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Attorneys for Plaintiffs
PAUL CHE, individually and on behalf of all others
similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

PAUL CHE, an Individual, on behalf of
himself and all others similarly situated

Plaintiffs,

v.

MAG INSTRUMENT, INC.; and DOES 1
through 100, Inclusive

Defendants.

CASE NO.: CIVSB2214186

[Assigned for all purposes to Hon. David. E. Driscoll,
Dept. S22 SBJC]

CLASS ACTION

**JOINT STIPULATION AND SETTLEMENT OF
CLASS ACTION AND PAGA CLAIMS**

Action Filed: 07/07/2022
Trial Date: None Set

TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

Subject to final approval by the Court, which counsel and parties agree to pursue and recommend in good faith, Plaintiff Paul Che individually ("Named Plaintiff") and on behalf of all employees similarly situated, on the one hand, and Defendant MAG INSTRUMENT, INC. (hereinafter "Defendant") hereby agree to the following binding settlement of the class action and Private Attorneys General Act ("PAGA") case of *Paul Che v. Mag Instrument, Inc.* ("Action") San Bernardino Superior Court Case No. CIVSB2214186.

I. Definitions

1. "Action" means, and refers to, the case captioned *Paul Che v. Mag Instrument, Inc.* filed in California Superior Court for the County of San Bernardino Case No. CIVSB2214186 which includes the notice letters sent to the Labor and Workforce Development Agency "LWDA".

2. "Agreement," "Settlement," or "Stipulation" mean, and refer to, this Joint Stipulation and Settlement of Class Action and PAGA Claims.

3. "Aggrieved Employee/s" means and refers to all current and former non-exempt hourly paid employees of Defendant, employed in California during the PAGA Period.

4. "Aggregate Workweek Number" means, and refers to, the sum of all of the Participating Class Members' Total Workweeks which will be used to calculate the Weekly Settlement Amounts of the Participating Class Members' Individual Settlement Payments.

5. "Attorneys' Fees and Cost Award" means, and refers to, the amount authorized by the Court to be paid to Class Counsel for the services they have rendered, and expenses they have incurred, in prosecuting the Action. As set forth infra, Class Counsel shall request, and Defendant will not oppose, an award of attorneys' fees of Fifty Thousand Dollars (\$50,000.00) which is Thirty Three and One Third percent (33⅓%) of the Gross Fund Value and a Cost Award of up to Eighteen Thousand Dollars (\$18,000). The Attorneys' Fees and Cost Award shall come out of the Gross Fund Value and will not increase the amount of the Gross Fund Value. Class Counsel will be issued IRS Form 1099 for the Attorneys' Fees and Cost Award.

6. "Class and "Class Member" means, and refers to, a member of the class conditionally certified for settlement purposes only during the applicable Class Period, consisting of all current and former employees of Defendant employed in California, as non-exempt hourly paid employees and who worked for Defendant during the Class Period.

7. "Class Counsel" means and refers to Bruce Kokozyan, Esq. of Kokozyan Law Firm, APC.

8. "Class and PAGA Member Data" means and refers to a data file that identifies for each Class Member and Aggrieved Employee his/her full name, last-known address, Social Security number, dates of employment during which they were employed by Defendant, and the number of Workweeks during the Class Period and, if applicable, PAGA Pay Period for each Aggrieved Employee during the PAGA Period.

9. "Class Period" means, and refers to, the period between July 7, 2018 and October 20, 2023.

10. "Defendant" means, and refers to MAG INSTRUMENT, INC.

11. "Defendant's Counsel" or "Defense Counsel" shall mean Brian Mills and Anne Dwyer of Snell & Wilmer L.L.P.

12. "Effective Date" means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the deadline date for filing an appeal and no such appeal being filed; or (c) if any timely appeals are filed, the date of the resolution (or withdrawal) and entry of remittitur of any such appeal in a way that does not alter the terms of the settlement.

13. "Excluded Class Members" means, and refers to, all Class Members who timely and validly submit a written request to be excluded from the Class on or before the Exclusion Deadline Date.

14. "Final Approval" means, and refers to, the Court's order granting final approval of the Settlement.

15. "Final Approval Date" means, and refers to, the date on which the Court's Final Approval Order and Judgment is entered.

16. "Final Approval Hearing/Settlement Fairness Hearing" means, and refers to, the hearing at which the Court considers whether to approve the Settlement and to enter the Final Approval Order and Judgment.

17. "Gross Fund Value" means, and refers to, the total amount that Defendant will be required to pay by this Settlement. The Gross Fund Value consists of the Attorneys' Fees and Costs Award, the Service Award, the Settlement Administration Costs, the PAGA Allocation and the Net Fund Value. The Gross Fund Value is equal to the total gross sum of One Hundred Fifty Thousand Dollars (\$150,000). In addition, Defendant must also pay the employer side share of payroll taxes due under applicable law on the portion of the Individual Settlement Payments payable as wages to each Participating Class Member, as described herein.

18. "Individual Settlement Payment(s)" means, and refers to, the amount to be paid to each individual Participating Class Member from the Net Fund Value. The estimated Individual Settlement Payment shall be indicated on the Notice. Individual Settlement Payment for each individual Participating

1 Class Member will result from the calculations set forth in Section III, paragraph 14, infra, less all
2 applicable state and federal withholding taxes, including FICA, FUTA and SDI contributions and any
3 other applicable payroll deductions required by law as a result of the payment of the amount allocated to
4 such Participating Class Member under the terms of this Stipulation.

5 19. "Named Plaintiff" means Paul Che.

6 20. "Net Fund Value" or "NFV" means, and refers to, the funds available to be distributed to
7 Participating Class Members from the Gross Fund Value after the payment of any Attorneys' Fees and
8 Cost Awards, Service Award, Settlement Administration Costs, and PAGA Allocation.

9 21. "Notice" or "Class Notice" means and refers to the Notice of Class Action and PAGA
10 Settlement (in English and Spanish) that the Court directs to be sent via regular mail to all Class Members
11 (substantially in the form annexed hereto as Exhibit A).

12 22. "Objection/Exclusion Deadline" means and refers to the date no later than forty-five (45)
13 calendar days after the date the Class Notices are mailed (judged by the postmark date) to Class Members
14 by the Settlement Administrator, on or before which a Class Member, may (1) validly submit a Notice of
15 Objection, (2) submit a Request for Exclusion, or (3) challenge with documentary evidence his or her
16 Total Workweeks.

17 23. "PAGA Allocation" means and refers to the total sum of Ten Thousand Dollars (\$10,000)
18 of the Gross Fund Value which constitutes penalties pursuant to California's Private Attorneys General
19 Act of 2004 (California Labor Code § 2699 et seq., or "PAGA,") and pursuant to Labor Code Section
20 2699(i), which will be distributed as follows: 75% (which totals \$7,500) to the California Labor and
21 Workforce Development Agency and the remaining 25% (which totals \$2,500) to the Aggrieved
22 Employees on a proportionate basis ("Individual PAGA Payment(s)") based on the number of PAGA Pay
23 Periods employed during the PAGA Period.

24 24. "PAGA Period" is defined as the period of time from December 1, 2021 through October
25 20, 2023.

26
27 25. "PAGA Pay Periods" mean and refers the two week pay period in which an Aggrieved
28 Employee worked one or more days for Defendant during the PAGA Pay Period.

26. "Participating Class Member" means and refers to any and all Class Members who are not Excluded Class Members.

27. "Preliminary Approval Order" means, and refers to, the Order issued by the Court preliminarily approving the terms of the Settlement.

28. "Preliminary Approval Date" means and refers to the date that the Court enters the Preliminary Approval Order.

29. "Preliminary Approval Hearing" means and refers to the hearing on Named Plaintiff's Motion for Preliminary Approval.

30. "Qualified Settlement Fund" means and refers to the fund to be established by the Settlement Administrator pursuant to Internal Revenue Code Section 1.468B-1.

31. "Released Class Claims" is defined as any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature, arising from the claims pled in the Action or could have been pled based on the facts alleged in the Action, including, all claims for failure to pay for all hours worked, unpaid overtime, meal period violations, rest break violations, unpaid minimum wage, final wages not timely paid, failure to provide accurate wages statements, unlawful business practices under the California Labor Code and/or the California Business and Professions Code, including all claims for restitution or equitable relief, civil penalties, statutory penalties of any nature whatsoever, attorneys' fees and costs, including claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 204, 218, 218.5, 218.6, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; the California Unfair Competition Act, and in particular, California Bus. & Prof. Code §§ 17200 et seq, as well as the Industrial Welfare Commission Wage Orders.

32. "PAGA Released Claims" is defined as any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy under PAGA for claims asserted in the Action or that could have been asserted based on the facts alleged in the Action including (a) failure to pay for all hours worked; (b) unpaid overtime; (c) meal period violations; (d) rest break violations; (e) unpaid minimum wage; (f) failure

1 to promptly pay all wages due and owing at the time of an employee's termination or discharge; (g) failure
2 to provide accurate wages statements and (h) any and all penalties pursuant to the California Labor Code
3 and/or the Private Attorneys General Act of 2004 based on the preceding claims.

4 33. "Released Parties" means and refers to Defendant MAG Instrument, Inc. and its successors
5 in interest, past, present, or future parents, subsidiaries and related or affiliated corporations, and their
6 past, present, or future officers, directors, shareholders, employees, agents, principals, owners, operators,
7 heirs, joint employers, staffing agencies, representatives, accountants, auditors, attorneys, consultants,
8 insurers, and reinsurers, and each of their respective successors and predecessors in interest, subsidiaries,
9 affiliates, parents, and each of their company-sponsored employee benefit plans, and all of their respective
10 officers, directors, owners, administrators, fiduciaries, trustees, and agents.

11 34. "Service Award" means and refers to the amount that the Court authorizes to be paid to
12 the Named Plaintiff over and above his Individual Settlement Payment, in recognition of Named Plaintiff's
13 efforts in assisting with the prosecution of the Action on behalf of the Class Members and in consideration
14 of a General Release by Named Plaintiff as provided infra. Named Plaintiff will request, and Defendant
15 will not oppose, a Service Award up to Seven Thousand Dollars (\$7,000). Named Plaintiff will be issued
16 an IRS Form 1099 in connection with his Service Award.

17 35. "Settlement Administrator" means, and refers to ILYM Group, Inc. or another settlement
18 administration provider upon which the Named Plaintiff, Class Counsel, Defendant, and Defendant's
19 Counsel mutually agree.

20 35. "Settlement Administration Costs" means, and refers to, the amount that will be paid to the
21 Settlement Administrator, and includes all costs incurred in administering the Settlement, which will be
22 paid from the Gross Fund Value, as defined in Section I, Paragraph 17, supra. The Parties agree to work
23 in good faith to minimize, as much as possible, the Settlement Administration Costs. Defendant will not
24 object to an application for approval of the Settlement Administration Costs, provided the Settlement
25 Administration Costs are paid out of the Gross Fund Value and will not increase the Gross Fund Value.

26 36. "Total PAGA Pay Periods" shall mean the sum of all the PAGA Pay Periods for all
27 Aggrieved Employees during the PAGA Period.
28

37. "Workweeks" is any and all calendar weeks during the Class Period in which a Class Member worked for Defendant.

38. "Total Workweeks" means and refers to the sum of all the Workweeks for all Class Members during the Class Period.

II. RECITALS

This Stipulation is made by the Named Plaintiff on behalf of himself and each of the other Class Members, on the one hand, and the Defendant, on the other hand, in this Action, and is subject to the approval of the Court.

A. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY

At or about the time that the Named Plaintiff files his Motion for Preliminary Approval of this Settlement Agreement, the Named Plaintiff shall request certification of the Class for settlement purposes only.

Limitation on Effect of Certification.

The certification of the Class – for settlement purposes only – shall not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class or collective action for trial purposes is appropriate or proper or that Named Plaintiff could establish any of the requisite elements for class or collective treatment of any of the claims in the Action. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated or rendered null and void, the certification of the Class shall be automatically vacated and shall not constitute evidence or a binding determination that the requirements for certification of a class or collective action for trial purposes in this Action or in any other actions are satisfied. In such circumstances, Defendant expressly reserves all rights to challenge the Class certification for any purpose other than settlement purposes in this Action or in any other action on all available grounds as if no class had been certified for settlement purposes in the Action, and no reference to the prior certification of this class, or any documents related thereto, shall be made available for any purpose. Additionally, the Parties stipulate that to further the certification for settlement purposes only, and for no other purpose or effect, and which shall not constitute evidence or a binding admission, the Named Plaintiff is typical of other Class Members and can represent the Class.

1 **B. INVESTIGATION IN THE CLASS ACTION**

2 The Parties have conducted significant investigation of the facts and law during the prosecution of
3 this Action. Discovery and investigation included: the exchange of informal discovery between Plaintiff
4 and Defendant including the production by Plaintiff of documents related to Plaintiff's employment with
5 Defendant, the production of documents by Defendant including Defendant's employee handbooks,
6 policies and procedures regarding the payment of wages, time keeping, overtime, meal and rest periods
7 and the production of detailed voluminous class-wide payroll and time punch data by Defendant.
8 Plaintiff's counsel retained an expert to review timekeeping records and payroll records and to assist in
9 the preparation of a damage analysis for this litigation. Also there were numerous conferences between
10 representatives of the Parties and a full day-long mediation session with Hon. Dickran Tevrizian, Ret., an
11 experienced mediator of wage-and-hour class actions, on October 10, 2023.

12 **C. BENEFITS OF SETTLEMENT TO CLASS MEMBERS**

13 Named Plaintiff and Class Counsel recognize the expense and length of continued proceedings
14 necessary to litigate their disputes through trial and through any possible appeals. Named Plaintiff has
15 also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties
16 and delays inherent in such litigation. Named Plaintiff and Class Counsel are also aware of the burdens of
17 proof necessary to establish liability for the claims asserted in the Action, both generally and in response
18 to Defendant's defenses thereto (many of which have been shared at the mediation and in settlement
19 discussions). Named Plaintiff and Class Counsel have also taken into account the extensive settlement
20 negotiations conducted. Named Plaintiff and Class Counsel have also taken into account Defendant's
21 agreement to enter into a settlement that confers substantial relief upon the Class Members. Based on the
22 foregoing, Named Plaintiff and Class Counsel have determined that the Settlement set forth in this
23 Agreement is a fair, adequate and a reasonable settlement, and is in the best interests of the Class Members.

24 **D. DEFENDANT'S REASONS FOR SETTLEMENT**

25 Defendant has concluded that any further defense of this litigation would be protracted and
26 expensive for all Parties. Substantial amounts of Defendant's time, energy and resources have been and,
27 unless this Settlement is made, will continue to be devoted to the defense of the claims asserted in the
28 Action. Defendant has also taken into account the risks of further litigation in reaching its decision to

1 enter into this Settlement. Defendant has, therefore, agreed to settle in the manner and upon the terms set
2 forth in this Agreement to put to rest the claims as set forth in the Action.

3 **E. DEFENDANT'S DENIAL OF WRONGDOING**

4 Defendant does not admit any wrongdoing and contends that it fully complied with the law at all
5 times in all respects. Whether the Settlement is finally approved, neither this Settlement, nor any terms,
6 document, statement, proceeding or conduct related to settlement, nor any reports or accounts thereof,
7 shall in any event be (a) construed as, offered or admitted in evidence as, received as, or deemed to be
8 evidence for any purpose, including, but not limited to, evidence of a presumption, concession, indication,
9 or admission by Defendant of any fault, wrongdoing, liability and/or unlawful activity whatsoever or any
10 effort to certify a class or collective action; or (b) disclosed, referred to, or offered or received in evidence,
11 in any further proceeding in this action, or any other civil, criminal or administrative action or proceeding,
12 except for purposes of settling this Action or enforcing this Settlement, or as a defense to any claims
13 released by the Settlement.

14 **F. NAMED PLAINTIFF'S CLAIMS**

15 Named Plaintiff has claimed and continues to claim that the Released Class Claims and PAGA
16 Released Claims have merit and give rise to liability on the part of Defendant. This Agreement is a
17 compromise of disputed claims. Nothing contained in this Agreement and no documents referred to herein
18 and no action taken to carry out this Agreement may be construed or used as an admission by or against
19 the Named Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted.

20 **III. STIPULATION AND AGREEMENT**

21 **NOW, THEREFORE, IT IS HEREBY STIPULATED**, by and among the Named Plaintiff on
22 behalf of the Class Members on the one hand, and Defendant on the other hand, and subject to the approval
23 of the Court, that the Action is hereby being compromised and settled pursuant to the terms and conditions
24 set forth in this Agreement, subject to the definitions and recitals set forth in Sections I and II, supra,
25 which by this reference become an integral part of this Agreement, and subject to the following terms and
26 conditions:

27 1. **Full Investigation.** Named Plaintiff and Class Counsel have fully investigated the factual
28 and legal bases for the causes of action asserted in the Action.

1 2. Release As To All Participating Class Members. Upon the Effective Date and upon
2 Defendant fully funding the Settlement, the Participating Class Members, including the Named Plaintiff,
3 release and discharge the Released Parties for the Released Class Claims for the Class Period.

4 3. Release as To All Aggrieved Employees. Upon the Effective Date and upon Defendant
5 fully funding the PAGA Allocation, the Aggrieved Employees, including the Named Plaintiff, release and
6 discharge the Released Parties for the PAGA Released Claims for the PAGA Period.

7 4. General Release By Named Plaintiff Only. In addition to the releases made by the
8 Participating Class Members and Aggrieved Employees as set forth in Section I, Paragraphs 31 and 32
9 supra, Named Plaintiff, in exchange for the Service Award as requested or as otherwise authorized by the
10 Court, will, as of the Effective Date and Defendant fully funding the Settlement, make the additional
11 following General Release of all his claims, known or unknown, in exchange and consideration of the sum
12 set forth in Section I, Paragraph 34, supra. As of the Effective Date and upon Defendant fully funding the
13 Settlement, Named Plaintiff on behalf of himself (and his respective former and present spouses,
14 representatives, agents, attorneys, heirs, administrators, successors, and assigns) only agrees to the
15 General Release of the Released Parties. Named Plaintiff as of the Effective Date and Defendant fully
16 funding the settlement also agrees to release and discharge any and all claims, actions, or causes of action
17 including, but not limited to, all claims set forth in the Action, overtime wages, meal and rest period
18 violations and penalties, payment of wages at the time of termination, wage statement violations, unfair
19 business practices, penalties under the Private Attorneys General Act, and all other Released Class Claims.
20 Also, without limiting the generality of the foregoing: NAMED PLAINTIFF ONLY ON BEHALF OF
21 HIMSELF (AND HIS RESPECTIVE FORMER AND PRESENT SPOUSES, REPRESENTATIVES,
22 AGENTS, ATTORNEYS, HEIRS, ADMINISTRATORS, SUCCESSORS, AND ASSIGNS) ALSO
23 SPECIFICALLY WAIVES, DISCHARGES AND RELEASES OF ANY AND ALL CLAIMS,
24 ACTIONS, CAUSES OF ACTION, AND RIGHTS TO RECOVERY ARISING OUT OF HIS
25 EMPLOYMENT WITH DEFENDANT INCLUDING BUT NOT LIMITED TO RIGHTS ARISING
26 OUT OF ALLEGED VIOLATIONS OF (1) ANY CONTRACTS, EXPRESS OR IMPLIED, (2) ANY
27 COVENANT OF GOOD FAITH AND FAIR DEALING, EXPRESS OR IMPLIED, (3) ANY TORT, (4)
28 ANY LEGAL RESTRICTIONS ON THE COMPANY'S RIGHT TO TERMINATE EMPLOYEES, OR

(5) ANY FEDERAL, STATE OR OTHER GOVERNMENTAL STATUTE, REGULATION OR ORDINANCE, INCLUDING, WITHOUT LIMITATION: THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE CIVIL RIGHTS ACT OF 1866; 42 U.S.C. § 1981; THE CALIFORNIA FAIR EMPLOYMENT AND HOUSING ACT; SECTION 503 OF THE REHABILITATION ACT OF 1973; THE AMERICANS WITH DISABILITIES ACT, AS AMENDED; THE FAIR LABOR STANDARDS ACT (INCLUDING THE EQUAL PAY ACT); THE CALIFORNIA CONSTITUTION; THE CALIFORNIA LABOR CODE; THE FAMILY MEDICAL LEAVE ACT; THE CALIFORNIA FAMILY RIGHTS ACT; THE GENETIC INFORMATION NON-DISCRIMINATION ACT; THE AGE DISCRIMINATION IN EMPLOYMENT ACT; THE OLDER WORKERS BENEFIT PROTECTION ACT; THE NATIONAL LABOR RELATIONS ACT; THE LILLY LEDBETTER FAIR PAY ACT OF 2009; THE FAIR CREDIT REPORTING ACT; THE FALSE CLAIMS ACT; THE SARBANES-OXLEY ACT; THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT, THE OCCUPATIONAL SAFETY AND HEALTH ACT; WAGE CLAIMS OF ALL TYPES, WHETHER FOR NON-PAYMENT, LATE PAYMENT, OVERTIME, REST PERIODS, MEAL PERIODS, BONUSES, COMMISSIONS, VACATION, DEDUCTIONS AND/OR PENALTIES; WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY; AND UNFAIR BUSINESS PRACTICES WHICH NAMED PLAINTIFF NOW HAS, OR CLAIMS TO HAVE, OR WHICH NAME PLAINTIFF AT ANY TIME HERETOFORE HAD, OR CLAIMED TO HAVE, AGAINST ANY OF THE RELEASED PARTIES.

The General Release as to Named Plaintiff includes a complete release of any and all unknown claims that Named Plaintiff does not know or suspect to exist in his favor at the time of the General Release, which, if known by him, might have affected his settlement with, and release of, the Released Parties or might have affected his decision not to object to this Settlement or the General Release.

With respect to his General Release, Named Plaintiff stipulates and agrees that, upon the Effective Date and Defendant fully funding the settlement, Named Plaintiff shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, which provides:

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

4 Named Plaintiff may hereafter discover facts in addition to or different from those he now knows
5 or believes to be true with respect to the subject matter of the General Release, but Named Plaintiff upon
6 the Effective Date shall be deemed to have, and by operation of the Final Approval Order and Judgment
7 shall have, fully, finally, and forever settled and released any and all of the claims released pursuant to the
8 General Release whether known or unknown, suspected or unsuspected, contingent or non-contingent,
9 which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into
10 existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without
11 malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of
12 such different or additional facts.

13 5. Service Award. Subject to Court approval, and expressly in exchange for the release of
14 claims and for his time and effort in bringing and prosecuting this matter, Named Plaintiff shall be paid a
15 Service Award up to a total of Seven Thousand Dollars (\$7,000), or such other distribution or lower
16 amount as the Court may order. The Service Award shall be paid from the Gross Fund Value and shall
17 not increase the Gross Fund Value. The Service Award shall be paid to the Named Plaintiff by the
18 Settlement Administrator no later than ten (10) business days after Defendant delivers the Gross Fund
19 Value to the Settlement Administrator for deposit into the Qualified Settlement Fund. The Parties agree
20 that a decision by the Court to award Named Plaintiff an amount less than the amount stated above shall
21 not be a basis for Class Counsel to void this Stipulation. The Settlement Administrator shall issue Named
22 Plaintiff an IRS Form 1099 for the Service Award. Any amount awarded for service payments to the
23 Named Plaintiff less than the requested amount will result in the non-awarded funds to be awarded to
24 Participating Class Members on a proportionate basis as part of their Individual Settlement Payment. The
25 Named Plaintiff shall be solely and legally responsible to pay any and all applicable taxes on the Service
26 Award. The Service Award shall be paid in addition to the Named Plaintiff's Individual Settlement
27 Payment as a Participating Class Member.

1 6. Tax Liability. Defendant makes no representations as to the tax treatment or legal effect
2 of the payments called for hereunder, and Named Plaintiff and Participating Class Members are not relying
3 on any statement or representation by Defendant in this regard. Named Plaintiff and Participating Class
4 Members understand and agree that except for Defendant's payment of the employer's portion of any
5 payroll taxes, they will be solely responsible for the payment of any and all taxes and penalties assessed
6 on the payments described herein.

7 7. CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR
8 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS
9 AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY")
10 ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO
11 WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR
12 THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY
13 SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED
14 UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY
15 DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING
16 PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL
17 AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS
18 AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE
19 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
20 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
21 DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY
22 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
23 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT
24 PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX
25 STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON
26 DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX
27 STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED
28 BY THIS AGREEMENT.

1 8. Creation Of The Qualified Settlement Fund And Administration Of The Settlement.

2 Within fourteen (14) days of the Effective Date, Defendant shall deliver the Gross Fund Value of One
3 Hundred Fifty Thousand Dollars (\$150,000) as required by this Stipulation into the Qualified Settlement
4 Fund created by the Settlement Administrator. Defendant shall also simultaneously deliver to the
5 Settlement Administrator, Defendant's (Employer) share of payroll taxes, including but not limited to,
6 FICA, FUTA and SDI contributions. In addition to the employer's portion of payroll taxes, payments
7 from the Qualified Settlement Fund shall be made (1) for the Service Award to the Named Plaintiff, as
8 specified in this Agreement and approved by the Court; (2) the Attorneys' Fees and Cost Award to be paid
9 to Class Counsel, as specified in this Agreement and approved by the Court; (3) the Settlement
10 Administration Costs; and (4) PAGA Allocation.

11 9. Escalation Clause. Defendant represents that there are 53,000 workweeks during the Class
12 Period. If the number of the workweeks during the Class Period exceeds 53,000 by more than 10%, the
13 Gross Fund Value will increase by a proportionate percentage above the 10% cushion (i.e., if the
14 workweeks increased by 12%, the Gross Fund Value would increase by 2%).

15 10. Attorneys' Fees And Cost Award. Defendant agrees not to oppose or impede any
16 application or motion by Class Counsel for attorneys' fees in the amount of Thirty-Three and One Third
17 percent (33 $\frac{1}{3}$ %) of the Gross Fund Value which equates to Fifty Thousand Dollars (\$50,000.00).
18 Defendant further agrees not to oppose any application or motion by Class Counsel for the reimbursement
19 of any actual costs associated with Class Counsel's prosecution of this matter not in excess of Eighteen
20 Thousand Dollars (\$18,000). Class Counsel will provide verification of the cost amount that it is seeking
21 to be reimbursed. Any amount awarded for attorneys' fees and costs less than the allocated amounts will
22 result in the non-awarded amounts to be awarded to Participating Class Members on a proportionate basis
23 as part of their Individual Settlement Payments. The amount of the Attorneys' Fees and Cost Award is not
24 a material term of this Agreement and if the Court approves an Attorneys' Fees and Cost Award less than
25 the amount requested, it shall not result in the Agreement being void. Class Counsel shall be paid any
26 Court-approved fees and costs no later than ten (10) business days after Defendant delivers the required
27 funds to the Settlement Administrator for deposit into the Qualified Settlement Fund. Class Counsel shall
28 be solely and legally responsible to pay all applicable taxes on the payment made to Class Counsel. Forms

1 1099 – MISC, Box 14 shall be provided to Class Counsel for the payments made, and Class Counsel shall
2 provide, before the Effective Date, properly completed Forms W-9.

3 11. Settlement Administrator. The Settlement Administrator shall be paid for the costs of
4 administration of the Settlement out of the Gross Fund Value as deposited in the Qualified Settlement
5 Fund. The estimate of such costs of administration for the disbursement of the Gross Fund Value is no
6 more than Fifteen Thousand Dollars (\$15,000.) Any amount awarded for costs of administration to the
7 Settlement Administrator, or such other entity upon whom the Parties mutually agree, less than Fifteen
8 Thousand Dollars and 00/100 (\$15,000) will result in the non-awarded amount to be awarded to
9 Participating Class Members on a proportionate basis as part of their Individual Settlement Payments.
10 This estimate includes all tasks required of the Settlement Administrator by this Agreement including the
11 issuance of the Notice, the issuance of settlement checks, the required tax reporting on the settlement
12 amounts, including the issuing of W2 and 1099 forms (if any), the handling of Class Member questions
13 and disputes and the calculation of employee withholding taxes and the employer payroll taxes, which
14 will be remitted to the tax authorities by the Settlement Administrator. At least sixteen (16) court days
15 prior to the Final Approval Hearing, the Settlement Administrator shall provide the Court and all counsel
16 for the Parties with a statement detailing the costs of administration of the Gross Fund Value and the
17 breakdown of the Gross Fund Value.

18 12. Preliminary Settlement Hearing/Alterations to this Agreement. As part of this Settlement,
19 the Parties agree to the following procedures for obtaining preliminary Court approval of the Settlement:

20 a. Plaintiff shall file a Motion for Preliminary Approval and request a hearing before the
21 Court to request preliminary approval of the Settlement and to request the entry of the Preliminary
22 Approval Order. Plaintiff shall also provide notice to the LWDA of the proposed settlement as required
23 by California Labor Code section 2699, subdivision (l)(2), as well as any other information required by
24 law to be provided to the LWDA to effectuate the terms of this Agreement.

25 b. Simultaneous with and/or included in the filing of the Motion for Preliminary Approval,
26 and solely for purposes of this Settlement, Named Plaintiff will request the Court to enter the Preliminary
27 Approval Order, preliminarily approving the proposed Settlement, conditionally certifying the Class, and
28 setting a date for a Final Approval Hearing.

c. In conjunction with the Motion for Preliminary Approval, Named Plaintiff will submit this Joint Stipulation and Settlement of Class Action and PAGA Claims, which sets forth the terms of this Settlement Agreement, and will include proposed forms of all notices and other documents as attached hereto necessary to implement the Settlement. The Preliminary Approval Order shall provide for Notice of the Settlement to be sent to Class Members as specified herein.

d. In the event any provision of the Settlement is rejected by the Court, the Parties will work in good faith to negotiate alteration of the rejected term. The Parties agree to use the services of a mediator if informal efforts to negotiate alteration have been exhausted.

e. If, following the Parties' good faith efforts and mediation, the Parties cannot agree on alterations, or if ultimately the Court does not grant preliminary or final approval of the Settlement in its entirety, or if the Court's final approval of the Settlement agreement is reversed or materially modified on appellate review, then this Settlement will become null and void. In such case, the Settlement shall not be used, referenced, or be admissible in any subsequent proceedings, either in this Action, in this Court, or in any other Court or forum.

13. Settlement Administration/Management. The Individual Settlement Payments and Individual PAGA Payments shall be managed and administered as follows:

a. Settlement administrator, ILYM Group, Inc. or such other entity upon whom the Parties mutually agree, shall be retained to serve as Settlement Administrator. The Parties each represent they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

b. Defendant shall provide the Settlement Administrator the Class and PAGA Member Data within fourteen (14) days of the Preliminary Approval Date.

c. Within twenty one (21) days of receipt of the Class and PAGA Member Data, the Settlement Administrator shall mail the Class Notice to each Class Member in accordance with Section III, Paragraph 16, infra.

d. Participating Class Members will be eligible to receive an Individual Settlement Payment, calculated in accordance with Section III, Paragraph 14, infra. Aggrieved Employees will be eligible to receive an Individual PAGA Payment, calculated in accordance with Section III, Paragraph 15, infra.

1 e. The Settlement Administrator shall provide Defendant's Counsel and Class Counsel a
2 weekly report showing the number of Class Members who have objected to or requested exclusion from
3 the Settlement (if any). Sixteen (16) court days prior to the Final Approval Hearing, the Settlement
4 Administrator shall provide Defendant's Counsel and Class Counsel a final report showing the names and
5 number of Class Members who have requested exclusion from the Settlement.

6 f. The Parties agree to cooperate in the settlement administration process and to make all
7 reasonable efforts to control and minimize the costs and expenses incurred in administration of the
8 Settlement.

9 g. The Settlement Administrator shall be responsible for: printing and mailing the Notices as
10 directed by the Court; receiving and reporting the objections/requests for exclusion and challenges to the
11 Individual Settlement Payments submitted by Class Members; mailing Individual Settlement Payments to
12 Participating Settlement Class Members; mailing Individual PAGA Payments to Aggrieved Employees;
13 the payment to the Labor Workforce Development Agency; and other tasks as the Parties mutually agree
14 or the Court orders the Settlement Administrator to perform (including the calculation and remittance of
15 employer taxes which will be paid by Defendant in addition to Gross Fund Value.) The Settlement
16 Administrator shall keep Defendant's Counsel and Class Counsel timely apprised of the performance of
17 all Settlement Administrator responsibilities.

18 h. The Settlement Administrator, on Defendant's behalf, shall have the authority and
19 obligation to make payments, credits and disbursements, including payments and credits in the manner
20 set forth herein to Participating Class Members, calculated in accordance with the methodology set out in
21 this Agreement and orders of the Court.

22 i. Any tax return filing required by this Agreement shall be made by the Settlement
23 Administrator. Any expenses incurred in connection with such filing shall be a cost of administration of
24 the Settlement and shall not increase the Gross Fund Value.

25 j. No person shall have any claim against Defendant or Defendant's Counsel, the Named
26 Plaintiff, Class Members, the Class, Class Counsel or the Settlement Administrator based on distributions
27 and payments made in accordance with this Agreement.

k. The Settlement Administrator will provide to Defendant, as soon as practicable, but no later than sixty (60) days after Preliminary Approval is granted, a fully-executed IRS W-9 form and a completed Supplier Profile and ACH Enrollment Form which Defendant requires to process and issue any payment.

14. Calculation and Administration Of Individual Settlement Payments. The Individual Settlement Payments will be calculated as follows:

a. The Settlement Administrator will be provided each Class Member's Workweeks as defined in Section I, Paragraph 38, supra, based on the Class and PAGA Member Data, which shall be presumed to be correct. If a Class Member disagrees with his or her Workweeks, which shall be set forth in the Notice he or she may challenge the Workweeks in the manner set forth infra.

b. The Settlement Administrator will calculate the Total Workweeks by adding the sum of all of the Participating Class Members' Workweeks.

c. The Settlement Administrator will divide the Net Fund Value by the Total Workweeks to calculate the "Weekly Settlement Amount".

d. The Settlement Administrator will calculate each Class Members' Individual Settlement Payment by multiplying his or her Workweeks by the Weekly Settlement Amount. Each Class Members' estimated Individual Settlement Payment will be indicated on the Notice.

e. The Individual Settlement Payment estimates indicated on the Notice are subject to change, depending on factors including: (i) how many Class Members become Excluded Class Members (resulting in their Workweeks being removed from the final Total Workweeks, thereby increasing the final weekly settlement amount); (ii) any changes to the Total Workweeks resulting from challenges to Total Workweeks submitted by Class Members resulting in workweek adjustments, which may increase or decrease the final Aggregate Workweek Number and the final weekly settlement amount; and (iii) any increases or reductions in the Net Fund Value which may result from, inter alia, changes to the actual amount of PAGA Allocation, and/or Settlement Administration Costs approved by the Court.

f. Each Participating Class Member's Individual Settlement Payment will be allocated as follows: (a) 20% as wages; and (b) 80% as interest and penalties. The portion allocated to wages ("Wage

Component”) shall be reported on an IRS Form W-2 and the portions allocated to interest and penalties (the “Non-Wage Component”) shall be reported on an IRS Form-1099 by the Settlement Administrator.

g. The employee’s portion of employment taxes, including payroll deductions for state and federal withholding taxes, and any other applicable payroll deductions, shall be made from each Participating Class Member’s Wage Component. The Settlement Administrator will issue a W-2 for the Wage Component. No withholding shall be made on the Non-Wage Component. The Settlement Administrator will issue an IRS Form 1099 for the Non-Wage Component.

15. Calculation and Administration of the PAGA Allocation. The Individual PAGA Payment will be calculated as follows:

a. The Settlement Administrator shall pay \$7,500 (75% of the PAGA Allocation) to the LWDA.

b. The Settlement Administrator will determine the number of Aggrieved Employees and the Total PAGA Pay Periods, which shall be presumed to be correct.

c. The Settlement Administrator will divide the \$2,500 (25% of the total PAGA Allocation) by the amount of Total PAGA Pay Periods to obtain the amount to allocate to each PAGA Pay Period.

d. The Settlement Administrator will calculate each Aggrieved Employee’s Individual PAGA Payment by multiplying his/her PAGA Pay Periods by the amount allocated to each PAGA Pay Period. Each Aggrieved Employee’s Individual PAGA Payment will be indicated on the Notice.

e. The PAGA Allocation is subject to Court approval and may change on this basis.

f. Each Aggrieved Employees’ Individual PAGA Payment will be allocated as 100% penalties and shall be reported on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator, on Defendant’s and Class Counsel’s collective behalf, shall have the authority and obligation to make payments, credits and disbursements, including payments and credits in the manner set forth herein, to Aggrieved Employees and Class Members calculated in accordance with the methodology set out in this Agreement and orders of the Court. The Settlement Administrator shall be responsible for calculating and withholding all required state and federal taxes.

16. Notice To Class Members and Aggrieved Employees. Notice of the Settlement shall be provided to all Class Members and Aggrieved Employees using the following procedures:

1 a. Notice By First-Class Mail. Within twenty-one (21) days after receipt of the Class and
2 PAGA Member Data, the Settlement Administrator shall mail the Class Notice, which has been mutually
3 approved by counsel for the Parties, to the Class Members via first-class regular U.S. Mail. The Class
4 Notice is substantially in the form annexed hereto as Exhibit A. Prior to mailing, the Settlement
5 Administrator will perform a search based on the National Change of Address Database information to
6 update and correct for any known or identifiable address changes. If a new address is obtained by a way
7 of a returned Class Notice, then the Settlement Administrator shall promptly forward the original Class
8 Notice to the updated address via first-class regular U.S. mail indicating on the original Class Notice the
9 date of such re-mailing.

10 b. No Requirement for a Claim Form. Class Members shall not be required to submit a Claim
11 Form to receive an Individual Settlement Payment or Individual PAGA Payment.

12 c. Objection/Exclusion Deadline Date and Deadline to Challenge Workweeks: Class
13 Members will have forty-five (45) calendar days from the mailing of the Class Notice to submit an
14 objection and/or request for exclusion from the Settlement, or challenge the Workweeks indicated on their
15 Class Notice. Class Members to whom Class Notices are resent after having been returned undeliverable
16 to the Settlement Administrator per the paragraph below shall have an additional 14 calendar days beyond
17 the Objection/Exclusion Deadline Date.

18 d. Procedure For Undeliverable Notices. Any Class Notices returned to the Settlement
19 Administrator as non-delivered on or before the Objection/Exclusion Deadline Date shall be sent to the
20 forwarding address affixed thereto within five (5) business days. If no forwarding address is provided,
21 then the Settlement Administrator shall promptly attempt to determine a correct address using a single
22 skip-trace, computer or other search using the name and address of the individual involved, and shall then
23 perform a single re-mailing within five (5) business days. In the event the procedures in this paragraph are
24 followed and the intended recipient of a Notice still does not receive the Notice, the Class Member shall
25 be bound by all terms of the Settlement and any Final Approval Order and Judgment entered by the Court
26 if the Settlement is approved by the Court.

27 e. No later than sixteen (16) court days prior to the Final Approval Hearing, the Settlement
28 Administrator shall provide Defendant's Counsel and Class Counsel: (i) the names and contact

1 information of the Class Members objecting to or requesting exclusion from the Settlement; and (ii) the
2 amount owed to each Participating Class Member.

3 17. Procedure For Objecting To or Requesting Exclusion From The Class Action Settlement,
4 or Challenging Total Workweeks. The Class Members shall submit objections to the Settlement or request
5 exclusion from the Settlement and/or submit a challenge to their Total Workweeks using the following
6 procedures:

7 a. Procedure For Objecting. The Class Notice shall provide that those Class Members who
8 wish to object to the Settlement shall mail a written statement of objection ("Notice of Objection") to the
9 Settlement Administrator, no later than the Objection/Exclusion Deadline Date. The postmark date of the
10 mailing shall be deemed the exclusive means for determining if a Notice of Objection is timely. The Notice
11 of Objection must contain the Class Member's name, the last four digits of his/her social security number,
12 dates of employment, current contact information, a statement providing the basis for the Class Member's
13 objections, a statement advising if the objecting Class Member plans to address the Court at the Settlement
14 Fairness Hearing, and any legal briefs, papers or memoranda the objecting Class Member proposes to
15 submit to the Court. Class Members regardless of whether or not they submit a written objection to the
16 Settlement Administrator will have the right to appear at the Final Approval Hearing in order to have their
17 objections heard by the Court. No later than sixteen (16) court days before the Settlement Fairness
18 Hearing, the Settlement Administrator shall provide counsel for the Parties with complete copies of all
19 Notice of Objections received, including the postmark dates for each Notice of Objection. Class Counsel
20 and Counsel for Defendant shall file any responses to any Notice of Objections submitted to the Court in
21 accordance with this Settlement Agreement at least five (5) days before the Final Approval Hearing.

22 b. Procedure For Requesting Exclusion. The Notice shall provide that Class Members who
23 wish to exclude themselves from the Class must submit a written request to be excluded ("Request for
24 Exclusion") from the Class on or before the Objection/Exclusion Deadline Date. Such Request for
25 Exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social
26 Security number of the person requesting exclusion; (2) must be signed by the person requesting
27 exclusion; (3) must be returned by mail to the Settlement Administrator at the specified address; (4) and
28 must be postmarked on or before the Objection/Exclusion Deadline Date. The date of the postmark on

1 the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion
2 has been timely submitted. Any Class Member who requests an exclusion from the Class will not be
3 entitled to any recovery under the Class Settlement and will not be bound by the Released Class Claims
4 or have any right to object, appeal or comment thereon. Class Members who fail to submit valid and
5 timely a Request for Exclusion on or before the Objection/Exclusion Deadline Date shall be Participating
6 Class Members and shall be bound by all terms of the Settlement and any Final Approval Order and
7 Judgment entered in this Class Action if the Settlement is approved by the Superior Court. No later than
8 sixteen (16) court days before the Settlement Fairness Hearing, the Settlement Administrator shall provide
9 counsel for the Parties with a complete list of all members of the Settlement Class who have timely
10 submitted a Request for Exclusion. At no time shall any of the Parties or their counsel seek to solicit or
11 otherwise encourage members of the Class to submit a Request for Exclusion. Requests for Exclusions
12 do not apply to the settlement PAGA for Aggrieved Employees; Aggrieved Employees will be bound by
13 to the release of PAGA Released Claims irrespective of whether they exclude themselves from the Class
14 Settlement. For the avoidance of doubt, no Aggrieved Employee may opt out of the release of PAGA
15 Released Claims. A Class Member may not submit both a Notice of Objection and a Request for
16 Exclusion.

17 c. Procedure for Contesting Individual Settlement Payment: Each Class Members will have
18 the opportunity, should he/she disagree with Defendant's records regarding his/her Workweeks as
19 presented in his/her Class Notice, to provide documentation to show contrary dates worked. To do so,
20 Class Members must contact the Settlement Administrator, along with all applicable documentary
21 evidence to support his/her dispute regarding his/her Workweeks prior to the Objection/Exclusion
22 Deadline. Moreover, an individual can only dispute his/her number of Workweeks if he/she does not
23 exclude himself/herself from the Settlement. If there is a dispute, the Settlement Administrator will consult
24 with the Parties to determine whether a workweek adjustment is warranted. Class Counsel and
25 Defendant's Counsel shall meet and confer in an attempt to reach an agreement regarding whether a
26 workweek adjustment is warranted based on the documentary evidence submitted by the Class Member
27 to challenge his/her Workweeks. In the event that a workweek adjustment is warranted, the additional
28

amount owed to said Class Member, if any, shall be paid as part of that Participating Class Member's Individual Settlement Payment and no adjustment will result in an increase to the Gross Fund Value.

d. No Solicitation Of Settlement Objections. The Parties agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written objections to the Settlement or appeal from the Final Approval Order and Judgment.

18. Procedure For Payment Of Individual Settlement Payments and Individual PAGA Payments:

a. All Participating Class Members will receive an Individual Settlement Payment.

b. All Aggrieved Employees shall be bound by the release of PAGA Released Claims, and will be issued an Individual PAGA payment. For the avoidance of doubt, no Aggrieved Employee may opt out of the PAGA settlement.

c. Individual Settlement Payments for Class Members and Individual PAGA Payments for Aggrieved Employees shall be paid exclusively from the Qualified Settlement Fund, pursuant to the settlement formula set forth herein, and shall be mailed within ten (10) business days after Defendant delivers the required funds to the Settlement Administrator for deposit into the Qualified Settlement Fund.

c. Should any question arise regarding the determination of eligibility for, or the amounts of, any Individual Settlement Payment or Individual PAGA Payments under the terms of this Agreement, Class Counsel and Defendant's Counsel shall meet and confer in an attempt to reach agreement and shall utilize the services of a mediator if they cannot reach an agreement informally.

d. Any checks issued by the Settlement Administrator to Participating Class Members and/or Aggrieved Employees shall be negotiable for one hundred and eighty (180) calendar days. Those funds represented by Settlement checks returned as undeliverable and those Settlement checks remaining uncashed for more than one hundred and eighty (180) days after issuance (collectively, "Uncashed Settlement Checks") shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. for the benefits of those Settlement Class Members who did not cash their checks until such time they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure

1 Code Section 384, as the entire Net Fund Value (NFV) will be paid out to Settlement Class Members,
2 whether or not they all cash their settlement checks.

3 e. Although Participating Class Members who do not timely cash their Individual Settlement
4 Payments shall not immediately receive the monies from those checks, such persons shall nonetheless be
5 Participating Class Members and will be bound by all terms of the Settlement and any Final Approval
6 Order and Judgment entered in this Class Action if the Settlement is approved by the Superior Court,
7 including the release of the Released Class Claims, unless they timely file a valid request for exclusion as
8 set forth herein.

9 19. Claims Deemed Waived. Any Class Member who does not request exclusion as set forth
10 above is deemed to be a Participating Class Member and thereby is deemed to have released the Released
11 Class Claims against Released Parties for the Class Period as set forth herein, regardless of whether or not
12 they timely cash their Individual Settlement Payment.

13 20. Certification By Settlement Administrator. Upon completion of administration of the
14 distributions, the Settlement Administrator shall provide written certification of such completion to the
15 Court and counsel for all Parties.

16 21. Final Approval Hearing And Entry Of Final Approval Order and Judgment. Upon
17 expiration of the Objection/Exclusion Deadline Date, with the Court's permission, a Final Approval
18 Hearing shall be conducted to determine final approval of the Settlement along with the amount properly
19 payable for (i) the Attorneys' Fees and Cost Award, (ii) any Service Awards, and (iii) Settlement
20 Administration Costs. The Final Approval Hearing shall not be held earlier than twenty-five (25) calendar
21 days from Objection/Exclusion Deadline Date. Upon Final Approval of the Settlement by the Court, Class
22 Counsel shall prepare and the Parties shall present the Final Approval Order and Judgment, in a form
23 agreed to in advance by the Parties, for the Court's approval. After entry of the Final Approval Order and
24 Judgment, the Court shall have continuing jurisdiction solely for purposes of addressing: (i) the
25 interpretation and enforcement of the terms of the Settlement; (ii) Settlement administration matters; and
26 (iii) such post-Final Approval Order and Judgment matters as may be appropriate under court rules or as
27 set forth in this Agreement.

22. Defendant shall discharge its obligations to the Class Members through the remittance of the Individual Settlement Payments to the Class Members by the Settlement Administrator as set forth hereinabove, regardless of whether checks representing individual settlement sums are actually received and/or negotiated by Participating Class Members. Once Defendant has complied with the obligations set forth in this Joint Stipulation and Settlement of Class Action and PAGA Claims, it will be deemed to have satisfied all terms and conditions under this Settlement Agreement and shall have no further obligations under the terms of the Settlement Agreement regardless of what occurs with respect to those sums.

23. Nullification Of Settlement Agreement. In the event: (i) the Court does not finally approve the Settlement as provided herein; or (ii) the Court does not enter a Final Approval Order and Judgment as provided herein, which becomes final as a result of the occurrence of the Effective Date, this Settlement Agreement shall be null and void and any order or judgment entered by the Court in furtherance of this Settlement shall be treated as void from the beginning. In such a case, the Parties and any funds to be awarded under this Settlement shall be returned to their respective statuses as of the date and time immediately prior to the execution of this Agreement, and the Parties shall proceed in all respects as if this Settlement Agreement had not been executed. In the event an appeal is filed from the Court's Final Approval Order and Judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review, as well as any fees incurred by the Settlement Administrator prior to it being notified of the filing of an appeal from the Court's Final Approval Order and Judgment, or any other appellate review.

24. Right to Rescind Agreement: If 10% or more of the Class Members validly elect not to participate in the Settlement (Validly request exclusion from the Settlement), Defendant will have the right to rescind the Settlement and all actions taken in its furtherance will be null and void. Defendant must exercise this right within 10 calendar days after the Settlement Administrator notifies the Parties of the total valid elections not to participate received, which the Settlement Administrator will do within 7 calendar days after the deadline for submission of a request for exclusion.

25. No Effect On Employee Benefits. Neither the Individual Settlement Payments, Individual PAGA Payments, nor the Service Award to Named Plaintiff shall be deemed to be pensionable earning and shall not have any effect on the eligibility for, or calculation of, any of the employee benefits (e.g.,

vacations, holiday pay, retirement plans, etc.) of the respective Named Plaintiff or Participating Class Members. The Parties agree that any Individual Settlement Payments to Participating Class Members under the terms of this Agreement do not represent any modification of the Participating Class Members' previously credited hours of service or other eligibility criteria under any employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any Individual Settlement Payment, or Service Award hereunder shall not be considered "compensation" in any year for purposes of determining eligibility for, or benefit accrual within, an employee pension benefit plan or employee welfare benefit plan sponsored by Defendant. Neither Defendant nor Named Plaintiff are opining on the terms of any such Plan, each of which speaks for itself.

26. Dispute Resolution. Except as otherwise set forth herein, all disputes concerning the interpretation, calculation or payment of settlement claims, or other disputes regarding compliance with this Agreement shall be resolved as follows:

a. If the Named Plaintiff or Class Counsel, on behalf of the Named Plaintiff or any Class Member, or the Defendant at any time believes that the other Party has breached or acted contrary to the Agreement, that Party shall notify the other Party in writing of the alleged violation.

b. Upon receiving notice of the alleged violation or dispute, the responding Party shall have ten (10) calendar days to correct the alleged violation and/or respond to the initiating Party with the reasons why the Party disputes all or part of the allegation.

c. If the response does not address the alleged violation to the initiating Party's satisfaction, the Parties shall negotiate in good faith for up to ten (10) calendar days to resolve their differences.

d. If Class Counsel and Defense counsel are unable to resolve their respective parties' differences after twenty (20) calendar days referenced in Section III, Paragraph 26(a)-(c), supra, either Party may elect to file (1) an appropriate Code of Civil Procedure section 664.6 motion for enforcement with the Court, or (2) take any other legal action to enforce this Settlement Agreement.

e. In the event that the Court does not agree to adopt the above dispute resolution procedure as part of its Order granting final approval to the Settlement, then the above provisions for Dispute Resolution (Section III, paragraph 26(a)-(d)) are null and void, the remainder of the settlement is unaffected, and the parties shall remain free to submit disputes and/or motions for enforcement of the

1 settlement via appropriate noticed motion or ex parte application as though Section III, paragraph 23 was
2 not included herein.

3 27. No Retaliation. Defendant shall not take any adverse action against any Class Member
4 because of the existence of, and/or participation in, the Settlement, or because they choose to benefit from
5 the Settlement or to object to or opt out from the Settlement. Defendant shall not take action to discourage
6 Class Members from participating in the Settlement.

7 28. Exhibits And Headings. The terms of this Agreement include the terms set forth in any
8 attached Exhibit A which is incorporated by this reference as though fully set forth herein. Any exhibits
9 to this Agreement are an integral part of the Settlement. The descriptive headings of any paragraphs or
10 sections of this Agreement are inserted for convenience of reference only and do not constitute a part of
11 this Agreement.

12 29. Interim Stay Of Proceedings. The Parties agree to hold all proceedings in the Action
13 including all discovery events and efforts, except such proceedings necessary to implement and complete
14 the Settlement, in abeyance pending the Settlement Hearing to be conducted by the Court.

15 30. Amendment Or Modification. This Agreement may be amended or modified only by a
16 written instrument signed by counsel for all Parties or their successors-in-interest.

17 31. Entire Agreement. This Agreement and any attached exhibits constitute the entire
18 agreement among these Parties, and no oral or written representations, warranties or inducements have
19 been made to any Party concerning this Agreement or its exhibits other than the representations, warranties
20 and covenants contained and memorialized in such documents. Defendant shall not be required as part of
21 the Settlement to modify or eliminate any of its personnel, compensation or payroll practices, or adopt
22 any new personnel, compensation or payroll practices.

23 32. Authorization To Enter Into Settlement Agreement. Counsel for all Parties warrant and
24 represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement
25 and to take all appropriate action required or permitted to be taken by such Parties pursuant to this
26 Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of
27 this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to
28 effect the implementation of the Settlement. In the event the Parties are unable to reach agreement on the

1 form or content of any document needed to implement the Settlement, or on any supplemental provisions
2 that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance
3 of the Court and/or the mediator to resolve such disagreement. The persons signing this Agreement on
4 behalf of Defendant represents and warrants that they are authorized to sign this Agreement on behalf of
5 Defendant.

6 33. Binding On Successors And Assigns. This Agreement shall be binding upon, and inure to
7 the benefit of, the successors or assigns of the Parties hereto, as previously defined.

8 34. California Law Governs. All terms of this Agreement and the exhibits hereto shall be
9 governed by and interpreted according to the laws of the State of California.

10 35. No Public Disclosure prior to Preliminary Approval: Named Plaintiff, Defendant, and
11 Class Counsel will not make any public disclosure of the Settlement until after the filing of the Application
12 for Preliminary Approval of the Settlement. Named Plaintiff, Defendant, and Class Counsel represent that
13 they have not made any such disclosure. The foregoing shall not preclude Named Plaintiff or Class
14 Counsel from advising Class Members regarding this Settlement. This section does not preclude Class
15 Counsel or Named Plaintiff from performing their duties as Class Counsel and/or Class Representative.
16 This section does not preclude the posting of the Final Approval Order and Judgment on the Settlement
17 Administrator's website. Notwithstanding the foregoing, the Parties agree that Defendant may make such
18 disclosures that in Defendant's judgment are required in the ordinary course of business, except that
19 Defendant and its counsel shall not encourage Class Members to opt out. Thereafter, Class Counsel and
20 Named Plaintiff agree not to publicize about this case or the fact of or terms of this Settlement with the
21 media or others, including but not limited to, any newspaper, journal, magazine, website, and/or on-line
22 reporter of settlements. Class Counsel may, however, include references to this Settlement in their
23 curriculum vitae, for purposes of presentations in court filings only.

24 36. Counterparts. This Agreement may be executed in one or more counterparts. All executed
25 counterparts and each of them shall be deemed to be one and the same instrument provided that counsel
26 for the Parties to this Agreement shall exchange among themselves original signed counterparts.

37. This Settlement Is Fair, Adequate And Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

38. Jurisdiction Of The Court. The Court shall retain jurisdiction, pursuant to Code of Civil Procedure Section 664.6 or otherwise, with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

39. Cooperation And Drafting. Each of the Parties has cooperated in the drafting and preparation of this Agreement. Hence, in any construction made to this Agreement, the same shall not be construed against any of the Parties.

40. Invalidity Of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall 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.

PLAINTIFF AND CLASS REPRESENTATIVE

12/7/2023

Dated: _____

Paul Che

Paul Che

Defendant MAG INSTRUMENT, INC.

Dated: _____

By: _____

Its: _____

37. This Settlement Is Fair, Adequate And Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

38. Jurisdiction Of The Court. The Court shall retain jurisdiction, pursuant to Code of Civil Procedure Section 664.6 or otherwise, with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel hereto submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement embodied in this Agreement and all orders and judgments entered in connection therewith.

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40. Invalidity Of Any Provision. Before declaring any provision of this Agreement invalid, the Court shall 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.

PLAINTIFF AND CLASS REPRESENTATIVE

12/7/2023

Dated: _____

Paul Che

Paul Che

Defendant MAG INSTRUMENT, INC.

Dated: 12/08/2023

By: *Quellin Hopkins*

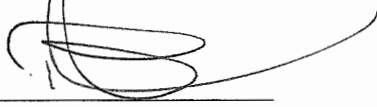
Its: _____
Chief Executive Officer

1 APPROVED AS TO FORM:

2 **CLASS COUNSEL**

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4 Dated: 12/7/23

Kokozian Law Firm, APC

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6 By: 

Bruce Kokozian

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8
9 Dated: 12-08-2023

By:



Anne Dwyer
Snell & Wilmer
Attorneys for Defendant

Exhibit “A”

NOTICE OF CLASS ACTION AND PAGA SETTLEMENT

Che v. Mag Instrument, Inc.

San Bernardino Superior Court Case Number CIVSB2214186

To You/Class Members who are defined as all current and former employees of Mag Instrument, Inc. employed in California, as non-exempt hourly paid employees, and who worked for Mag Instrument, Inc. at any time from July 7, 2018 and October 20, 2023.

You may be entitled to receive money from a class action settlement.

A court approved this notice. This is not an advertisement.

You are not being sued. Your legal rights are affected whether you act or not.

PLEASE READ THIS NOTICE.

WHAT IS IN THIS NOTICE

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1. Why should you read this notice?

On July 7, 2022, Plaintiff Paul Che (hereinafter “Plaintiff”) filed a putative class action complaint against Mag Instrument, Inc. (hereinafter “Defendant”). This Notice describes the lawsuit and explains your rights in the settlement. You have received this Notice because records indicate that you are a Class Member and/or an Aggrieved Employee for the purpose of violations under the Private Attorneys General Act (“PAGA”). “Class Member” means, and refers to, a member of the class conditionally certified for settlement purposes only during the applicable Class Period, consisting of all current and former employees of Defendant employed in California, as non-exempt hourly paid employees and who worked for Defendant at any time during the Class Period from July 7, 2018 to October 20, 2023. “Aggrieved Employees” means and refers to all current and former non-exempt hourly paid employees of Defendant, employed in California at any time during the PAGA Period of December 1, 2021 through October 20, 2023.

On December 8, 2023 the Parties reached a settlement as a compromise to resolve Plaintiff’s individual, class and representative claims, subject to Court approval. On XXXX 2024, the San Bernardino Superior Court preliminarily approved the class action and PAGA action settlement and has ordered that this Notice be provided to you. ***The court has not determined who is right or wrong in this lawsuit.***

2. What is the case about?

Plaintiff asserted claims against Defendant on behalf of Class Members/Aggrieved Employees for: Failure To Pay Overtime Wages; Failure To Pay Minimum Wages; Failure To Pay Overtime Wages At The Legal Overtime Pay Rate; Failure To Provide Meal Periods Or Compensation In Lieu Of; Failure To Provide Paid Rest Periods; Failure To Timely Furnish Accurate Itemized Wage Statements; Violation Of Labor Code §203; Unfair Business Practices; Penalties Pursuant To Labor Code § 2698 Et Seq.

Mag Instrument vehemently denies any and all wrongdoing and liability. Mag Instrument contends it conducted business and compensated employees consistent with the laws of the State of California. Mag Instrument contends it has no liability for any of claims under any statute, wage order, common law, or equitable theory. The court has not ruled on the merits of Plaintiff's claims.

3. What does the settlement provide?

As part of the settlement terms, in exchange for a class release of the claims asserted by Plaintiff, Defendant will pay \$150,000 (“Gross Fund Value”), including attorneys’ fees, costs, third-party settlement administrator costs, the class representative enhancement payment, payment to the California Labor and Workforce Development Agency, and payment to Participating Class Members. Plaintiff will request from the Gross Fund Value: (1) \$50,000 for attorneys’ fees, (2) up to \$18,000 in costs, (3) up to \$10,000 for settlement administration costs to ILYM Group, Inc., (4) up to \$7,000 as a service award to Plaintiff as the class representative, and (5) a PAGA allocation of \$10,000, of which \$2,500 will be distributed to Aggrieved Employees and \$7,500 will be paid to the California Labor and Workforce Development Agency. After deductions of all the preceding amounts, the remaining amount will be distributed as Settlement Awards to Participating Class Members (“Net Fund Value”). The Net Fund Value will be divided by the Aggregate Workweek Total worked by all Class Members to determine the approximate weekly settlement amount for Class Members. Defendant will provide the Settlement Administrator with each Class Members’ Total Workweeks based on its records.

Defendant’s records indicate that you were employed or performed work for _____ Total Workweeks during the Class Period of July 7, 2018 through October 20, 2023.

Based on this estimate and Defendant’s records, your estimated Settlement Payment is \$_____.

You [are / are not] considered to be an Aggrieved Employee for the PAGA period of December 1, 2021 through October 20, 2023, and Defendant’s records indicate that you had ____ PAGA Pay Periods for the PAGA Period of December 1, 2021 through October 20, 2023.

Based on these PAGA Pay Periods, the PAGA Payment you will receive under the Settlement is estimated to be \$_____.

You may submit a written dispute to the number of Workweeks and/or PAGA Pay Periods allocated to you (“Workweeks Dispute”) to the Settlement Administrator. Your Workweeks Dispute must: (1) contain your full name, address, and telephone number and the case name and number of the Action (Che v. Mag Instrument, Inc. San Bernardino Superior Court Case Number

CIVSB2214186); (2) be signed by you; (3) be postmarked or fax stamped on or before [Response Deadline] and returned to the Settlement Administrator at the address or fax number listed below; (4) clearly state the number of Workweeks and/or PAGA Pay periods you believe is correct; and (5) attach any documents you have to support your dispute.

Subject to court approval, you do not need to take any further action to receive money from this settlement.

4. *What is the Class Action Settlement?*

In a class action lawsuit, one person called “Plaintiff” or “Class Representative” sues on behalf of other people who may have similar claims. In this case, the Plaintiff is Paul Che. The people who Plaintiff is seeking to represent are a “Class” or “Class Members.” The company Plaintiff sued is called the Defendant. In this case, the Defendant is Mag Instrument, Inc. One court resolves the issues for everyone in the Class – except for those people who choose to exclude themselves from the Class. In this case, the court is the San Bernardino County Superior Court.

5. *What are my rights? How will my rights be affected?*

Participating in the Settlement

Under the settlement, you will **automatically** receive a settlement payment unless you opt out by following the opt-out procedure set forth below. If approved by the Court, the Settlement Agreement and release will be binding on all Participating Class Members who do not timely opt out of the settlement.

If you are a current employee of Defendant your decision about whether or not to participate in this settlement will **not** affect your employment with Defendant.

Opting Out of the Settlement

If you wish to be excluded from participating in the Settlement, you must mail a written statement to the Settlement Administrator, at the address below, requesting to be excluded from the Settlement. To be considered valid, your request for exclusion must be in writing, signed by you, and contain your name, address, telephone number, the last four digits of your Social Security number. Your request for exclusion also must clearly indicate that you desire to be excluded from the Settlement. To be considered timely, your request for exclusion must be mailed by First-Class Mail or equivalent, and postmarked no later than XXXXX. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Late requests for exclusion (opt-out requests) will not be considered.

If you file a timely and valid written request for exclusion, you will no longer be a member of the Class, and you will not be eligible to receive money under the Settlement or object to the terms of the Settlement, and you will not be bound by the terms of the Settlement.

Objecting to the Settlement

If you wish to Object to the Settlement, you may advise the Court about your objection stating why you object to the settlement. Your objection must state your full name, the last four digits of your social security number, dates of employment, address, and telephone number, a statement providing the basis for your objections, a statement advising if you plan to address the Court at the Settlement Fairness Hearing, and any legal briefs, papers or memoranda you propose to submit to

the Court. The objection must be mailed to Settlement Administrator, at the address below, and must be postmarked no later than XXXXX.

You may also, if you wish, appear at the Settlement Fairness Hearing on [date] at [time] in Dept. S22-SBJC of the San Bernardino Superior Court (San Bernardino Justice Center) located at 247 West 3rd Street San Bernardino CA 92415 to discuss your objections with the Court and the Parties regardless of whether or not you submitted a written objection to the Settlement Administrator. The Settlement Fairness Hearing may be continued to another date without further notice. If you object to the Settlement, you may still receive your share of the Settlement amount if the court approves the Settlement despite objections.

WHAT AM I RELEASING UNDER THE CLASS SETTLEMENT?

If and when the Court grants final approval of the Settlement, upon entry of final judgment and Defendant fully funding the Settlement, Released Parties shall be entitled to, and each Settlement Class Member not filing a timely exclusion shall be deemed to have given, a release of the following claims for the Class Period: “any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature, arising from the claims pled in the Action or could have been pled based on the facts alleged in the Action, including, all claims for failure to pay for all hours worked, unpaid overtime, meal period violations, rest break violations, unpaid minimum wage, final wages not timely paid, failure to provide accurate wages statements, unlawful business practices under the California Labor Code and/or the California Business and Professions Code, including all claims for restitution or equitable relief, civil penalties, statutory penalties of any nature whatsoever, attorneys’ fees and costs, including claims meeting the above definition(s) under any and all applicable statutes, including without limitation California Labor Code §§ 201, 202, 203, 204, 218, 218.5, 218.6, 226, 226.7, 510, 512, 516, 558, 1174, 1194, 1194.2, 1197, 1198; the California Unfair Competition Act, and in particular, California Bus. & Prof. Code §§ 17200 et seq, as well as the Industrial Welfare Commission Wage Orders.

“Released Parties” means and refers to Defendant MAG Instrument, Inc. and its successors in interest, past, present, or future parents, subsidiaries and related or affiliated corporations, and their past, present, or future officers, directors, shareholders, employees, agents, principals, owners, operators, heirs, joint employers, staffing agencies, representatives, accountants, auditors, attorneys, consultants, insurers, and reinsurers, and each of their respective successors and predecessors in interest, subsidiaries, affiliates, parents, and each of their company-sponsored employee benefit plans, and all of their respective officers, directors, owners, administrators, fiduciaries, trustees, and agents.

If the Court finally approves the Settlement, settlement checks will be mailed to Class Members who have not opted out of the Settlement.

WHAT AM I RELEASING UNDER THE PAGA SETTLEMENT?

Upon the Effective Date and Defendant fully funding the Settlement, Aggrieved Employees hereby release, acquit, and discharge the Released Parties from any and all any and all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys’ fees, costs, and any other form of relief or remedy under PAGA for claims asserted in the Action or that could have been asserted based on the facts alleged in the Action including (a) failure to pay for all hours worked; (b) unpaid overtime; (c) meal period violations; (d) rest break

violations; e) unpaid minimum wage; (f) failure to promptly pay all wages due and owing at the time of an employee's termination or discharge; (g) failure to provide accurate wages statements and (h) any and all penalties pursuant to the California Labor Code and/or the Private Attorneys General Act of 2004 based on the preceding claims.

PAGA Members (Aggrieved Employees) Cannot Opt-Out Or Exclude Themselves From The PAGA Settlement or the PAGA Released Claims, and will be issued an individual PAGA Payment even if they opt-out of the class settlement.

Uncashed Settlement Checks

Those funds represented by Settlement checks returned as undeliverable and those Settlement checks remaining uncashed for more than 180 days after issuance (collectively, "Uncashed Settlement Checks") shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500 et seq. for the benefits of those Settlement Class Members who did not cash their checks until they claim their property.

6. *Who are the attorneys representing the parties?*

Class Counsel, appointed and approved by the Court for settlement only, will represent you. However, you may choose to be represented by your own counsel at your own cost.

Attorneys for Plaintiff & the Class are:

Bruce Kokozyan, Esq.
KOKOZIAN LAW FIRM, APC
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Attorneys for Defendant are:

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Telephone: (714) 427-7000

7. *How will the attorneys for the class and costs be paid?*

Class Counsel is seeking an award from the Court for attorneys' fees of up to \$50,000 and documented litigation costs of up to \$18,000. Paul Che is seeking a service award from the Court of up to \$7,000. The actual amounts awarded will be determined by the Court.

If you need more information or have any questions, you may contact the Settlement Administrator at the telephone number listed below.

Paul Che v. Mag Instrument, Inc,
c/o [Settlement Administrator]
[ADDRESS]
[PHONE]

**PLEASE DO NOT CONTACT THE COURT
FOR INFORMATION ABOUT THIS SETTLEMENT.**