a General Release and waiver of Civil Code § 1542 in exchange for these payments.
- 3.2.2. To Class Counsel: The Class Counsel Fee Award, subject to Court approval, in an amount up to one-third (1/3) of the Gross Settlement Amount (including one-third of an increase pursuant to Paragraph 8), which will compensate Class Counsel for all work performed and to be performed in the Action. The Class Counsel Fee Award is currently estimated to be \$325,000.00. In addition, Class Counsel shall, subject to Court approval, request reimbursement of the Class Counsel Litigation Expense Payment in an amount not to exceed \$30,000. Linzer will not oppose requests for these payments that do not exceed these amounts. The Administrator will pay the Class Counsel Fee Award and Class Counsel Litigation Expense Payment using IRS Forms 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fee Award and the Class Counsel Litigation Expenses Payment and holds Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of these Payments.
- 3.2.3. To the Administrator: Costs associated with settlement administration (e.g. NCoA searches, preparing and mailing payments/notices to LWDA, Class Members, and Aggrieved Employees, tax documentation, etc.) shall not exceed \$11,000.00, except for a showing of good cause and as approved by the Court. To the extent the settlement administration costs are less, or the Court approves payment of less than \$11,000.00, the Administrator will allocate the remainder to 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 the total Workweeks worked by each Participating Class Member during the Class Period.

3.2.4.1. Tax Allocation of Individual Class Payments. 33% 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 IRS Form W-2. The remaining 67% 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 Forms 1099. Each Participating Class Member assumes full responsibility and liability for any employee taxes owed on his or her Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. However, Non-Participating Class Members who are Aggrieved Employees will still receive an Individual PAGA Payment regardless of whether they submit a valid and timely Request for Exclusion.

3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the total amount of \$75,000.00 to be paid from the Gross Settlement Amount. 75% of PAGA Penalties (\$56,250.00) shall be allocated to the LWDA PAGA Payment, and 25% of PAGA Penalties (\$18,750.00) shall be allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$18,750.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees, and (b) multiplying the result by the total PAGA Pay Periods worked by each Aggrieved Employee. Each Aggrieved Employee assumes full responsibility and liability for any taxes owed on his or her Individual PAGA Payment.

3.2.5.2. Each Aggrieved Employee's Individual PAGA Payment shall be treated as penalties (i.e., non-wage income) for all purposes and reported by the Administrator on IRS Form 1099, as required by law, to the respective Aggrieved Employee and applicable governmental authorities. No portion of an Aggrieved Employee's Individual PAGA Payment is or shall be construed as wages. Linzer, Defense Counsel, Plaintiff, and Class Counsel are not

responsible for any employee tax obligations arising out of an Aggrieved Employee's Individual PAGA Payment.

- 3.2.5.3. 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 Forms 1099.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1. Estimated Class Workweeks and PAGA Pay Periods. Based on a review of its records to date, Linzer estimates that as of May 2023 there were approximately 420 Class Members who collectively worked a total of 25,455 Workweeks during the Class Period, and 238 Aggrieved Employees who collectively worked a total of 8857 PAGA Pay Periods during the PAGA Period.
- 4.2. Delivery of Class Data. Within 30 days after the Preliminary Approval Order is entered and served, Linzer will 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. Linzer 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 to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which Linzer 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. Linzer shall fully fund the Gross Settlement Amount, including all amounts necessary to fully pay Linzer's share of payroll taxes, by transmitting such funds to the Administrator no later than 15 business days after the Effective Date.
- 4.4. Payments from the Gross Settlement Amount. Within 10 business days after Linzer 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 Fee Award, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fee Award, 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 Individual PAGA Payments and send them to all Participating Class Members and Aggrieved Employees 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 Class Payments to all Participating Class Members, including those whose Class Notices were returned undeliverable. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees, and including those Aggrieved Employees whose Class Notices were returned undeliverable. The Administrator may send Participating Class Members who are also Aggrieved Employees a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the 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 Participating Class Members and Aggrieved Employees whose checks are returned undeliverable without USPS forwarding addresses. Within 3 business days of receiving a returned check, the Administrator must re-mail checks to the forwarding address provided by USPS, or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as undeliverable. The Administrator shall promptly send a replacement check requested by any Participating Class Member or Aggrieved Employee whose original check was lost or misplaced prior to the check void date.
- 4.4.3. For any Participating Class Member whose Individual Class Payment check is uncashed and cancelled after the void date, and for any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the Controller's Unclaimed Property Fund, in the name of the Participating Class Member and/or Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure § 384(b). Participating Class Members whose Individual Class Payment checks are cancelled shall, nevertheless, be bound by the Class Settlement. Aggrieved Employees whose Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by the Released PAGA Claims.
- 4.4.4. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Linzer to confer any additional benefits or make any

additional payments to Class Members or Aggrieved Employees (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

5.1. **Plaintiff's Release.** Plaintiff and her respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from any and 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 alleged in the Action and facts alleged in Plaintiff's PAGA Notice; (b) all claims that were, or reasonably could have been, ascertained during the Action, and (c) all claims released pursuant to Paragraphs 5.2 and 5.3 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 to claims or actions based on occurrences outside the Class Period. Plaintiff acknowledges that she may discover facts or law different from, or in addition to, the facts or law that she 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, her discovery of those facts.

5.1.1. **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.** For purposes of Plaintiff's Release only, 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.

Notwithstanding the foregoing, the 1542 waiver and general release of Plaintiff's claims in this Agreement do not apply to: (i) those rights as a matter of law that cannot be waived, including, but not limited to, workers' compensation claims, if any; (ii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits, if any, 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.

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 and discharge Released Parties from all claims, demands, rights, liabilities and causes of action that have been and will be pled in the Second Amended Complaint as well as all claims, demands, rights, liabilities and causes of action that could have been alleged based on the facts that have been and will be alleged in the Second Amended Complaint, that arose during the Class Period defined above with respect to the following claims: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse necessary business expenses (f) failure to issue accurate, itemized wage statements; (g) failure to timely pay wages upon separation of employment; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action, or legal theories described above. Except as set forth in Paragraph 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, demands, rights, liabilities and causes of action for PAGA penalties as asserted in the Second Amended Complaint and asserted in the letters sent to the LWDA on September 12, 2022 and July 7, 2023 that arose during the PAGA Period.

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. Linzer's Declaration in Support of Preliminary Approval. Within 10 business days of the full execution of this Agreement, Linzer will prepare and deliver to Class Counsel a signed Declaration from Linzer and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Linzer 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 § 2699 (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 any 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 as Class Representative and disclosing all facts relevant to any actual or potential conflicts of interest with any Class Members and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class; its timely transmission to the LWDA of all necessary PAGA documents, including Plaintiff's PAGA Notice, and the Operative Complaint, this Agreement; (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator. In their respective Declarations, Plaintiff and Class Counsel shall state whether they are 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, which they expect will occur 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. 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 Phoenix Class Action Administration Solutions 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 PAGA 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 (1) the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and (2) the number of Workweeks and/or PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update the Class Members’ addresses using the National Change of Address database.
- 7.4.3. No later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undeliverable, the Administrator shall re-mail the Class Notice, via first-class USPS mail, 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 Notices are 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 60 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, Linzer, or Class Counsel are 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 no later than 14 days after their respective receipt of the Class Notices, or the Response Deadline provided in the Class Notices, whichever is later.
- 7.5. Class Members' Requests for Exclusion (Opt-Outs).
- 7.5.1. Class Members who wish to exclude themselves from (or opt-out of) the Settlement's release of class action claims must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion no later than the Response Deadline – *i.e.*, 60 days after the Administrator mails the Class Notice (plus an additional 14 days for any Class Member 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 choice 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 of 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 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 also Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and will still receive an Individual PAGA Payment based on the terms of this Agreement.
- 7.5.5. Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed after having been returned undeliverable to the Administrator) to challenge the number of Workweeks allocated to the Class Member in the Class Notice. The Class Member may communicate such challenge 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. Unless otherwise determined by the Court, the Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.
- 7.6. Objections to Class Action Components of the Settlement.
- 7.6.1. 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 Fee Award, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment.
- 7.6.2. 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 the Response Deadline – *i.e.* 60 days after the Administrator’s mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed after having been returned as undeliverable).

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

7.7. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed in this Agreement or otherwise.

7.7.1. 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, the Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval of Class Action and PAGA Settlement, Class Representative Service Payment, Class Counsel Fee Award, and Class Counsel Litigation Expenses Payment, and the Final Approval and 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.

7.7.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. No later than five (5) days after the expiration of the Response Deadline, 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 (the “Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion submitted (whether valid or invalid).

7.7.3. 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 as undeliverable, 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.

- 7.7.4. 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 to the calculation of Workweeks and/or all Aggrieved Employee challenges to the calculation of Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.7.5. Administrator's Declaration. No later than 14 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 undeliverable, 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.
- 7.7.6. Final Report by 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 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 ESTIMATES AND ESCALATOR CLAUSE.** Based on a review of its records to date, Linzer represents that there are an estimated 25,455 workweeks during the Class Period. If the actual number of workweeks during the Class Period is more than 12% greater than this figure (i.e., if there are 28,510 or more workweeks worked by the Class Members), Defendant agrees to either: (1) increase the Gross Settlement Amount on a proportional basis (i.e., if there was a 14% increase in the number workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 2%); or (2) at Defendant's option, elect to end the Class Period, PAGA Period, and release periods on the date the total number of workweeks is closest to and does not exceed 28,510 workweeks.
9. **MOTION FOR FINAL APPROVAL.** No 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 § 2699(l), a Proposed Final Approval Order, and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel no later than seven 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.

- 9.1. 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.
- 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material modification to the Settlement (including, but not limited to, the scope of release to be granted by Participating 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 Fee Award, 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.
- 9.3. 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 the Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fee Award and Class Counsel Litigation Expenses Payment set forth in this Agreement, 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.
- 9.5. 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 reviewing 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 any such 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.

10. **AMENDED JUDGMENT.** If any amended judgment is required under California Code of Civil Procedure § 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

- 11.1. **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 Linzer that any of the allegations in the operative complaint have merit or that Linzer's has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Linzer's defenses in the Action have merit. The Parties agree that class certification and representative treatment are for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, Linzer reserves the right to contest certification of any class, and the manageability of any representative claim, for any reasons, and Linzer 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 Linzer'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
- 11.2. **Confidentiality Prior to Preliminary Approval.** Plaintiff, Class Counsel, Linzer, 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; (5) in response to an inquiry or subpoena issued by a state or federal government agency; or (6) to the extent disclosure is required, as determined by a Party's counsel, by applicable law or regulation. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Linzer 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, with

any 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.

- 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of the Settlement, to 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
- 11.5. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibit(s) 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 concerning the Settlement or the Action.
- 11.6. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Linzer, 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.
- 11.7. 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.
- 11.8. 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.
- 11.9. No Tax Advice. Nothing in this Agreement is intended to constitute legal advice regarding federal, state, and/or local tax obligations or legal requirements for attribution of settlement proceeds. In addition, neither Plaintiff, Class Counsel, Linzer, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Agreement be relied upon as such within the meaning of

United States Treasury Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise. To the extent that this Agreement or any of its attachments is interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

- 11.10. 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. A waiver or amendment of any provisions of this Agreement will not constitute a waiver of any other provision.
- 11.11. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.12. Applicable Law. All terms and conditions of this Agreement and its exhibit(s) will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 11.13. 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 its drafter or participated in its drafting.
- 11.14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.15. 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 Linzer 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 disbursement of the Gross Settlement Amount, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Linzer unless, prior to the Court's discharge of the Administrator's obligation, Linzer makes a written request to Class Counsel for the return, rather than the destructions, of Class Data, except that Class Counsel may keep one copy for their files and for no other purpose.
- 11.16. 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.

11.17. 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.

11.18. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed delivered by United States mail, by overnight mail, by email, or by messenger, to the addresses set forth below:

To Plaintiff Alicia
Velazquez:

LIDMAN LAW, APC

Scott M. Lidman (slidman@lidmanlaw.com)
Elizabeth Nguyen (enguyen@lidmanlaw.com)
Milan Moore (mmoore@lidmanlaw.com)
2155 Campus Drive, Suite 150
El Segundo, CA 90245

HAINES LAW GROUP, APC

Paul K. Haines (phaines@haineslawgroup.com)
2155 Campus Drive, Suite 180
El Segundo, CA 90245

To Linzer:

KAUFMAN DOLOWICH & VOLUCK, LLP

Katherine S. Catlos (SBN 184227)
kcatlos@kdvlaw.com
Katherine L. Alphonso (SBN 314926)
kalphonso@kdvlaw.com
425 California Street, Suite 2100
San Francisco, California 94104

11.19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign), or scanned copies of the signature page which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be on 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.

11.20. Stay of Litigation. The Parties agree to hold in abeyance all proceedings in the Action (including with respect to California Code of Civil Procedure § 583.310), except such proceedings necessary to implement and complete the Settlement. The Parties further agree that upon the signing of this Agreement that pursuant to California Code of Civil Procedure § 583.310 to extend the date to bring this case to trial under California Code of Civil Procedure § 583.310 for the entire period of this settlement process.

- 11.21. No Signature Required by Class Members. Only the Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Class Members of the binding nature of the release, and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.
- 11.22. Submissions to the LWDA. At the same time as they submit this Settlement Agreement to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Agreement to the LWDA, as required by California Labor Code § 2699(1)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(1)(3).
- 11.23. Invalidity of Any Provision; Severability. Before declaring any provision of this Settlement invalid, the Parties request that the Court first attempt to construe the provisions valid, to the fullest extent possible, consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected.

IT IS SO AGREED.

For Plaintiff Alicia Velazquez:

Dated: 08/14/2023, 2023


Alicia Velázquez (Aug 14, 2023 13:47 PDT)
ALICIA VELAZQUEZ

For Defendant:

Dated: _____, 2023

LINZER PRODUCTS CORP.

By: _____
Its: _____

APPROVED AS TO FORM

Dated: August 14, 2023

LIDMAN LAW, APC

By: 
Scott M. Lidman
Attorneys for Plaintiff

- 11.21. No Signature Required by Class Members. Only the Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Class Members of the binding nature of the release, and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.
- 11.22. Submissions to the LWDA. At the same time as they submit this Settlement Agreement to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Agreement to the LWDA, as required by California Labor Code § 2699(1)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(1)(3).
- 11.23. Invalidity of Any Provision; Severability. Before declaring any provision of this Settlement invalid, the Parties request that the Court first attempt to construe the provisions valid, to the fullest extent possible, consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected.

IT IS SO AGREED.

For Plaintiff Alicia Velazquez:

Dated: _____, 2023

ALICIA VELAZQUEZ

For Defendant:

Dated: Aug 25, 2023, 2023

LINZER PRODUCTS CORP.

Leonard Zichlin

Leonard Zichlin (Aug 25, 2023 09:59 EDT)

By: Leonard Zichlin

Its: Controller / CFO

APPROVED AS TO FORM

Dated: _____, 2023

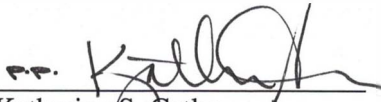
LIDMAN LAW, APC

By: _____

Scott M. Lidman
Attorneys for Plaintiff

Dated: August 12, 2023

**KAUFMAN DOLOWICH & VOLUCK,
LLP**

By: 
Katherine S. Catlos

Attorneys for Defendant

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

Alicia Velazquez v. Linzer Products Corporation 22STCV28665

***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 Linzer Products Corp. (“Linzer”) for alleged wage and hour violations. The Action was filed by a former employee Alicia Velazquez (“Plaintiff”) and seeks payment of unpaid wages and penalties for Linzer’s alleged failure to: pay all minimum and/or overtime wages owed, provide meal periods or premium pay for non-compliant meal periods, authorize and permit rest periods, or premium pay for non-compliant rest periods, reimburse necessary business expenses, issue accurate, itemized wage statements, and timely pay all wages due upon separation of employment for a class of all current and former hourly-paid or non-exempt employees (“Class Members”) who worked for Linzer at any time in California during the Class Period (from September 2, 2018 to **[Preliminary Approval]**), including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer at any time in California during the Class Period, as well as penalties under the California Private Attorney General Act (“PAGA”) for all current and former hourly-paid or non-exempt employees who worked for Linzer at any time in California during the PAGA Period (from September 12, 2021 to **[Preliminary Approval]**), including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer at any time in California during the PAGA Period (“Aggrieved Employees”).

The Class Period is from September 2, 2018 to **[Preliminary Approval]**. The PAGA Period is from September 12, 2021 to **[Preliminary Approval]**.

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

Based on Linzer’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 Linzer’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 Linzer’s records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** 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 Linzer to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Linzer.

If you worked for Linzer 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 Linzer.
- (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 Linzer, 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.

Linzer 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 Linzer that are covered by this Settlement (Released Class Claims).
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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. Linzer must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA 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 Linzer'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 Linzer employee. The Action alleges Linzer violated California labor laws by failing to: pay all minimum and/or overtime wages owed, provide meal periods or premium pay for non-complaint meal periods, authorize and permit rest periods, or premium pay for non-compliant rest periods, reimburse necessary business expenses, issue accurate, itemized wage statements, and timely pay all wages due upon separation of employment. Based on the same claims, Plaintiff has

also asserted 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.”)

Linzer strongly denies all of the allegations in the Action, including all PAGA claims, and denies committing any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind. Linzer maintains 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 Linzer or Plaintiff is correct on the merits. In the meantime, Plaintiff and Linzer hired an experienced, neutral mediator in an effort to resolve the Action by negotiating 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 Linzer 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, Linzer 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) Linzer 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. Linzer Will Pay \$975,000 as the Gross Settlement Amount (Gross Settlement). Linzer 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, Linzer will fund the Gross Settlement not more than 15 business days after the Judgment entered by the Court becomes 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 \$325,000 (1/3 of the Gross Settlement] to Class Counsel for attorneys’ fees

and up to \$30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

- B. Up to \$5,000 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 \$11,000 to the Administrator for services administering the Settlement.
- D. Up to \$75,000 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 Linzer are asking the Court to approve an allocation of 33% of each Individual Class Payment to taxable wages ("Wage Portion") and 67% to the Non-Wage Portion. The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Linzer 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 Linzer 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 Linzer.

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 Linzer 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 Linzer have agreed that, in either case, the Settlement will be void: Linzer will not pay any money and Class Members will not release any claims against Linzer.
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 Linzer 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 Linzer 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 all claims, demands, rights, liabilities and causes of action that have been and will be pled in the Second Amended Complaint as well as all claims, demands, rights, liabilities and causes of action that could have been alleged based on the facts that have been and will be alleged in the Second Amended Complaint, that arose during the Class Period defined above with respect to the following claims:(a)

failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse necessary business expenses (f) failure to issue accurate, itemized wage statements; (g) failure to timely pay wages upon separation of employment; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action, or legal theories described above. Except as set forth in Paragraph 10 below, 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 Linzer has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against Linzer, 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 Linzer or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases is 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, demands, rights, liabilities and causes of action for PAGA penalties as asserted in the Second Amended Complaint and asserted in the letters sent to the LWDA on September 12, 2022 and July 21, 2023 that arose during the PAGA Period ("Released PAGA Claims").

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 \$18,750 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 Linzer'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 Linzer's calculation of Workweeks and/or Pay Periods based on Linzer'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 Linzer'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. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who 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 by fax, email, or mail. 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 *Alicia Velazquez v. Linzer Products Corporation*, Case No. 22STCV28665 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 Linzer are asking the Court to approve. At least _____ 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 _____ and include your name, current address, telephone number, and approximate dates of employment for Linzer 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 Linzer 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. 22STCV28665. 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.

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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~~ Alicia Velazquez (“Plaintiff”), a Class representative as well as a representative for the State of California and ~~defendant XYZ~~ (“XYZ”), other similarly situated Aggrieved Employees, and Linzer Products Corp., a New York corporation (“Defendant” or “Linzer”), and is approved by their respective counsel of record, subject to the terms and conditions herein and the Court’s approval. The Agreement refers to Plaintiff and ~~XYZ~~ Linzer collectively as “Parties,” or individually as a “Party.”

1. DEFINITIONS.

1.1. “**Action**” means ~~the~~ Plaintiff’s lawsuit alleging wage and hour violations against ~~XYZ~~ Linzer, captioned in, Alicia Velazquez v. Linzer Products Corporation, Case No. 22STCV28665, initiated on September 2, 2022, and pending in the Superior Court of ~~the State of~~ California, County of Los Angeles.

1.2. “**Administrator**” means Phoenix Class Action Administration Solutions, the neutral ~~entity~~ third-party administrator which the Parties have agreed to appoint to administer the Settlement, pursuant to Court approval.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount (subject to Court approval) 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.

~~1.1.~~ “**Aggrieved Employee** Employees” means ~~[e.g., a person employed by XYZ in California all current and classified as a~~ former non-exempt, hourly employees of Defendant Linzer Products Corp. who worked for XYZ Defendant Linzer Products Corp. at any time in California during the PAGA Period].

1.4. “**Class**” means ~~[define class e.g., all persons employed by XYZ, including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services,~~

LLC to work for Defendant Linzer Products Corp. at any time in California and classified as _____ who worked for XYZ during the Class PAGA Period].

1.5. “Class” means all current and former non-exempt, hourly employees of Defendant Linzer Products Corp. who worked for Defendant Linzer Products Corp. at any time in California during the Class Period, including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer Products Corp. at any time in California during the Class Period.

~~1.5.1.6.~~ “Class Counsel” means _____ Lidman Law, APC; and Haines Law Group, APC.

~~1.7. “Class Counsel Fees Payment” and “Class Counsel Fee Award” means the Court-~~ approved award of attorneys’ fees to be paid to Class Counsel for the services they rendered on behalf of Plaintiff, the Class, and the Aggrieved Employees. Class Counsel will not seek, and Defendant will not oppose, attorneys’ fees of more than one-third (1/3) of the Gross Settlement Amount (include one-third (1/3) of an increase pursuant to the Escalator Clause at Paragraph 8 below) as their Fee Award.

~~1.6.1.8.~~ “Class Counsel Litigation Expenses Payment” means the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ ~~fees and expenses, respectively,~~ incurred to prosecute the Action.

~~1.7.1.9.~~ “Class Data” means Class Member identifying information in XYZ’s Linzer’s possession, including the each Class Member’s name, last-known mailing address, Social Security number, , and number of Class Period Workweeks and PAGA Pay Periods.

~~1.8.1.10.~~ “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).

~~1.2.~~ “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available

~~1.9.1.11.~~ _____ 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.

~~1.10.1.12.~~ _____ “**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 to this Agreement, and incorporated by reference into this Agreement.

~~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.~~

~~1.11.1.13.~~ _____ “**Class Period**” means the time period from between September 2, 2018 and Preliminary Approval, unless Defendant elects to exercise its option to end the Class Period earlier pursuant to the Escalator Clause at Paragraph 8 below.

~~1.12.1.14.~~ _____ “**Class Representative**” means the named Plaintiff in the ~~operative complaint~~ Second Amended Complaint to be filed in the Action seeking Court approval to serve as a Class Representative.

~~1.13.1.15.~~ _____ “**Class Representative Service Payment**” means the payment to the Class Representative for initiating the Action and providing services in support of the Action, which will not exceed Five Thousand Dollars (\$5,000.00).

~~1.14.1.16.~~ _____ “**Court**” means the Superior Court of California, County of Los Angeles, or any other Court which may possess jurisdiction to rule on this Action.

~~1.3.~~ _____ “**XYZ**” means ~~named Defendant~~ _____.

~~1.15.1.17.~~ _____ “**Defense Counsel**” means Katherine S. Catlos and Katherine Alphonso of Kaufman Dolowich & Voluck, LLP.

~~1.4.~~ _____ “**Effective Date**” means the earliest date by ~~when~~ which both of the following have occurred:

~~1.16.1.18.~~ _____ (a) the Court enters a Judgment based on its ~~Order Granting~~ Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final becomes “Final.” Final, as ~~of~~ fused in the definition of Effective Date shall mean the latest ~~of the following occurrences: (i) if there is an appeal of the Court’s judgment, the~~

~~1.5. “Final Approval” means the Court’s order granting final approval of the Settlement.~~

1.20. “Final Approval Order” means the Court’s order granting final approval of the Settlement and entering judgment.

1.6. **“Gross Settlement Amount”** means \$_____ which Nine Hundred Seventy-Five Thousand Dollars and Zero Cents (\$975,000.00) and is non-reversionary. The Gross Settlement Amount and Linzer’s share of payroll taxes comprises the total amount XYZ Linzer agrees to pay, can ever be required to pay, or can ever cause to be paid, under the Settlement except as provided in Paragraph 98 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual

~~1.19.1.22.~~ PAGA Payments, the LWDA PAGA Payment, Class Counsel ~~Fees~~Fee Award, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and the ~~Administrator's~~Administration's Expenses- Payment.

~~1.20.1.23.~~ “Individual Class Payment” means ~~the~~each Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked by the participating Class Member during the Class Period.

~~1.21.1.24.~~ “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of ~~Workweeks~~PAGA Pay Periods worked during the PAGA Period- by each Aggrieved Employee.

~~1.22.1.25.~~ “Judgment” means the judgment entered by the Court ~~based~~—upon ~~the~~granting Final Approval.

1.26. “Linzer” means Defendant Linzer Products Corp.

~~1.23.1.27.~~ “LWDA” means the California Labor and Workforce Development Agency; ~~the agency entitled, under Labor Code section 2699, subd. (i).~~

~~1.24.1.28.~~ “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA ~~under~~pursuant to California Labor Code ~~section~~§ 2699, ~~subd. (i).~~

~~1.25.1.29.~~ “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: (a) the Individual PAGA Payments, (b) the LWDA PAGA Payment, (c) the Class Representative Service ~~Payment,~~Payments, (d) the Class Counsel ~~Fees Payment,~~Fee Award, (e) the Class Counsel Litigation Expenses Payment, and (f) the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.26.1.30.~~ “Non-Participating Class Member” means any Class Member who opts out of the ~~Settlement~~Settlement’s release of class action claims by sending the Administrator a valid and timely Request for Exclusion.

~~1.27.~~1.31. **“PAGA Pay Period”** means any ~~Pay Period~~pay period during which an Aggrieved Employee worked for ~~XYZ~~Linzer for at least one day during the PAGA Period.

~~1.28.~~1.32. **“PAGA Period”** means the period ~~from~~ between September 12, 2021 and Preliminary Approval, unless Defendant elects to ~~exercise its option to end the Class Period earlier pursuant to the Escalator Clause at Paragraph 8 below.~~

~~1.29.~~1.33. **“PAGA”** means the Private Attorneys General Act ~~(of 2004 (California Labor Code §§ 2698: et seq.)).~~

~~1.30.~~1.34. **“PAGA Notice”** means Plaintiff’s ~~letter to XYZ~~letters dated September 12, 2022 and July 21, 2023 to Linzer and the LWDA ~~[and Plaintiff’s letter to XYZ and the LWDA]~~providing notice pursuant to California Labor Code section § 2699.3, subd. (a).

~~1.7.~~ **“PAGA Penalties”** means the total amount of \$75,000 in PAGA ~~civil~~ penalties to be paid from the Gross Settlement Amount, ~~allocated 25%~~25% of which (\$18,750) shall be paid to the Aggrieved Employees

~~1.31.~~1.35. ~~()~~, and ~~the~~ 75% of which (\$56,250) shall be paid to the LWDA ~~()~~ in settlement of the Released PAGA ~~claims~~Claims.

~~1.32.~~1.36. **“Participating Class Member”** means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

~~1.33.~~1.37. **“Plaintiff”** means Alicia Velazquez, the named ~~plaintiff~~Plaintiff in the Action.

~~1.34.~~1.38. **“Preliminary Approval Order”** means the ~~Court’s~~ Order Granting Preliminary Approval of the Settlement.

~~1.8. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.~~

~~1.35.~~1.39. **“Released Class Claims”** means the claims being released as described in ~~Paragraphs~~ Paragraph 6.2 below.

~~1.36.~~1.40. **“Released PAGA Claims”** means the claims being released as described in ~~Paragraph 5.36.2 below.~~

~~1.37.~~1.41. **“Released Parties”** means: ~~XYZ~~ Linzer Products Corp. and ~~each~~any of its ~~former~~past and present officers, directors, ~~officers~~, shareholders, ~~owners~~, ~~[members]~~, ~~attorneys~~, ~~insurers~~, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, as well as staffing agency partners who assigned individuals to work at Linzer (including Partnership Staffing Solutions, LLC, Partnership 3, Inc., and Partners Personnel Management Services LLC.) and their respective successors and predecessors, ~~successors, assigns~~ [in interest, subsidiaries] ~~[affiliates]~~, parents and attorneys.

~~1.38.~~1.42. **“Request for Exclusion”** means a Class Member’s timely and valid submission of a written request to be excluded from the ~~Class Settlement~~Settlement’s release of class action claims signed by the Class Member.

~~1.39.~~1.43. **“Response Deadline”** means ~~[e.g., 60]~~ days after the Administrator mails ~~Notice~~Class Notices 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 Released Class Claims of the Settlement, or (b) fax, email, or mail ~~his or her~~ written objections to class components of the Settlement. For Class Members to whom ~~Notice Packets~~Class Notices are ~~resent~~re-mailed after having been returned undeliverable to the Administrator, the Response Deadline shall

~~have~~be extended by an additional 14 ~~calendar days beyond the Response Deadline~~
~~has expired.~~

~~1.40.~~1.44. “**Settlement**” means the disposition of the Action effected by this Agreement and the Judgment.

~~1.41.~~1.45. “**Workweek**” means any week during which a Class Member worked for ~~XYZ~~Linzer for at least one day, during the Class Period.

2. RECITALS.

~~2.1.~~ — On _____, Plaintiff ~~commenced this Action by filing a Complaint alleging causes of action against XYZ for _____.~~ [The Complaint is the operative complaint in the Action (the “Operative Complaint.”)] [On _____September 2, 2022, Plaintiff filed a ~~[e.g., putative class action against Linzer in this Court captioned *Alicia Velazquez v. Linzer Products Corporation*, Case No. 22STCV28665.~~

~~2.1.2.2.~~ On May 25, 2023, Plaintiff filed a First Amended Complaint] alleging ~~causes of the following putative class action and representative claim~~ against ~~XYZ for _____.~~ The ~~[e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative~~Linzer: (1) failure to pay all minimum wages owed; (2) failure to pay all overtime wages owed; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to reimburse necessary business expenses; (6) failure to provide accurate, itemized wage statements; (7) unfair competition under California Business & Professions Code §§ 17200 et seq.; and (8) civil penalties under California Private Attorneys General Act of 2004, §§ 2698, et seq.

Complaint.”)] XYZ 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.

2.2.2.3. Pursuant to California Labor Code ~~section~~§ 2699.3, ~~subd.~~(a), Plaintiff gave ~~timely~~ written notice to XYZ Linzer and the LWDA by sending the PAGA Notice.

1.9. On _____ (type in additional dates) _____, [the April 19, 2023, the Parties participated in an all-day mediation presided over by _____ mediator Jeffrey Ross which led to this Agreement to settle the Action (~~describe alternative means of negotiation~~).

_____ (describe alternative means of negotiation) _____

1.10. Prior to ☐ The Parties represent that, prior to mediation ☐ negotiating the Settlement, Plaintiff obtained, they conducted significant investigation of the facts and law through

2.3.2.4. ☐ ~~formal~~ ☐ informal discovery, ~~(~~ Linzer produced documents, testimony relating to its policies, practices, and procedures regarding its wage and hour practices, paying non-exempt employees for all hours worked, meal and rest period policies, and other policies. As part of Linzer’s production, Class Counsel represent they also reviewed time records, pay records, and information obtained) ~~relating to the size and scope of the Class, as well as data permitting Class Counsel to understand the number of workweeks and pay periods in the Class Period and the PAGA Period. The Parties agree that the above-described investigation and evaluation, as well as the information exchanged within the course and scope of the Parties’ mediation, are more than sufficient to assess the merits of the respective Parties’ positions and to compromise the issues on a fair and equitable basis. 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”).~~

1.11. The Court ☐ has ☐ ~~has not granted class certification.~~

_____ (insert details as needed) _____

2.5. The Parties agree that neither the Parties’ settlement, this Agreement, nor the acts to be performed or judgments to be entered pursuant to the terms of the settlement and Agreement, shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or law or liability on the claims or allegations in the Action.

2.6. Defendant denies all of the allegations in the Action, including all PAGA claims, and

denies that it has committed any misconduct, statutory or regulatory violation, wrongdoing, or any other actionable conduct of any kind and further denies that this Action is appropriate for PAGA representative treatment for any purpose other than settling the Action. Defendant has denied and continues to deny each and every material factual allegation and alleged claims asserted against it in the Action.

2.4.2.7. 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.

2.8. In consideration of the promises and agreements contained herein, the Parties agree and covenant as follows:

3. **MONETARY TERMS.**

3.1. ~~_____~~ Gross Settlement Amount. Except as otherwise provided by Paragraph 98 below, ~~XYZ promises~~ Linzer agrees to pay \$~~Nine Hundred Seventy-Five Thousand Dollars~~ and ~~no more~~ Zero Cents (\$975,000) 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.~~ Linzer has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.36.1 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 ~~XYZ~~ Linzer.

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 Order:

~~1.11.1.~~ ~~_____~~ To Plaintiff: Class Representative Service Payment, subject to Court approval, of no more than Five Thousand Dollars (\$5,000.00) to the Class Representative ~~of not more than \$_____~~ (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).~~ ~~XYZ and/or Aggrieved Employee. Linzer~~ 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~~ Payment. Plaintiff and Class Counsel shall file this motion no later than ~~[16 court]~~ days prior to the Final Approval Hearing. If the Court approves ~~an amount of~~ Class Representative Service Payment that is less than the amount requested, the Administrator will ~~retain~~ allocate the remainder ~~into~~ the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for all employee taxes owed on ~~the her~~ Class Representative Service Payment. Plaintiff will be bound by a General Release and waiver of Civil Code § 1542 in exchange for these payments.

3.2.2. To Class Counsel: ~~A Class Counsel Fees Payment of not more than ___%, which~~ The Class Counsel Fee Award, subject to Court approval, in an amount up to one-third (1/3) of the Gross Settlement Amount (including one-third of an increase pursuant to Paragraph 8), which will compensate Class Counsel for all work performed and to be performed in the Action. The Class Counsel Fee Award is currently estimated to be \$___ and a \$325,000.00. In addition, Class Counsel shall, subject to Court approval, request reimbursement of the Class Counsel Litigation ~~Expenses~~ Expense Payment ~~of in an amount not more than \$_____.~~ ~~XYZ to exceed \$30,000.~~ Linzer will not oppose requests for these payments ~~provided that 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~~ Fee Award and Class Counsel ~~Expenses~~ Litigation Expense Payment using ~~one or more~~ IRS ~~1099~~ Forms- 1099. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel ~~Fees Payment~~ Fee Award and the Class Counsel Litigation Expenses Payment and holds ~~XYZ Released Parties~~ harmless, and indemnifies ~~XYZ Released Parties~~, from any dispute or controversy regarding any division or sharing of ~~any of~~ these Payments.

1.11.2. ~~_____ To the Administrator: An Administrator Expenses Payment not to exceed~~
 3.2.3. \$_____ Costs associated with settlement administration (e.g. NCoA searches, preparing and mailing payments/notices to LWDA, Class Members, and Aggrieved Employees, tax documentation, etc.) shall not exceed \$11,000.00, except for a showing of good cause and as approved by the

Court. To the extent the ~~Administration Expenses~~settlement administration costs are less, or the Court approves payment of less than \$11,000.00, the Administrator will ~~retain~~allocate the remainder ~~into~~ 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~~, and (b) multiplying the result by the total Workweeks worked by each Participating Class Member during the Class Period.

~~(b) multiplying the result by each Participating Class Member's Workweeks.~~

~~1.11.2.1.~~ Tax Allocation of Individual Class Payments. % ~~_____~~ 33% 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 W-2. The

3.2.4.1. % ~~_____~~ remaining 67% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for ~~[e.g., interest and penalties]~~ (the interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS Forms 1099. Each Participating Class Member assumes full responsibility and liability for any employee taxes owed on his or her Individual Class Payment.

~~“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.~~

3.2.4.2. 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~~ However, Non-Participating Class Members on who are Aggrieved Employees will still receive an Individual PAGA Payment regardless of whether they submit a ~~pro-rata basis~~ valid and timely Request for Exclusion.

~~1.11.3.~~ To the LWDA and Aggrieved Employees: PAGA Penalties in the total amount of \$ 75,000.00 to be paid from the Gross Settlement Amount, ~~with 75%~~

3.2.5. ~~(\$)~~ 75% of PAGA Penalties (\$56,250.00) shall be allocated to the LWDA PAGA Payment, and 25% ~~(\$)~~ of PAGA Penalties (\$18,750.00) shall be allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties \$ (\$18,750.00) by the total number of PAGA ~~Period~~ Pay Periods worked by all Aggrieved Employees ~~during the PAGA Period,~~ and (b) multiplying the result by the total PAGA Pay Periods worked by each Aggrieved ~~Employee’s PAGA Period Pay Periods.~~ Employee. ~~Each~~ Aggrieved ~~Employees~~ Employee assumes full responsibility and liability for any taxes owed on ~~their~~ his or her Individual PAGA Payment.

3.2.5.2. Each Aggrieved Employee’s Individual PAGA Payment shall be treated as penalties (i.e., non-wage income) for all purposes and reported by the Administrator on IRS Form 1099, as required by law, to the respective Aggrieved Employee and applicable governmental authorities. No portion of an Aggrieved Employee’s Individual PAGA Payment is or shall be construed as wages. Linzer, Defense Counsel, Plaintiff, and Class Counsel are not responsible for any employee tax obligations arising out of an Aggrieved Employee’s Individual PAGA Payment.

~~3.2.5.2.~~ 3.2.5.3. 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 1099.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. ~~_____~~ Estimated Class Workweeks and ~~Aggrieved Employee~~ PAGA Pay Periods. Based on a review of its records to date, XYZ Linzer estimates that as of May 2023 there ~~are~~ _____ were approximately 420 Class Members who collectively worked a total of 25,455 Workweeks during the Class Period, and _____ ~~of~~ 238 Aggrieved Employees who collectively worked a total _____ of 8857 PAGA Pay Periods during the PAGA Period.

~~1.12.~~ Delivery of Class Data. ~~Not later than [e.g., 15]~~ Within 30 days after the ~~Court grants Preliminary Approval of the Settlement, XYZ~~ Order is entered and served, Linzer 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 Linzer 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 to the Administrator as soon as reasonably feasible. Without any extension of the deadline by which XYZ Linzer 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~~Linzer shall fully fund the Gross Settlement Amount, ~~and also fund the~~including all amounts necessary to fully pay ~~XYZ's~~Linzer's share of payroll taxes, by transmitting ~~the~~such funds to the Administrator no later than ~~[14]~~15 business days after the Effective Date.
- 4.4. ~~_____~~ Payments from the Gross Settlement Amount. Within ~~[14]~~10 business days after ~~XYZ~~Linzer 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 Fee Award, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel ~~Fees~~Payment Fee Award, 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~~all Participating Class Members and Aggrieved Employees 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~~Class Payments to all Participating Class Members ~~(, including those for whom whose~~ Class Notice was Notices were returned ~~undelivered)~~undeliverable. The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees, including Non-Participating Class Members who qualify as Aggrieved Employees ~~(, and including those for whom~~ Aggrieved Employees whose Class ~~Notice was~~ Notices were returned ~~undelivered)~~undeliverable. The Administrator may send Participating Class Members who are also Aggrieved Employees 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 Participating Class Members and Aggrieved Employees whose checks are ~~returned undelivered~~ returned undeliverable without USPS forwarding ~~address~~addresses. Within ~~[7]~~3 business days of receiving a returned check, the Administrator must re-mail checks to the ~~USPS~~ forwarding address

provided by USPS, or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Participating Class Members and Aggrieved Employees whose re-mailed checks are returned as ~~undelivered~~undeliverable. The Administrator shall promptly send a replacement check ~~to~~requested by any Participating Class Member or Aggrieved Employee whose original check was lost or misplaced, ~~requested by the Class Member~~ prior to the check void date.

- 4.4.3. For any Participating Class Member whose Individual Class Payment check ~~is~~ is uncashed and cancelled after the void date, and for any Aggrieved Employee whose 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~~ to the Controller's Unclaimed Property Fund, in the name of the Participating Class Member and/or Aggrieved Employee, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure § 384(b). Participating Class Members whose Individual Class Payment checks are cancelled shall, nevertheless, be bound by the Class Settlement. Aggrieved Employees whose Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by the Released PAGA Claims.

~~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).] [or 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.~~

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

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

~~4.5.5.1.~~ 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 any and 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, alleged~~ in the ~~Operative Complaint and~~ Action and facts alleged in Plaintiff's PAGA Notice; (b) all ~~PAGA~~ claims that were, or reasonably could have been, ~~alleged based on facts contained in the Operative Complaint, Plaintiff's PAGA Notice,~~ [or] ascertained during the Action, and (c) all claims released pursuant to Paragraphs **Error! Reference source not found.** ~~under 6.2, and 5.3 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 to claims or actions based on occurrences outside the Class Period. Plaintiff acknowledges that ~~Plaintiff~~she may discover facts or law different from, or in addition to, the facts or law that ~~Plaintiff~~she 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,~~ her discovery of ~~them~~those facts.

~~4.5.1.5.1.1.~~ Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiff's Release only, 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.

Notwithstanding the foregoing, the 1542 waiver and general release does not extend to of Plaintiff's claims in this Agreement do not apply to: (i) those rights as a matter of law that the creditor or releasing party does cannot be waived, including, but not know or suspect limited to exist in his or her favor at the time of executing the release, and that, workers' compensation claims, if known any; (ii) rights or claims arising of this Agreement. The Agreement in no way affects Plaintiff's entitlement and/or benefits, if any, to be received by him or her would have materially affected his or her settlement with the debtor or Released Party Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation. Plaintiff also agrees to not request an exclusion from this Settlement.

~~4.6.5.2. 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 discharge Released Parties from all claims, demands, rights, liabilities and causes of action that have been and will be pled in the Second Amended Complaint as well as all claims, demands, rights, liabilities and causes of action that could have been alleged based on the facts that have been and will be alleged in the Second Amended Complaint, that arose during the Class Period defined above with respect to the following claims: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse necessary business expenses (f) failure to issue accurate, itemized wage statements; (g) failure to timely pay wages upon separation of employment; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action, or legal theories described above. Except as set forth in Paragraph **Error! Reference source not found.**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.

~~4.7.5.3. 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, demands, rights, liabilities and causes of action for PAGA penalties as asserted in the Second Amended Complaint and asserted in the letters sent to the LWDA on September 12, 2022 and July 7, 2023 that ~~were alleged, or reasonably could have been alleged, based on~~ arose during 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.”].

5.6. 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.

~~5.1.6.1. XYZ’s~~ Linzer’s Declaration in Support of Preliminary Approval. Within 10 business days of the full execution of this Agreement, ~~XYZ~~ Linzer will

prepare and deliver to Class Counsel a signed Declaration from XYZLinzer 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 XYZLinzer 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.

~~6.1~~ 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 any 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

5.2.6.2. from Plaintiff confirming willingness and competency to serve as Class Representative and disclosing all facts relevant to any actual or potential conflicts of interest with any Class Members, ~~[and/or] the Administrator [and/or the proposed Cy Pres];~~ (v; (vi)) 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))), including Plaintiff's PAGA Notice, and the~~ Operative Complaint ~~(Labor Code section 2699, subd. (1)(1))~~; this Agreement (Labor Code section 2699, subd. (1)(2)); (vi; (vii)) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and ~~(vii; viii)~~ 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 respective Declarations, Plaintiff and Class Counsel ~~Declaration~~ shall aver that state whether they are ~~not~~ aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

5.3.6.3. ~~Responsibilities of Counsel.~~ Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval, which they expect will occur 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.

5.4.6.4. ~~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.

6.7. SETTLEMENT ADMINISTRATION.

6.2 ~~Selection of Administrator.~~ The Parties have jointly selected

6.1.7.1. ~~Phoenix Class Action Administration Solutions~~ 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.

6.2.7.2. 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.

~~6.3.7.3.~~ 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.

~~6.4.7.4.~~ Notice to Class Members.

~~6.4.1.7.4.1.~~ _____ 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, ~~PAGA Members~~ Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data.

~~6.4.2.7.4.2.~~ _____ 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, ~~if applicable~~ substantially in the form attached to this Agreement as **Exhibit _____A**. The first page of the Class Notice shall prominently estimate (1) the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and (2) the number of Workweeks and or PAGA Pay Periods ~~(if applicable)~~ used to calculate these amounts. Before mailing Class Notices, the Administrator shall update the Class ~~Member~~ Members’ addresses using the National Change of Address database.

~~6.4.3.7.4.3.~~ _____ ~~Not~~ No later than ~~{three (3)}~~ business days after the Administrator’s receipt of any Class Notice returned by the USPS as ~~undelivered~~ undeliverable, the Administrator shall re-mail the Class Notice, via first-class USPS mail, 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~~ Notices are returned by the USPS a second time.

~~6.4.4.7.4.4.~~ _____ 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 ~~{60}~~ 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.

~~6.4.5.7.4.5.~~ _____ If the Administrator, ~~XYZ~~ Linzer, or Class Counsel ~~is~~ are 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~~no later than [14] days after their respective receipt of the Class Notices, or the Response Deadline provided in the Class Notices, whichever is later.

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

6.5.7.5.Members' Requests for Exclusion (Opt-Outs).

6.5.1.7.5.1. ——— Class Members who wish to exclude themselves ~~(from (or~~ opt-out of) the ~~Class Settlement~~Settlement's release of class action claims must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion ~~not~~no later than ~~[the Response Deadline – i.e., 60]~~ days after the Administrator mails the Class Notice (plus an additional ~~[14]~~ days for any Class ~~Members~~Member 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~~choice 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.

6.5.2.7.5.2. ——— The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all of 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.

6.2.1 ——— 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 ~~06.2 and~~ 6.5.3-7.5.3. ~~6.3~~ of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4.7.5.4. ——— 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 also Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and will still receive an Individual PAGA Payment based on the terms of this Agreement.

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

~~6.3~~ Challenges to Calculation of Workweeks. Each Class Member shall have {60} days after the Administrator mails the Class Notice (plus an additional {14} days for Class Members whose Class Notice is re-mailed after having been returned undeliverable to the Administrator) 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 communicate such challenge ~~the allocation by communicating~~ with the

~~6.5.5.~~7.5.5. 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~~Unless otherwise determined by the Court, 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 of the challenges.

6.6.7.6. Objections to Class Action Components of the Settlement.

~~6.6.1.~~7.6.1. ~~_____~~ 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~~Fee Award, Class Counsel Litigation Expenses Payment, ~~and/or~~ Class Representative Service Payment.

~~6.6.2.~~7.6.2. ~~_____~~ 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 {the Response Deadline – i.e. 60} days after the Administrator's mailing of the Class Notice (plus an additional {14} days for Class Members whose Class Notice was re-mailed after having been returned as undeliverable).

~~6.6.3.~~7.6.3. ~~_____~~ Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

6.7.7.7. ~~_____~~ 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.

~~6.7.1.~~7.7.1. ~~_____~~ 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, the Motion for Preliminary Approval, the Preliminary Approval,

the Class Notice, the Motion for Final Approval, ~~the Motion for~~ of Class Counsel Fees Payment Action and PAGA Settlement, Class Representative Service Payment, Class Counsel Fee Award, and Class Counsel Litigation Expenses Payment ~~and Class Representative Service Payment~~, and 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.

~~6.3.1~~ Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their

~~6.7.2.7.7.2.~~ validity. ~~Not~~No later than ~~{five (5)}~~ days after the expiration of the ~~deadline for submitting Requests for Exclusion~~Response Deadline, 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 (~~“(the “Exclusion List”);~~ (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; and (c) copies of all Requests for Exclusion ~~from Settlement~~ submitted (whether valid or invalid).

~~6.7.3.7.7.3.~~ ~~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~~as undeliverable, 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.

~~6.7.4.7.7.4.~~ ~~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~~to the calculation of Workweeks and/or all Aggrieved Employee challenges to the calculation of Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.

~~6.7.5.7.7.5.~~ ~~Administrator’s Declaration.~~ ~~Not~~No later than ~~{14}~~ 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~~undeliverable, 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.

~~6.7.6.7.7.6.~~ ~~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 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.

7.—CLASS ~~SIZE~~ ESTIMATES ~~and~~ AND ESCALATOR CLAUSE]. Based on a review of its records, XYZ estimates to date, Linzer represents that, as of the date of this Settlement Agreement, (1) there are _____ Class Members and _____ Total Workweeks an estimated 25,455 workweeks during the Class period and (2) there were _____ Aggrieved Employees who worked _____ Pay Periods during the PAGA Period.

7.8.XYZ'S RIGHT TO WITHDRAW.Period. If the actual number of valid Requests for Exclusion identified in the Exclusion List exceeds % _____ of the total of all workweeks during the Class Period is more than 12% greater than this figure (i.e., if there are 28,510 or more workweeks worked by the Class Members, XYZ may, but is not obligated, elect to withdraw from), Defendant agrees to either: (1) increase the Gross Settlement Amount on a proportional basis (i.e., if there was a 14% increase in the number workweeks during the Settlement. The Parties Class Period, Defendant would agree that, if XYZ withdraws, to increase 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, XYZ will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZ must notify Class Counsel and Gross Settlement Amount by 2%); or (2) at Defendant's option, elect to end the Court of its election to withdraw not later than [seven] days after Class Period, PAGA Period, and release periods on the Administrator sends the final Exclusion List date the total number of workweeks is closest to Defense Counsel; late elections will have no effect, and does not exceed 28,510 workweeks.

8.9.MOTION FOR FINAL APPROVAL. Not No 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 no later than [seven] 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.

8.1-9.1.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 [than five] (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

8.2-9.2.Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change modification to the Settlement (including, but not limited to, the scope of release to be granted by Participating 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~~ Fee Award, 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.

~~7.1~~ 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 the Judgment, (ii) addressing

~~8.3.9.3.~~ settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

~~8.4.9.4.~~ 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 Fee Award and Class Counsel Litigation Expenses Payment ~~reflected~~ set forth in this Settlement Agreement, 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.

~~8.5.9.5.~~ 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~~ reviewing 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 any such 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.

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

10.11. ADDITIONAL PROVISIONS.

~~7.2~~ 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 ~~XYZ~~ Linzer that any of the allegations in the ~~Operative Complaint~~ operative complaint have merit or that ~~XYZ~~ Linzer's has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that

~~XYZ's~~Linzer's defenses in the Action have merit. The Parties agree that class certification and representative treatment ~~is~~are for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, ~~XYZ~~Linzer reserves the right to contest certification of any class, and the manageability of any representative claim, for any reasons, and ~~XYZ~~Linzer 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's~~Linzer's defenses. The Settlement, this Agreement and ~~Parties'~~Parties' willingness to

~~10.1.11.1.~~ 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).~~

~~7.3~~ Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, XYZ Linzer, 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.

~~10.2.11.2.~~ ; or (6) to the extent disclosure is required, as determined by a Party's counsel, by applicable law or regulation. 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 Linzer 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 any 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.

~~10.3.11.3.~~ 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 the Settlement, to~~ object to the Settlement, or appeal from the Judgment. Nothing in this ~~paragraph~~ 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.

~~10.5.11.5.~~ Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached ~~exhibits~~ exhibit(s) 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 concerning the Settlement or the Action.

~~10.6.11.6.~~ Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and XYZ Linzer, 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.

7.4 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

~~10.7.~~11.7. 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.

~~10.8.~~11.8. **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.

~~10.9.~~11.9. **No Tax Advice.** ~~Neither~~Nothing in this Agreement is intended to constitute legal advice regarding federal, state, and/or local tax obligations or legal requirements for attribution of settlement proceeds. In addition, neither Plaintiff, Class Counsel, ~~XYZ~~Linzer, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this ~~Settlement Agreement~~ be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 ~~CFR Part 10, as amended~~) or otherwise. C.F.R. Part 10, as amended) or otherwise. To the extent that this Agreement or any of its attachments is interpreted to contain or constitute advice regarding any U.S. or Federal tax issue, such advice is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding penalties under the Internal Revenue Code.

~~10.10.~~11.10. **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. A waiver or amendment of any provisions of this Agreement will not constitute a waiver of any other provision.

~~10.11.~~11.11. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

~~10.12.~~11.12. **Applicable Law.** All terms and conditions of this Agreement and its ~~exhibits~~exhibit(s) will be governed by and interpreted according to the internal laws of the ~~state~~State of California, without regard to conflict of law principles.

~~10.13.~~11.13. **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~~its drafter or participated in ~~the~~its drafting.

~~10.14.~~11.14. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

~~10.15.~~11.15. 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 XYZLinzer 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~~disbursement of ~~all~~the Gross Settlement fundsAmount, Plaintiff shall destroy, all paper and electronic versions of Class Data received from XYZLinzer unless, prior to the Court's discharge of the Administrator's obligation, XYZLinzer makes a written request to Class Counsel for the return, rather than the destructions, of Class Data, except that Class Counsel may keep one copy for their files and for no other purpose.

~~10.16.~~11.16. **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.

~~10.17.~~11.17. **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.

~~10.18.~~11.18. **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~~delivered by United States mail, ~~or the day sent by overnight mail,~~ by email, or by messenger, addressed as follows to the addresses set forth below:

To Plaintiff Alicia
Velazquez:

LIDMAN LAW, APC
Scott M. Lidman (slidman@lidmanlaw.com)
Elizabeth Nguyen (enguyen@lidmanlaw.com)
Milan Moore (mmoore@lidmanlaw.com)
2155 Campus Drive, Suite 150
El Segundo, CA 90245

HAINES LAW GROUP, APC
Paul K. Haines (phaines@haineslawgroup.com)
2155 Campus Drive, Suite 180
El Segundo, CA 90245

To Linzer:

KAUFMAN DOLOWICH & VOLUCK, LLP
Katherine S. Catlos (SBN 184227)
kcatlos@kdvlaw.com
Katherine L. Alphonso (SBN 314926)
kalphonso@kdvlaw.com
425 California Street, Suite 2100
San Francisco, California 94104

~~To Plaintiff:~~

~~To XYZ:~~

~~10.19.~~11.19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (~~i.e.g.~~, DocuSign), or ~~email~~scanned copies of the signature page 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~~on 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.

~~10.20.~~11.20. Stay of Litigation. The Parties agree ~~that upon to~~ hold in abeyance all proceedings in the ~~execution~~Action (including with respect to California Code of this Agreement the litigation shall be stayed, Civil Procedure § 583.310), except to effectuate the terms of this Agreement. such proceedings necessary to implement and complete the Settlement. The Parties further agree that upon the signing of this Agreement that pursuant to ~~CCP section~~California Code of Civil Procedure § 583.330310 to extend the date to bring ~~a~~this case to trial under ~~CCP section~~California Code of Civil Procedure § 583.310 for the entire period of this settlement process.

11.21. No Signature Required by Class Members. Only the Plaintiff will be required to execute this Settlement Agreement. The Settlement Notice will advise all Class Members of the binding nature of the release, and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

11.22. Submissions to the LWDA. At the same time as they submit this Settlement Agreement to the Court for Preliminary Approval, Class Counsel shall submit a copy of this Agreement to the LWDA, as required by California Labor Code § 2699(1)(2). Within ten (10) days following the Effective Date, Class Counsel shall submit a copy of the Final Approval Order and Judgment entered by the Court to the LWDA, as required by California Labor Code § 2699(1)(3).

11.23. Invalidity of Any Provision; Severability. Before declaring any provision of this Settlement invalid, the Parties request that the Court first attempt to construe the provisions valid, to the fullest extent possible, consistent with applicable precedents, so as to define all provisions of this Agreement valid and enforceable. In the event any provision of this Agreement shall be found unenforceable, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected.

IT IS SO AGREED.

For Plaintiff Alicia Velazquez:

Dated: _____, 2023

ALICIA VELAZQUEZ

For Defendant:

Dated: _____, 2023

LINZER PRODUCTS CORP.

By: _____
Its: _____

 _____ For Plaintiff _____ For XYZ

Counsel For Plaintiff

Counsel For XYZ

APPROVED AS TO FORM

Dated: _____, 2023

LIDMAN LAW, APC

By: Scott M. Lidman
Attorneys for Plaintiff

**KAUFMAN DOLOWICH & VOLUCK,
LLP**

Dated: _____, 2023

By: Katherine S. Catlos
Attorneys for Defendant

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

(case name and number)

Alicia Velazquez v. Linzer Products Corporation 22STCV28665

***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) Linzer Products Corp. (“Linzer”) for alleged wage and hour violations. The Action was filed by a ~~an~~ former ~~XYZ~~ employee _____ Alicia Velazquez (“Plaintiff”) and seeks payment of ~~(1) back~~ unpaid wages [and other relief] penalties for Linzer’s alleged failure to: pay all minimum and/or overtime wages owed, provide meal periods or premium pay for non-compliant meal periods, authorize and permit rest periods, or premium pay for non-compliant rest periods, reimburse necessary business expenses, issue accurate, itemized wage statements, and timely pay all wages due upon separation of employment for a class of ~~[e.g., all current and former hourly]~~ paid or non-exempt employees (“Class Members”) who worked for ~~XYZ~~ Linzer at any time in California during the Class Period (_____ to _____); ~~and (from September 2), 2018 to [Preliminary Approval]~~, including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer at any time in California during the Class Period, as well as penalties under the California Private Attorney General Act (“PAGA”) for all ~~[e.g., current and former hourly]~~ paid or non-exempt employees who worked for ~~XYZ~~ Linzer at any time in California during the PAGA Period (_____ to _____) from September 12, 2021 to [Preliminary Approval], including all current and former non-exempt, hourly employees assigned by staffing agencies Partnership Staffing Solutions, LLC, Partnership 3, Inc., or Partners Personnel Management Services, LLC to work for Defendant Linzer at any time in California during the PAGA Period (“Aggrieved Employees”).

The Class Period is from September 2, 2018 to [Preliminary Approval]. The PAGA Period is from September 12, 2021 to [Preliminary Approval].

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

Based on ~~XYZ’s~~ Linzer’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 Linzer'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 Linzer's records showing that you worked _____ workweeks during the Class Period and you worked _____ workweeks pay periods 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 XYZ Linzer to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against XYZ Linzer.

If you worked for XYZ Linzer 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 XYZLinzer.

(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 XYZLinzer, 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.

XYZLinzer 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 Linzer that are covered by this Settlement (Released Class 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. Linzer must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA 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 Linzer’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 ~~an~~ ~~former~~ ~~XYZ~~ Linzer employee. The Action ~~accuses XYZ of violating~~ alleges Linzer violated California labor laws by failing to: pay ~~e.g., all minimum and/or overtime wages, minimum wages, wages due upon termination and reimbursable expenses~~ and failing to owed, provide ~~e.g., meal periods, or premium pay for non-complaint meal periods, authorize and permit rest breaks and periods, or premium pay for non-compliant rest periods, reimburse necessary business expenses, issue accurate, itemized wage statements~~, and timely pay all wages due upon separation of employment. Based on the same claims, Plaintiff has also asserted 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.”)

(“Class Counsel.”)

~~XYZ~~

Linzer strongly denies ~~violating~~ all of the allegations in the Action, including all PAGA claims, and ~~denies committing~~ any ~~laws~~ misconduct, statutory or ~~failing to pay~~ regulatory violation, ~~wrongdoing, or~~ any ~~wages and contents~~ other actionable conduct of any kind. Linzer maintains 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 ~~XYZ~~Linzer or Plaintiff is correct on the merits. In the meantime, Plaintiff and ~~XYZ~~Linzer hired ~~an~~ an experienced, neutral mediator ~~a retired judge~~

~~an~~ ~~— (describe alternative means of negotiation) —~~ 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 ~~XYZ~~Linzer 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~~Linzer 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) XYZ Linzer 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. XYZ Linzer Will Pay \$—975,000 as the Gross Settlement Amount (Gross Settlement). XYZ Linzer 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, XYZ Linzer will fund the Gross Settlement not more than ~~[14]~~15 business days after the Judgment entered by the Court ~~become~~becomes 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 \$_____ (~~_____~~%325,000 (1/3 of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$—30,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$_____—5,000 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 \$_____—11,000 to the Administrator for services administering the Settlement.
 - D. Up to \$_____—75,000 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.

4. 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.

~~2. Taxes Owed on Payments to Class Members. Plaintiff and XYZLinzer are asking the Court to approve an allocation of % 33% of each Individual Class Payment to taxable wages (“Wage Portion”) and % 67% to [e.g., interest, etc.] (“~~the Non-Wage Portion~~”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~[Option 1: (XYZLinzer will separately pay employer payroll taxes it owes on the Wage~~~~

4. 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 XYZLinzer 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 _____, 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 XYZLinzer.

| 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 XYZLinzer 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 [XYZLinzer](#) have agreed that, in either case, the Settlement will be void: [XYZLinzer](#) will not pay any money and Class Members will not release any claims against [XYZLinzer](#).
3. ~~Administrator.~~ The Court has appointed a neutral company,
8. ~~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 [XYZLinzer](#) 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 [XYZLinzer](#) 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 6.3 of the Settlement Agreement~~ all claims, demands, rights, liabilities and causes of action that have been and will be pled in the Second Amended Complaint as well as all claims, demands, rights, liabilities and causes of action that could have been alleged based on the facts that have been and will be alleged in the Second Amended Complaint, that arose during the Class Period defined above with respect to the following claims: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime wages owed; (c) failure to provide meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit rest periods, or premium pay for non-compliant rest periods; (e) failure to reimburse necessary business expenses (f) failure to issue accurate, itemized wage statements; (g) failure to timely pay wages upon

separation of employment; and (h) all claims for unfair business practices that could have been premised on the facts, claims, causes of action, or legal theories described above. Except as set forth in Paragraph 10 below, 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 ~~XYZ~~Linzer has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against ~~XYZ~~Linzer, 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 ~~XYZ~~Linzer or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases ~~for Participating and Non-Participating Class Members are~~ is 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, demands, rights, liabilities and causes of action for PAGA penalties ~~that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated as~~ asserted in the ~~Operative~~ Second Amended Complaint[,][and] the PAGA Notice [and ~~ascertained~~ asserted in the ~~course of~~ letters sent to the Action][including, e.g., (a) ~~any~~ LWDA on September 12, 2022 and ~~all claims involving any alleged failure to pay minimum wage; etc.~~ July 21, 2023 that arose during the PAGA Period ("Released PAGA Claims")].

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 \$18,750 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~~ Linzer'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~~ Linzer's calculation of Workweeks and/or Pay Periods based on ~~XYZ's~~ Linzer'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~~ Linzer'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. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who 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 by fax, email, or mail. 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 _____

_____, Alicia Velazquez v. Linzer Products Corporation, Case No. 22STCV28665 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~~Linzer are asking the Court to approve. At least _____ 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 _____ and include your name, current address,

telephone number, and approximate dates of employment for ~~XYZ~~Linzer 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 ~~XYZ~~Linzer 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. _____, [22STCV28665](#). 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
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
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Paul K. Haines
Haines Law Group, APC
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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.” (Luckey 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.~~