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Terrence Kennedy, and Proposed Plaintiff  
James Walker

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

TYRONE JOHNSON, TERRENCE  
KENNEDY; individually, and on behalf  
of other members of the general public  
similarly situated and on behalf of other  
aggrieved employees pursuant to the  
California Private Attorneys General Act;

Plaintiffs,

v.

PARSEC, INC. D/B/A/ OHIO PARSEC,  
INC., an Ohio corporation; and DOES 1  
through 100, inclusive,

Defendants.

Case No. 2:22-cv-06930-AH-MAR

Honorable Anne Hwang

**CLASS ACTION**

**[PROPOSED] ORDER GRANTING  
PRELIMINARY APPROVAL OF  
CLASS ACTION SETTLEMENT AND  
APPROVAL OF PAGA SETTLEMENT**

Date: May 7, 2025  
Time: 1:30 PM  
Courtroom: 7D

Complaint Filed: August 5, 2022  
FAC Filed: November 15, 2024  
Trial Date: October 21, 2025

1 On May 7, 2025 at 1:30 PM, Plaintiffs Tyrone Johnson's, Terrence Kennedy's, and  
2 James Walker's ("Plaintiffs") Motion for Preliminary Approval of Class Action Settlement  
3 and Approval of PAGA Settlement came for hearing before the Honorable Anne Hwang  
4 in Courtroom 7D of the United States District Court for the Central District of California.  
5 Lawyers for Justice, PC appears as counsel for Plaintiffs, individually and on behalf of all  
6 others similarly situated and other aggrieved employees. Jackson Lewis, P.C. appears as  
7 counsel for Defendant Parsec, Inc. d/b/a Ohio Parsec, Inc. ("Defendant").

8 The Court, having considered the papers, argument of counsel, and all matters  
9 presented to the Court and finding good cause appearing, hereby GRANTS Plaintiffs'  
10 Renewed Motion for Preliminary Approval of Class Action Settlement and Approval of  
11 PAGA Settlement and ORDERS as follows:

12 1. The Court preliminarily approves the Class Action and PAGA Settlement  
13 Agreement ("Settlement," "Agreement," or "Settlement Agreement"), attached as  
14 "EXHIBIT 1" to the Declaration of Elizabeth Parker-Fawley in Support of Plaintiffs'  
15 Motion for Preliminary Approval of Class Action Settlement and Approval of PAGA  
16 Settlement. This is based on the Court's determination that the Settlement falls within the  
17 range of possible approval as fair, adequate, and reasonable.

18 2. This Order incorporates by reference the definitions in the Settlement  
19 Agreement, and all capitalized terms defined therein shall have the same meaning in this  
20 Order as set forth in the Settlement Agreement.

21 3. It appears to the Court on a preliminary basis that the Settlement is fair,  
22 adequate, and reasonable. It appears to the Court that extensive investigation and research  
23 have been conducted such that counsel for the parties at this time are able to reasonably  
24 evaluate their and each other's respective positions. It further appears to the Court that the  
25 Settlement, at this time, will avoid substantial additional costs by all parties, as well as  
26 avoid the delay and risks that would be presented by the further prosecution of the case. It  
27 further appears that the Settlement has been reached as the result of intensive, serious, and  
28 non-collusive arms-length negotiations, and was entered into in good faith

1           4.     The Court preliminarily finds that the Settlement, including the allocations for  
2 the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Class  
3 Representative Service Payments, and Administration Expenses Payment, appear to be  
4 within the range of reasonableness of a settlement that could ultimately be given final  
5 approval by this Court. Indeed, the Court has reviewed the monetary recovery that is being  
6 granted as part of the Settlement and preliminarily finds that the monetary settlement  
7 awards made available to the Class Members are fair, adequate, and reasonable when  
8 balanced against the probable outcome of further litigation relating to certification,  
9 liability, and damages issues.

10           5.     The Court concludes that, for settlement purposes only, the proposed Class  
11 meets the requirements for certification under Rule 23(a) of the Federal Rules of Civil  
12 Procedure in that: (a) the Class is sufficiently numerous such that joinder of all members  
13 of the Class is impracticable; (b) there are questions of laws and fact which are common to  
14 all members of the Class; (c) Plaintiffs' claims are typical of the claims of the members of  
15 the Class; (d) Plaintiffs will fairly and adequately protect the interests of the members of  
16 the Class, and Class Counsel are qualified to act as counsel for Plaintiffs in their individual  
17 capacity and as the representatives of the Class; and (e) common questions predominate  
18 over questions that affect individual members, and class action is superior to other available  
19 methods for the efficient adjudication of the controversy.

20           6.     The Court conditionally certifies, for settlement purposes only, the Class,  
21 defined as follows:

22           All current and former non-exempt or hourly-paid employees employed by  
23 Defendant in the State of California who worked for Defendant at any time  
24 during the Class Period (August 8, 2018 through September 27, 2023).

25           7.     The Court provisionally appoints Edwin Aiwazian and Elizabeth Parker-  
26 Fawley of Lawyers *for* Justice, PC as counsel for the Class ("Class Counsel").

27           8.     The Court provisionally appoints Plaintiffs Tyrone Johnson, Terrence  
28 Kennedy, and James Walker as the representatives of the Class ("Class Representatives").

1           9.     The Court provisionally appoints Phoenix Class Action Administration  
2 Solutions (“Phoenix”) to handle the administration of the Settlement (“Administrator”).

3           10.    Within 30 calendar days of the date on which the Court enters this Order,  
4 Defendant shall provide the Administrator with the following information about each Class  
5 Member and/or Aggrieved Employee: full name, last-known mailing address, Social  
6 Security Number, and number of Class Period Workweeks and PAGA Pay Periods (“Class  
7 Data”) in conformity with the Settlement Agreement.

8           11.    The Court approves, both as to form and content, the proposed Court  
9 Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval  
10 (“Class Notice”) attached hereto as **“Exhibit A.”** The Class Notice shall be provided to  
11 Class Members in the manner set forth in the Settlement. The Court finds that the Class  
12 Notice appears to fully and accurately inform the Class Members of all material elements  
13 of the Settlement, of Class Members’ right to be excluded from the Class Settlement by  
14 submitting a Request for Exclusion, of Class Members’ and Aggrieved Employees’ right  
15 to dispute the Workweeks and, if applicable, PAGA Pay Periods credited to each of them,  
16 and of each Participating Class Member’s right and opportunity to object to the Class  
17 Settlement. The Court further finds that distribution of the Class Notice substantially in the  
18 manner and form set forth in the Settlement Agreement and this Order, and that all other  
19 dates set forth in the Settlement Agreement and this Order, meet the requirements of due  
20 process and shall constitute due and sufficient notice to all persons entitled thereto. The  
21 Court further orders the Settlement Administrator to mail the Class Notice by First Class  
22 U.S. mail to all Class Members within 15 days after receiving the Class Data from  
23 Defendant, pursuant to the terms set forth in the Settlement Agreement.

24           12.    The Court hereby preliminarily approves the proposed procedure, set forth in  
25 the Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class  
26 Member may choose to be excluded from the Class Settlement by submitting a timely and  
27 valid written Request for Exclusion no later than 45 calendar days from the initial mailing  
28 of the Class Notice (“Response Deadline”), or, in the case of a re-mailed Class Notice, the

Response Deadline shall be extended by 14 calendar days from the original Response Deadline. Any such person who timely and validly chooses to opt out of, and be excluded from, the Class Settlement will not be entitled to any recovery under the Class Settlement and will not be bound by the Class Settlement or have any right to object, appeal, or comment thereon. If the Settlement is granted final approval, Class Members who have not submitted a timely and valid request to be excluded from the Settlement (i.e., Participating Class Members) shall be bound by the Class Settlement and any final judgment based thereon, and Aggrieved Employees will be entitled to recovery from the PAGA Settlement and will be bound by the PAGA Settlement, irrespective of whether they opt out of the Class Settlement.

13. A Final Approval Hearing shall be held before this Court on \_\_\_\_\_ at 1:30 p.m. in Courtroom 7D of the United States District Court for the Central District of California, located at 350 West 1st Street, Los Angeles, California 90012, to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the action on the terms and conditions provided for in the Settlement is fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as provided in the Settlement, should be entered herein; whether the plan of allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the Class Members; and determine whether to finally approve the requests for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment.

14. Class Counsel shall file a motion for final approval of the Settlement and for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment, along with the appropriate declarations and supporting evidence, including the Settlement Administrator's declaration by \_\_\_\_\_, to be heard at the Final Approval Hearing.

1           15. To object to the Class Settlement, a Participating Class Member may submit  
2 their written Objection to the Settlement to the Administrator on or before the Response  
3 Deadline by fax, email, or mail. Participating Class Members who wish to object to the  
4 Class Settlement may also appear at the Final Approval Hearing to object to the Class  
5 Settlement, irrespective of whether they submit a written Objection.

6           16. The Court finds that Plaintiffs have satisfied the prerequisites under the  
7 California Private Attorneys General Act (Cal. Labor Code § 2698, et seq.) (“PAGA”),  
8 including, and not limited to, providing the California Labor and Workforce Development  
9 Agency (“LWDA”) and Defendant with notice of the specific provisions of the California  
10 Labor Code alleged to have been violated, including, and not limited to, the facts and  
11 theories to support the alleged violations, in conformity with California Labor Code §  
12 2699.3(a).

13           17. The Court also finds that the Settlement Agreement has been submitted to the  
14 LWDA in conformity with California Labor Code § 2699(s)(2) and that the LWDA has  
15 not sought to intervene or appear in the Action.

16           18. The Aggrieved Employees covered under the Settlement consist of the  
17 following individuals:

18           All non-exempt or hourly-paid employees employed by Defendant in the State  
19 of California who worked for Defendant at any time during the PAGA period  
20 (June 1, 2021 through September 27, 2023).

21           19. Pursuant to California Labor Code § 2699(s)(2), the Court has reviewed the  
22 sum allocated for payment of penalties under PAGA (“PAGA Penalties”), and the Court  
23 determines that it is fair, just, reasonable, and adequate. The Court hereby approves the  
24 PAGA Settlement. The PAGA Penalties shall be \$500,000. Seventy-five percent (75%) of  
25 the PAGA Penalties shall be distributed to the LWDA (“LWDA PAGA Payment”) and  
26 twenty-five percent (25%) of the PAGA Penalties shall be distributed to the Aggrieved  
27 Employees (“Individual PAGA Payment”), in accordance with this Order and Judgment  
28 and the Settlement Agreement.

1           20. The Settlement is not a concession nor admission, and it shall not be used  
2 against Defendant as an admission nor indication with respect to any claim of any fault or  
3 omission by Defendant. Nor shall the Settlement or this Order constitute any finding,  
4 decision, or determination of fault, wrongdoing, or misconduct by Defendant. Whether or  
5 not the Settlement is finally approved, neither the Settlement, nor any document, statement,  
6 proceeding or conduct related to the Settlement, nor any reports or accounts thereof, shall  
7 in any event be construed as, offered or admitted into evidence as, received as or deemed  
8 to be in evidence for any purpose adverse to the Defendant, including, but not limited to,  
9 evidence of a presumption, concession, indication, or admission by Defendant of any  
10 liability, fault, wrongdoing, omission, concession, or damage, or to establish the existence  
11 of any condition constituting a violation of, or a non-compliance with state, federal, local  
12 or other applicable law, except for legal proceedings concerning the implementation,  
13 interpretation, or enforcement of the Settlement.

14           21. In the event the Settlement does not become effective in accordance with the  
15 terms of the Settlement Agreement, or the Settlement is not finally approved, or is  
16 terminated, cancelled, or fails to become effective for any reason, this Order shall be  
17 rendered null and void, shall be vacated, and the Parties shall revert back to their respective  
18 positions as of before entering into the Settlement Agreement.

19           22. The Court reserves the right to adjourn or continue the date of the Final  
20 Approval Hearing and any dates provided for in the Settlement Agreement without further  
21 notice to the Class Members and retains jurisdiction to consider all further applications  
22 arising out of or connected with the Settlement.  
23

24           **IT IS SO ORDERED.**

25  
26           Dated:

\_\_\_\_\_  
27 HON. ANNE HWANG  
28 UNITED STATES DISTRICT JUDGE

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

***Tyrone Johnson, et al. v. Parsec, Inc.*** (U.S. District Court for the Central District of California, Case No. 2:22-cv-06930-AH-MAR)

*The U.S. District Court for the Central District 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 and representative action lawsuit (“Action”) entitled *Tyrone Johnson, et al. v. Parsec, Inc.* for alleged wage and hour violations. The Action was filed by former Parsec employees (“Plaintiffs”) and seeks (1) monetary relief for a class of current and former non-exempt, hourly-paid employees employed by Parsec, Inc. in the State of California who worked for Parsec, Inc. during the Class Period from August 8, 2018 through September 27, 2023 (“Class Members”); and (2) civil penalties under the California Private Attorney General Act (“PAGA”) for all non-exempt, hourly-paid employees who worked for Parsec during the PAGA Period from June 1, 2021 through September 27, 2023 (“Aggrieved Employees”). For the purposes of this Notice, Parsec, Inc. shall be referred to here as the “Company.”

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

Based on the Company’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 the Company’s records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period.)

The above estimates are based on the Company’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/pay periods 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 do 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 Plaintiffs and Plaintiffs’ attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires the Company to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against the Company.

If you worked for the Company 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 the Company.

- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting a 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 the Company. You cannot opt-out of the PAGA portion of the proposed Settlement.

**The Company 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

|                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>You don't have to do anything to participate in the Settlement.</b></p>                                                                                            | <p>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 the Company that are covered by this Settlement (Released Claims).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p><b>You can opt-out of the Class Settlement but not the PAGA Settlement.</b></p> <p><b>The opt-out deadline is 11/1/25.</b></p>                                        | <p>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.</p> <p>You cannot opt-out of the PAGA portion of the proposed Settlement. The Company 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).</p>                                                                    |
| <p><b>Participating Class Members can object to the Class Settlement but not the PAGA Settlement.</b></p> <p><b>Written objections must be submitted by 11/1/25.</b></p> | <p>All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Class 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 Plaintiffs who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiffs, but every dollar paid to Class Counsel and Plaintiffs reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiffs if you think they are unreasonable. See Section 7 of this Notice. You cannot object to the PAGA portion of the Settlement.</p> |
| <p><b>You can participate in the Final Approval Hearing.</b></p>                                                                                                         | <p>The Court's Final Approval Hearing is scheduled to take place on 11/1/25. 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</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

|                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                          | platform. Participating Class Members can verbally object to the Class Settlement at the Final Approval Hearing. See Section 8 of this Notice.                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>You can challenge the calculation of your Workweeks/Pay Periods.</b></p> <p><b>Written challenges must be submitted by II.</b></p> | <p>The amount of your Individual Class Payment and Individual PAGA Payment (if any) depend on how many workweeks during which you worked at least one day during the Class Period and how many Pay Periods during which you worked at least one day during the PAGA Period, respectively. The number of Class Period Workweeks and PAGA Pay Periods you worked according to the Company’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by II. See Section 4 of this Notice.</p> |

### 1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Company employees. The Action accuses the Company of violating California labor laws by failing to pay overtime wages, minimum wages, wages due upon termination and during employment, and business expenses, and failing to provide meal periods, rest periods, and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code sections 2698, et seq.) (“PAGA”) and under the California Business & Professions Code section 17200, et seq.

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

So far, the Court has made no determination whether the Company or Plaintiffs are correct on the merits. In the meantime, Plaintiffs and the Company hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an end to 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, Plaintiffs and the Company 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, the Company does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) the Company 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?

- a. The Company Will Pay \$4,476,098.00 as the Gross Settlement Amount (Gross Settlement). The Company 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 Payments,

Class Counsel's attorney's fees and expenses, the Settlement Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, the Company will fund the Gross Settlement not more than 30 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.

- b. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiffs 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:
- i. Up to \$1,566,634.30 (35% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$50,000.00 for litigation expenses. To date, Class Counsel has worked and incurred expenses on the Action without payment.
  - ii. Up to \$25,000.00 as Class Representative Service Payments for filing the Action, working with Class Counsel and representing the Class.
  - iii. Up to \$20,000.00 to the Administrator for services administering the Settlement.
  - iv. Up to \$500,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

- c. 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.
- d. Taxes Owed on Payments to Class Members. The Settlement shall be broken down as follows: 15% ("Wage Portion") of each Individual Class Payment to taxable wages and 85% ("Non-Wage Portion") to penalties and interest. The Wage Portion is subject to withholding and will be reported on IRS W-2 Forms. The Company 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 Plaintiffs and the Company 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.

- e. 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. It will be your responsibility to obtain any Settlement funds belonging to you that are deposited with the Unclaimed Property Fund. You should consult the rules of the Fund for instructions on how to retrieve your money.

- f. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [redacted], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [redacted] 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 the alleged wage and hour claims against the Company.

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 the Company based on the PAGA Period facts alleged in the Action.

- g. 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 to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and the Company have agreed that, in either case, the Settlement will be void: the Company will not pay any money and Class Members will not release any claims against the Company.
- h. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (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.
- i. Participating Class Members' Release. After the Judgment is final and the Company 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 the Company 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 without limitation, California Labor Code sections 200, 201, 202, 203, 204, 206, 210, 218.6, 226, 226.3, 226.7, 500, 510, 512, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., 2800, 2802, California Industrial Commission Wage Orders, and Business and Professions Code sections 17200, et seq., and including all claims for or related to alleged unpaid wages, overtime or double time wages, minimum wages, timely payment of wages during employment and at separation, meal periods and meal period premiums, rest periods and rest period premiums, wage statement penalties, unreimbursed business expenses, failure to keep requisite payroll records, unfair competition, unfair business practices, injunctive relief as it relates to the claims listed above, declaratory relief as it relates to the claims listed above, liquidated damages, penalties recoverable pursuant to the claims listed above (including civil penalties pursuant to PAGA), interest, fees, costs, as well as all other claims and allegations alleged in the Action, from August 8, 2018 through September 27, 2023.

- j. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and the Company has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against the Company, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including Participating Class Members and Non-Participating Class Members, cannot sue, continue to sue, or participate in any other PAGA claim against the Company or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

#### **4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- a. 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.
- b. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$125,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Pay Periods worked by each individual Aggrieved Employee.
- c. 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 the Company's records, are stated in the first page of this Notice. You have until **1** 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 the Company's calculation of Workweeks and/or Pay Periods based on the Company'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 the Company's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

- a. 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 does not opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment, if applicable.
- b. 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 in this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.**

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Tyrone Johnson, et al. v. Parsec, Inc.*, 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. Remember, you cannot opt-out of the PAGA portion of the Settlement.

## 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 Plaintiffs and the Company are asking the Court to approve. At least **[ ]** days before the Final Approval Hearing, Class Counsel and/or Plaintiffs 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 Plaintiffs are requesting as Service Awards for being Class Representatives. 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 (**[ ]**) or the Court's website (**[ ]**).

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 Plaintiffs 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 *Tyrone Johnson, et al. v. Parsec, Inc.* and include your name, current address, telephone number, and approximate dates of employment for the Company 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. Remember, you cannot object to the PAGA portion of the Settlement.

#### **8. CAN I ATTEND THE FINAL APPROVAL HEARING?**

You can, but don't have to, attend the Final Approval Hearing on [ ] at [ ] at the First Street Courthouse, 350 W. 1st Street, Courtroom 7D, 7th Floor, Los Angeles, California 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, Plaintiffs, and the Administrator. The Court will invite comments from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend). 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 the Company and Plaintiffs 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 the Administrator's website ([ ]). You may also review the Settlement Agreement and other court records by using Public Access to Court Electronic Records System ("PACER") (for a fee) through the Court's Pacer system at <https://pacer.uscourts.gov/>. The Court also provides free access to PACER at the public terminals in the Clerk's Office located at 350 West First Street, Suite 4311, Los Angeles, California 90012, between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday, excluding court-observed holidays.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT. YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER IF YOU HAVE QUESTIONS: [Settlement Administrator's toll-free number] YOU MAY ALSO CONTACT CLASS COUNSEL IF YOU HAVE ANY QUESTIONS.

The contact information for the Settlement Administrator is as follows:

[ ]

The contact information for the Plaintiffs' Counsel is as follows:

Edwin Aiwarzian  
Elizabeth Parker-Fawley  
Lawyers for Justice, PC  
450 North Brand Blvd., Suite 900

Glendale, CA 91203  
Tel.: (818) 265-1020  
Fax: (818) 265-1021

#### **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 California 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.