

LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203

Edwin Aiwarzian (SBN 232943)
Elizabeth Parker-Fawley (SBN 301592)
LAWYERS for JUSTICE, PC
450 North Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiffs Tyrone Johnson,
Terrence Kennedy, and 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,

vs.

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

**DECLARATION OF ELIZABETH
PARKER-FAWLEY IN SUPPORT OF
PLAINTIFFS' RENEWED MOTION
FOR 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

DECLARATION OF ELIZABETH PARKER-FAWLEY

I, Elizabeth Parker-Fawley, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers *for* Justice, PC, attorneys of record for Plaintiffs Tyrone Johnson (“Plaintiff Johnson”), Terrence Kennedy (“Plaintiff Kennedy”), and James Walker (“Plaintiff Walker”) (collectively, “Plaintiffs”). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On May 23, 2022, Plaintiff Johnson provided written notice by certified mail to the Labor and Workforce Development Agency (“LWDA”) and Defendant Parsec, Inc. d/b/a Ohio Parsec, Inc. (“Defendant,” and together with Plaintiffs, the “Parties”) of his intent to seek civil penalties pursuant to PAGA and of the specific provisions of the California Labor Code that were alleged to be violated (“*Johnson* PAGA Notice”).

3. On June 1, 2022, Plaintiff Kennedy also provided written notice by certified mail to the LWDA and Defendant of the specific provisions of the alleged California Labor Code violations (“*Kennedy* PAGA Notice”).

4. On August 5, 2022, Plaintiffs Johnson and Kennedy filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, et seq. against Defendant in the Superior Court of California, County of Los Angeles, Case No. 22STCV25427 (“PAGA Action”).

5. On August 8, 2022, Plaintiffs Johnson and Kennedy filed a putative wage and hour class action against Defendant in the Superior Court of California, County of Los Angeles, Case No. 22STCV25562 (“Class Action,” and together with the PAGA Action, the “Actions” or “Action”).

6. On September 26, 2022, Defendant removed the Class Action to this Court, and the case is assigned case number 2:22-cv-06930-AH-MAR. (Dkt. No. 1).

1 7. On October 11, 2022, Plaintiffs Johnson and Kennedy propounded
2 Interrogatories (Sets One and Two) and Requests for Production of Documents (Set
3 One) on Defendant.

4 8. On October 26, 2022, Plaintiffs Johnson and Kennedy filed their Motion
5 to Remand Pursuant to 28 U.S.C. § 1447, which the Court denied on December 2,
6 2022. (Dkt. Nos. 17, 28).

7 9. On November 21, 2022, Defendant responded to Plaintiffs' discovery
8 request, and the Parties thereafter met and conferred regarding the sufficiency of the
9 responses and document production.

10 10. On February 28 and March 13, 2023, Class Counsel conducted oral
11 depositions of Defendant's designated persons most knowledgeable pursuant to
12 Federal Rules of Civil Procedure Rule 30(b)(6) regarding Defendant's organizational
13 structure, wage and hour policies and practices, and the job duties performed by Class
14 Members.

15 11. On June 6, 2023, Defendant's counsel conducted the oral deposition of
16 Plaintiff Johnson.

17 12. On June 21, 2023, Plaintiff Walker provided written notice by certified
18 mail to the LWDA and Defendant of the specific provisions of the alleged California
19 Labor Code violations ("*Walker* PAGA Notice").

20 13. On June 29, 2023, the Parties participated in a full-day mediation with
21 Mark Rudy, Esq., a well-respected mediator for complex wage and hour actions.
22 While the Parties continued negotiations regarding the key terms of the Settlement,
23 the mediation resulted in a settlement in principle.

24 14. On May 24, 2024, pursuant to the Class Action and PAGA Settlement
25 Agreement ("*Settlement*" or "*Settlement Agreement*"), the Parties sought to amend
26 the complaint in the PAGA Action in order to seek approval of the Settlement
27 Agreement in a single forum.

28 15. On June 20, 2024, the Parties also filed a Motion for Preliminary

1 Approval of Class Action Settlement and Approval of PAGA Settlement (“Motion for
2 Preliminary Approval”) in the Los Angeles County Superior Court. Pursuant to
3 California Labor Code section 2699(s)(2), Plaintiffs submitted the proposed
4 Settlement Agreement to the LWDA for comment, along with the Motion for
5 Preliminary Approval, on June 21, 2024. Marked and attached hereto as “**EXHIBIT**
6 **2**” is a true and correct copy of the LWDA’s confirmation of Plaintiff Johnson’s
7 submission of the proposed Settlement. Marked and attached hereto as “**EXHIBIT 3**”
8 is a true and correct copy of the LWDA’s confirmation of Plaintiff Kennedy’s
9 submission of the proposed Settlement. Marked and attached hereto as “**EXHIBIT 4**”
10 is a true and correct copy of the LWDA’s confirmation of Plaintiff Walker’s
11 submission of the proposed Settlement.

12 16. The Superior Court denied Plaintiffs’ request to amend the PAGA Action
13 complaint. Subsequently, the Parties agreed to amend the complaint in the Class
14 Action and filed a Joint Stipulation to Lift Stay and Grant Leave to File an Amended
15 Complaint on July 24, 2024. (Dkt. No. 50).

16 17. On November 15, 2024, the Court granted the Joint Stipulation to Lift
17 Stay and Grant Leave to File an Amended Complaint, and Plaintiffs filed their First
18 Amended Class Action Complaint for Damages & Enforcement under the Private
19 Attorneys General Act, California Labor Code § 2698, Et Seq. (“Operative
20 Complaint”) in order to consolidate the PAGA Action into the Class Action, as well
21 as add Plaintiff Walker as a named plaintiff, PAGA representative, and putative class
22 representative. (Dkt. Nos. 51, 52).

23 **EXPERIENCE AND ADEQUACY OF LAWYERS for JUSTICE, PC**

24 18. Since October 2008, Lawyers for Justice, PC has almost exclusively
25 focused on the prosecution of consumer and employment class actions, involving
26 wage-and-hour claims, race discrimination, unfair business practices, or consumer
27 fraud. Currently, Lawyers for Justice, PC is the attorney of record in well over a dozen
28 employment-related putative class actions in both state and federal courts in the State

1 of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on
2 litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”)
3 representative actions. Lawyers *for* Justice, PC has successfully litigated cases
4 involving the executive, administrative, and other overtime exemptions to the State of
5 California and federal overtime compensation requirements. During a relatively short
6 time, in association with other law firms, Lawyers *for* Justice, PC has recovered
7 millions of dollars on behalf of thousands of individuals in California.

8 19. Edwin Aiwarzian is the Managing Member and Shareholder of Lawyers
9 *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University
10 in April of 1999 and earned a Juris Doctor degree from Pepperdine University School
11 of Law in May of 2004. He has extensive formal training in dispute resolution and
12 negotiation from the Straus Institute for Dispute Resolution as part of its Masters in
13 Dispute Resolution degree program. In addition, he has previously served as a pro
14 bono mediator for the Los Angeles County Superior Court. In October of 2000, he
15 obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During
16 the summer of 2000, he studied Legal Writing at Harvard University. From
17 approximately September 2002 to approximately December 2002, he served as a
18 Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of
19 Appeals for the Ninth Circuit. From approximately June 2002 to approximately
20 August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the
21 California Court of Appeal for the Second Appellate District. In December of 2004,
22 he obtained a license to practice law from the California State Bar. Since in or around
23 October of 2008, through his work at Lawyers *for* Justice, PC, he has almost
24 exclusively focused on the prosecution of consumer and employment class actions,
25 involving wage-and-hour claims, race discrimination, unfair business practices, or
26 consumer fraud. Together with other attorneys at the firm, and in many cases in
27 conjunction with co-counsel, he has successfully litigated cases involving the
28 executive, administrative, and other overtime exemptions to the State of California

1 and federal overtime compensation requirements. Under his supervision, Lawyers *for*
2 Justice, PC has successfully obtained class certification by contested motion practice
3 in approximately fifteen (15) cases in the last decade, and litigated over 1,000 class
4 action or representative action cases.

5 20. Arby Aiwarzian is a Member and Shareholder of Lawyers for Justice, PC.
6 He received his Bachelor of Arts degree from University of California, Los Angeles
7 and graduated magna cum laude. He earned a Juris Doctor degree, cum laude, from
8 Southwestern Law School. From approximately May 2007 to approximately July
9 2007, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the
10 California Court of Appeal for the Second Appellate District. From approximately
11 August 2008 to approximately December 2008, he served as a Judicial Extern to the
12 Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth
13 Circuit. He was admitted to practice law in California in 2010. He is admitted to
14 practice before all courts of the State of California and all United States District Courts
15 in the State of California. He has worked on many wage-and-hour class action and
16 representative action cases, taking the lead in taking and defending depositions,
17 arguing motions, and attending mediations. He has played an integral role in preparing
18 matters for class certification, including and not limited to, successful certification of
19 a class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No.
20 BC424012), *Montazemi v. Regus Management* (Los Angeles County Superior Court
21 Case No. BC478769), and *Abdulhaqq v. Urban Outfitters* (Alameda County Superior
22 Court Case No. RG13680477). Under his supervision, dozens of class action or
23 representative action cases have resulted in settlements that have been granted court
24 approval. He has handled over one hundred and fifty (150) mediations and has worked
25 on over two hundred and fifty (250) class action or representative action cases which
26 have resulted in settlement.

27 21. Joanna Ghosh is a Senior Member of Lawyers *for* Justice, PC. She
28 received her Bachelor of Arts degree from California State University, Los Angeles

1 in 2006, a Master of Science degree from the London School of Economics in 2007,
2 and a Juris Doctor degree from Georgetown University Law Center in 2010. She is
3 admitted to practice in California (since 2010) and in New York (since 2013) and she
4 is also admitted to practice in all U.S. District Courts in California, the U.S.
5 Bankruptcy Court for the Central District of California, and the U.S. Supreme Court.
6 She has taken and defended dozens of depositions and successfully handled motion
7 practice in class action cases regarding discovery (including and not limited to,
8 regarding class contact information), class certification (both contested class
9 certification and stipulated class certification), arbitration agreements, coordination,
10 and intervention. She has successfully handled briefing and oral argument on appeal
11 and obtained notable decisions regarding the Private Attorneys General Act and
12 employer efforts to compel arbitration of PAGA claims, e.g., *Roberto Betancourt v.*
13 *Prudential Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, *cert.*
14 *denied* (Cal., May 24, 2017), *cert. denied* (U.S., Dec. 11, 2017) and *ZB, N.A. v.*
15 *Superior Court* (2019) 8 Cal.5th 175. She has significant experience with class
16 actions, including and not limited to working on cases to obtain class certification
17 through contested motion practice and working on cases in the post-certification stage
18 (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial
19 preparation in conjunction with co-counsel in a case involving a certified class
20 consisting of approximately 2,600 individuals). She also has extensive experience
21 with class action and/or representative action settlements, and has handled this process
22 in over three hundred (300) cases. Under Edwin Aiwazian, Joanna Ghosh, and Arby
23 Aiwazian's supervision, Lawyers for Justice, PC has handled the class certification
24 and court approval process for hundreds of class action and/or representative action
25 matters that have successfully resolved. She is also a member of the California
26 Employment Lawyers Association. .

27 22. I am a managing lawyer at Lawyers for Justice, PC. In December 2014,
28 I obtained a license to practice law from the California State Bar. I am admitted to

1 practice in all courts in the State of California, as well as the Central, Southern,
2 Northern, and Eastern District Courts of California and the Ninth Circuit Court of
3 Appeal. Since December 2014, I have worked at Lawyers *for* Justice, PC, and my
4 practice has almost exclusively focused on the prosecution of employment class
5 actions and representative actions, handling cases in all stages of litigation from initial
6 pleadings to assisting with class action trial matters, attending mediations, and
7 preparing class action settlements. In the role of Manager of Litigation, I oversee
8 approximately twenty to thirty attorneys and law clerks working on hundreds of
9 employment class actions and representative actions and provide internal training for
10 our litigation practice group and post-bar law clerks. I am a member of the California
11 Lawyers Association Labor & Employment Group and the California Employment
12 Lawyers Association.

13 **EXAMPLES OF RESULTS IN WAGE-AND-HOUR CLASS ACTION AND**
14 **REPRESENTATIVE ACTION CASES**

15 23. What follows are just a few examples of the type of results Lawyers *for*
16 Justice, PC (“LFJ”) has achieved on behalf of its clients:

17 a) LFJ, in association with co-counsel therein, represented the
18 plaintiffs in a wage-and-hour class action against a major property management
19 company involving allegations of misclassification of various “manager” positions.
20 On September 20, 2010, the court granted final approval of the class action settlement.
21 The Los Angeles County Superior Court Case Number is BC400414.

22 b) LFJ, in association with co-counsel therein, represented the
23 plaintiffs in a wage-and-hour class action against a national retailer of household items
24 involving allegations of misclassification of the “Assistant Store Manager” position.
25 On October 28, 2010, the court granted final approval of the class action settlement.
26 The Los Angeles County Superior Court Case Number is BC413498.

27 c) LFJ, in association with co-counsel therein, represented the
28 plaintiffs in a wage-and-hour class action against a national property management

1 company involving allegations of misclassification of the “Property Manager”
2 position. On May 23, 2012, the court granted final approval of the class action
3 settlement. The Los Angeles County Superior Court Case Number is BC430918.

4 d) LFJ, in association with co-counsel therein, represented the
5 plaintiffs in a wage-and-hour class action against a national retailer involving
6 allegations of misclassification of the “Store Manager” position. On June 10, 2011,
7 the court granted plaintiffs’ motion for class certification. On August 26, 2013, the
8 court granted final approval of the class action settlement. The Los Angeles County
9 Superior Court Case Number is BC424012.

10 e) LFJ, in association with co-counsel therein, represented the
11 plaintiff in a wage-and-hour class and PAGA representative action against a bank,
12 involving allegations of misclassification of the “Assistant Branch Manager” position.
13 On August 27, 2013, the court granted final approval of the class and PAGA
14 representative action settlement. The Kern County Superior Court Case Number is S-
15 1500-CV-273194-LHB.

16 f) LFJ, in association with co-counsel therein, represented the
17 plaintiff in a wage-and-hour class and PAGA representative action against a national
18 wholesale distributor of plumbing and builder supplies, involving allegations of
19 misclassification of multiple salaried “manager” positions. On May 22, 2014, the
20 court granted final approval of the class and PAGA representative action settlement.
21 The Sacramento County Superior Court Case Number is 34-2012-00136285.

22 g) LFJ, in association with co-counsel therein, represented the
23 plaintiff in a wage-and-hour class action against a multinational corporation that
24 provides global workplace solutions, involving allegations of misclassification of the
25 “Operations Manager” position. On September 16, 2014, the court granted plaintiff’s
26 motion for class certification. The Los Angeles County Superior Court Case Number
27 is BC478769.
28

1 h) LFJ, in association with co-counsel therein, represented the
2 plaintiff in a wage-and-hour class and PAGA representative action against a national
3 retailer of household items, on behalf of hourly-paid or non-exempt employees. On
4 May 27, 2015, the court granted final approval of the class and PAGA representative
5 action settlement. The San Francisco County Superior Court Case Number is CGC-
6 13-532344.

7 i) LFJ, in association with co-counsel therein, represented the
8 plaintiff in a wage-and-hour class and PAGA representative action involving
9 allegations of misclassification of the salaried residential “Property Manager”
10 position. On September 17, 2015, the court granted plaintiff’s motion for class
11 certification. On October 20, 2017, the court granted final approval of the class and
12 PAGA representative action settlement. The Los Angeles County Superior Court Case
13 Number is BC474784.

14 j) LFJ, in association with co-counsel therein, represented the
15 plaintiffs in a wage-and-hour class and PAGA representative action against a national
16 retailer of upscale hardware and home furnishings, on behalf of non-exempt
17 employees. On April 28, 2016, the court granted final approval of the class and PAGA
18 representative action settlement. The Los Angeles County Superior Court Case
19 Numbers are BC516795 and JCCP4794, and the Judicial Council Coordination
20 Proceeding Number is 4794.

21 k) LFJ, in association with co-counsel therein, represented the
22 plaintiffs in a wage-and-hour class action against a national retailer of apparel and
23 fashion accessories, on behalf of non-exempt employees. On August 5, 2016, the court
24 granted final approval of the class action settlement. The Los Angeles County
25 Superior Court Case Number is BC488069.

26 l) LFJ, in association with co-counsel therein, represented the
27 plaintiffs in a wage-and-hour class action against a national retailer of apparel,
28 accessories, and home products, involving allegations of misclassification of the

1 “Department Manager” position. On August 12, 2016, the court granted the plaintiffs’
2 motion for class certification in part and certified a class. On August 6, 2019, the court
3 granted final approval of the class action settlement. The Alameda County Superior
4 Court Case Number is RG13680477.

5 m) LFJ represented the Plaintiffs in a PAGA representative action
6 against a real estate and property management company, on behalf of non-exempt
7 employees. On November 4, 2016, the court granted approval of the PAGA
8 representative action settlement. The Orange County Superior Court Case Number is
9 30-2015-00775439-CU-OE-CXC.

10 n) LFJ, in association with co-counsel therein, represented the
11 plaintiffs in a wage-and-hour class and PAGA representative action against a full-
12 service bank, on behalf of non-exempt employees. On November 18, 2016, the court
13 granted final approval of the class and PAGA representative action settlement. The
14 San Francisco County Superior Court Case Number is CJC-13-004839 and the
15 Judicial Council Coordination Proceeding Number is 4839.

16 o) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
17 representative action against a foodservice distributor, on behalf of non-exempt
18 employees. On January 26, 2017, the court granted final approval of the class and
19 PAGA representative action settlement. The San Bernardino County Superior Court
20 Case Number is CIVDS1507260.

21 p) LFJ, on behalf of the Plaintiffs and respondent in a PAGA
22 representative action, successfully opposed in the trial court, and briefed and argued
23 an appeal with respect to the employer’s motion to compel arbitration, which resulted
24 in a published opinion by the California Court of Appeal in favor of employees.
25 *Roberto Betancourt v. Prudential Overall Supply* (Cal. App. 4th Dist., Mar. 7, 2017)
26 9 Cal.App.5th 439, review denied, cert. denied (U.S. Supreme Court Docket No. 17-
27 254). The Riverside County Superior Court Case Numbers are RIC1503952 and
28 RICJCCP5046, and the Judicial Council Coordination Proceeding Number is 5046.

1 q) LFJ, in association with co-counsel therein, represented the
2 plaintiffs in a wage-and-hour class and PAGA representative action against a
3 consumer packaging company, on behalf of non-exempt employees. On March 10,
4 2017, the court granted final approval of the class and PAGA representative action
5 settlement. The Los Angeles County Superior Court Case Number is BC590429.

6 r) LFJ, in association with co-counsel therein, represented the
7 plaintiffs in a wage-and-hour class and PAGA representative action against a
8 manufacturer of food service industry supplies on behalf of non-exempt employees.
9 On April 14, 2017, the court granted final approval of the class and PAGA
10 representative action settlement. The Orange County Superior Court Case Number is
11 30-2015-00810013-CU-OE-CXC.

12 s) LFJ, in association with co-counsel therein, represented the
13 plaintiffs in a wage-and-hour class and PAGA representative action against a lumber
14 and hardware company on behalf of non-exempt employees. On April 26, 2017, the
15 court granted final approval of the class and PAGA representative action settlement.
16 The Orange County Superior Court Case Number is 30-2014-00747750-CU-OE-
17 CXC.

18 t) LFJ represented the plaintiff in a wage-and-hour class and PAGA
19 representative action against a property management company, on behalf of non-
20 exempt employees. On June 14, 2017, the court granted final approval of the class and
21 PAGA representative action settlement. The Los Angeles County Superior Court Case
22 Number is BC586234.

23 u) LFJ represented the plaintiff in a wage-and-hour class and PAGA
24 representative action against a food company on behalf of non-exempt employees. On
25 June 30, 2017, the court granted final approval of the class and PAGA representative
26 action settlement. The Sacramento County Superior Court Case Number is 34-2015-
27 00175871.

1 v) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
2 representative action against a chocolate company on behalf of non-exempt
3 employees. On July 19, 2017, the court granted final approval of the class and PAGA
4 representative action settlement. The Alameda County Superior Court Case Number
5 is RG15764300.

6 w) LFJ represented the plaintiff in a PAGA representative action,
7 against the parent company of several restaurants, on behalf of hourly-paid, non-
8 exempt employees. On October 18, 2017, the court granted approval of the PAGA
9 representative action settlement. The Los Angeles County Superior Court Case
10 Number is BC569664.

11 x) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
12 representative action against a manufacturer of plastic containers on behalf of non-
13 exempt employees. On October 31, 2017, the court granted final approval of the class
14 and PAGA representative action settlement. The Los Angeles County Superior Court
15 Case Number is BC577233.

16 y) LFJ, in association with co-counsel therein, represented the
17 plaintiffs in a wage-and-hour class and PAGA representative action against a bank on
18 behalf of non-exempt employees. On December 11, 2017, the court granted final
19 approval of the class and PAGA representative action settlement. The Los Angeles
20 County Superior Court Case Number is BC569646.

21 z) LFJ, in association with co-counsel therein, represented the
22 plaintiffs in a wage-and-hour class and PAGA representative action against a property
23 management company on behalf of hourly-paid and non-exempt employees. On
24 January 4, 2018, the court granted final approval of the class and PAGA representative
25 action settlement. The Los Angeles County Superior Court Case Number is JCCP4819
26 and the Judicial Council Coordination Proceeding Number is 4819.

27 aa) LFJ, in association with co-counsel therein, represented the
28 plaintiffs in a wage-and-hour class and PAGA representative action against a global

1 provider of flexible office space solutions. On February 15, 2018, the court granted
2 final approval of the class and PAGA representative action settlement. The Los
3 Angeles County Superior Court Case Number is BC498401.

4 bb) LFJ, in association with co-counsel therein, represents the plaintiff
5 in a wage-and-hour class action against a container manufacturer, on behalf of non-
6 exempt employees. On October 15, 2018, the court granted the plaintiff's motion for
7 class certification. The Tulare County Superior Court Case Number is VCU264528.

8 cc) LFJ represented the plaintiffs in a wage-and-hour class and PAGA
9 representative action against a behavioral health service provider on behalf of non-
10 exempt employees. On November 13, 2018, the court granted final approval of the
11 class and PAGA representative action settlement. The Alameda County Superior
12 Court Case Number is RG16811450.

13 dd) LFJ, in association with co-counsel therein, represented the
14 plaintiff in a PAGA representative action against a global provider of products and
15 services to the energy industry, on behalf of hourly-paid and non-exempt employees.
16 On November 19, 2018, the court granted approval of the PAGA representative action
17 settlement. The Kern County Superior Court Case Number is S-1500-CV-280215-
18 SDC.

19 ee) LFJ, in association with co-counsel therein, represents the plaintiff
20 in a wage-and-hour class action against a parking company on behalf of non-exempt
21 employees. On September 3, 2019, the court granted the plaintiff's motion for class
22 certification and certified a class. The Santa Clara County Superior Court Case
23 Number is 16CV292208 and the Judicial Council Coordination Proceeding Number
24 is 4886.

25 ff) LFJ, in association with co-counsel therein, represents the
26 plaintiffs in a wage-and-hour class and PAGA representative action against a bank on
27 behalf of non-exempt employees. On September 27, 2019, the court granted the
28 plaintiffs' motion for class certification in part and certified a class. The Alameda

County Superior Court Case Number is RG15757606 and the Judicial Council Coordination Proceeding Number is 4921.

gg) LFJ, in association with co-counsel therein, represented the plaintiffs in a wage-and-hour class and PAGA representative action against a national retailer of apparel and fashion accessories, on behalf of non-exempt employees. On October 9, 2019, the court granted the plaintiffs' motion for class certification in part and certified a class. On May 14, 2021, the court granted final approval of the class and PAGA representative action settlement. The Sacramento County Superior Court Case Number is 34-2015-00175330-CU-OE-GDS.

hh) LFJ, in association with co-counsel therein, represents the plaintiff in a wage-and-hour class and PAGA representative action against a medical equipment supplier on behalf of non-exempt employees. On February 13, 2020, the court granted the plaintiff's motion for class certification and certified a class. On November 2, 2023, the court granted final approval of the class and PAGA representative action settlement. The San Bernardino County Superior Court Case Number is CIVDS1505744.

ii) LFJ, in association with co-counsel therein, on behalf of the plaintiff and respondent in a PAGA representative action, successfully opposed in the trial court, and briefed and argued an appeal with respect to the employer's motion to compel arbitration, resulting in a notable decision from the California Supreme Court clarifying the law regarding PAGA claims, *ZB, N.A. v. Superior Court* (2019) 8 Cal.5th 175. On February 21, 2020, the court granted approval of the PAGA representative action settlement. The San Diego County Superior Court Case Number is 37-2016-00005578-CU-OE-CTL.

jj) LFJ, in association with co-counsel therein, represented the plaintiff in a wage-and-hour class and PAGA representative action against a large national drug testing laboratory on behalf of non-exempt employees. On February 21, 2020, the court granted the plaintiff's motion for class certification and certified a

1 class. On October 28, 2022, the court granted final approval of the class and PAGA
2 representative action settlement. The San Diego County Superior Court Case Number
3 is 37-2018-00019611-CU-OE-CTL.

4 kk) LFJ, in association with co-counsel therein, represents the
5 plaintiffs in a wage-and-hour class and PAGA representative action against a national
6 retailer of sportswear, footwear, and camping equipment on behalf of non-exempt
7 employees. On March 16, 2020, the court granted in part the plaintiffs' motion for
8 class certification and certified a class. The Riverside County Superior Court Case
9 Numbers are RIC1507504 and RICJCCP4930, and the Judicial Council Coordination
10 Proceeding Number is 4930.

11 ll) LFJ, in association with co-counsel therein, represented the
12 plaintiffs in a wage-and-hour class and PAGA representative action against a plastic
13 packaging company on behalf of non-exempt employees. On June 8, 2020, the court
14 granted in part the plaintiffs' motion for class certification and certified a class. On
15 November 8, 2021, the court granted approval of the partial settlement of the action.
16 On April 22, 2024, the court granted approval of the PAGA settlement and entered an
17 order dismissing the action. The San Bernardino County Superior Court Case Number
18 is CIVDS1507361.

19 mm) LFJ, in association with co-counsel therein, represented the
20 plaintiffs in a wage-and-hour class action against manufacturer and supplier of power
21 products and services on behalf of non-exempt employees. On July 31, 2020, the court
22 granted in part the plaintiffs' motion for class certification and certified a class. On
23 August 27, 2021, the court granted final approval of the class action settlement. The
24 San Diego County Superior Court Case Number is 37-2015-00025968-CU-OE-CTL.

25 nn) LFJ represents the plaintiff in a wage-and-hour class action against
26 a nutritional products manufacturer on behalf of non-exempt production line
27 employees. On December 13, 2021, the court granted the plaintiff's motion for class
28 certification in part and certified a class. On January 16, 2024, the court granted final

1 approval of the class and PAGA representative action settlement. The Solano County
2 Superior Court Case Number is FCS051001.

3 oo) LFJ represents the plaintiffs in a wage-and-hour class action
4 against a manufacturer and distributor of commercial dish and glass cleaning
5 machines and supplies for the restaurant and hospitality industries, on behalf of
6 hourly-paid or non-exempt employees. On July 13, 2023, the court granted the
7 plaintiffs' motion for class certification and certified a class. The Los Angeles County
8 Superior Court Case Number is BC707670.

9 **THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED**

10 24. Marked and attached hereto as "**EXHIBIT 1**" is a true and correct copy
11 of the Class Action and PAGA Settlement Agreement entered into by and between
12 Plaintiffs, individually and on behalf of all others similarly situated and other
13 aggrieved employees, on the one hand, and Defendant, on the other hand. The Parties
14 and their counsel have approved the proposed Court Approved Notice of Class Action
15 Settlement and Hearing Date for Final Court Approval ("Class Notice"), which is
16 attached to the Settlement Agreement as "Exhibit A" and respectfully request that the
17 Court approve it as well.

18 25. The effectiveness of Lawyers *for* Justice, PC ("Class Counsel") in
19 prosecuting this matter has translated into tangible monetary benefits for the Class
20 Members in the following respects: (1) Class Members recover over a reasonably
21 short period of time as opposed to waiting additional years for the same, or possibly
22 worse, result; (2) a guaranteed result that compares favorably with other similar class
23 action settlements of this type given the strengths and weaknesses of the case; and (3)
24 significant savings in Class Counsel's fees and/or costs that would have only increased
25 significantly had the case progressed through certification, trial, and/or appeals.

26 26. Class Counsel has litigated the matters for over two years and was
27 actively preparing the matters for class certification and trial. The Parties have
28 engaged in extensive settlement negotiations and participated in a full-day mediation

1 conducted by Mark Rudy, Esq. (“Mediator”), a well-respected mediator experienced
2 in mediating complex labor and employment matters. At the mediation, the Parties
3 reached a settlement in principle and thereafter continued to negotiate essential terms
4 until a complete agreement was reached. In the course of the litigation and in
5 connection with the mediation and settlement discussions, the Parties exchanged
6 extensive information and engaged in discussions regarding their evaluations of the
7 case and various aspects of the case, including but not limited to, the risks and delays
8 of further litigation, the risks to the Parties of proceeding with class certification and/or
9 representative adjudication, the law relating to off-the-clock theory, meal and rest
10 periods, regular rate of pay, rounding, PAGA representative actions, collective
11 bargaining agreements and their impact on California Labor Code claims, and state
12 wage-and-hour law and enforcement, as well as the evidence produced and analyzed,
13 and the possibility of appeals, among other things. During all settlement discussions,
14 the Parties conducted their negotiations at arm’s length in an adversarial position.
15 Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and
16 its counsel felt strongly about their ability to prevail on the merits and at certification,
17 and Plaintiffs and Class Counsel believed that they would be able to obtain class
18 certification and prevail at trial. After conducting investigations, formal and informal
19 discovery, and exchange of information, multiple depositions, and extensive
20 settlement negotiations, the Parties have agreed, with the aid of the Mediator’s
21 evaluation, that the matter is well-suited for settlement given the legal issues relating
22 to Plaintiffs’ principal claims, as well as the costs and risks to both sides that would
23 attend further litigation. The Settlement is a fair, reasonable, and adequate resolution
24 of the Released Class Claims of Plaintiffs and Class Members, and of the Released
25 PAGA Claims of Plaintiffs, the State of California, and the Aggrieved Employees,
26 against the Released Parties.

27 27. Prior to engaging in mediation, Class Counsel conducted significant
28 investigation into the facts of the case and engaged in extensive formal and informal

1 discovery and review and analysis of thousands of pages of documents and data
2 produced by Defendant. The volume of data and documents that Class Counsel
3 reviewed and analyzed included, and was not limited to: Plaintiffs and other Class
4 Members' employment records; a detailed sampling of Class Members' time and pay
5 data (including, but not limited to, timecards, payroll records, and wage statements);
6 Defendant's Employee Handbooks, agreements (such as collective bargaining
7 agreements and Release and Acknowledgment Agreements), internal memoranda, job
8 titles and descriptions, operations and employment practices, forms (such as
9 Defendant's Employee Training Documentation forms), procedures, and policies
10 (such as Defendant's Attendance and Punctuality Policy), among other information
11 and documents. Class Counsel interviewed Plaintiffs and other Class Members to
12 gather facts and identify potential witnesses. Class Counsel served multiple sets of
13 formal written discovery requests and reviewed Defendant's responses thereto. The
14 Parties exchanged FRCP Rule 26(a) Initial Disclosures. Class Counsel also took the
15 depositions of two of Defendant's FRCP Rule 30(b)(6) designees and prepared for
16 and defended the deposition of Plaintiff Johnson. Counsel for the Parties also met and
17 conferred on numerous occasions, e.g., to discuss issues relating to the pleadings,
18 discovery, motion practice, and the production of documents and data. Class Counsel
19 also prepared for and attended court proceedings and settlement negotiations, among
20 other tasks.

21 28. Counsel for the Parties have also invested time researching and
22 investigating the applicable law, which is constantly evolving as it relates to class
23 certification, representative PAGA claims, off-the-clock theory, meal and rest periods,
24 regular rate of pay, rounding, state wage-and-hour law and enforcement, Plaintiffs'
25 claims and damages, and Defendant's defenses thereto, as well as facts discovered.
26 Based on our analysis, I submit that the result achieved in this litigation is fair,
27 adequate, and reasonable.

28 29. Based on investigation and information discovered, Class Counsel

1 believes that there is sufficient evidence to support the allegations made in the lawsuit,
2 including the allegations that Defendant, with respect to Plaintiffs, Class Members,
3 and Aggrieved Employees, inter alia, failed to properly pay overtime and minimum
4 wages, failed to provide compliant meal and rest periods and to properly pay
5 associated premium pay, failed to timely pay wages during employment and upon
6 termination of employment, failed to provide compliant wage statements, failed to
7 maintain requisite payroll records, and failed to reimburse necessary business
8 expenses, and thereby engaged in unfair business practices and conduct giving rise to
9 civil penalties recoverable under the Private Attorneys General Act of 2004
10 (California Labor Code section 2698, et seq.). Based on Class Counsel's investigation,
11 Class Members were expected to perform similar job duties and/or were subject to the
12 same or similar operations and employment policies, practices, and procedures.
13 Additionally, Defendant's payroll and recordkeeping practices with respect to
14 Plaintiffs, Class Members, and Aggrieved Employees were substantially the same
15 during the time period at issue. As a result of said alleged uniform practices, Plaintiffs
16 claim that the Class Members were not paid all of the compensation that was owed to
17 them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome of this
18 litigation would be determined by Defendant's uniform operations and employment
19 practices, policies, and procedures that Plaintiffs allege applied across its hourly-paid
20 or non-exempt employees in California during the relevant time period.

21 30. Class Counsel is aware of the defenses and position of Defendant but
22 believes that Plaintiffs could potentially obtain class certification despite many
23 obstacles. Plaintiffs and Class Counsel have also taken into account the uncertainty
24 and risk of the outcome of further litigation, and the difficulties and delays inherent in
25 such litigation, including those involved in class certification and/or representative
26 adjudication. Plaintiffs further recognize the burdens of proof necessary to establish
27 liability for the claims asserted in the lawsuit, Defendant's defenses, and the
28 difficulties in establishing entitlement to monetary recovery. Plaintiffs and Class

1 Counsel have also considered the Parties' settlement discussions, as well as the
2 evaluations of the Mediator, who is experienced and well-regarded in complex labor
3 and employment matters.

4 31. Defendant, on the other hand, denied and continues to deny any liability
5 and wrongdoing of any kind associated with the claims alleged in the lawsuit, and
6 further denies that the lawsuit is appropriate for class treatment or representative
7 adjudication for any purpose other than this Settlement. Defendant believes that it
8 would ultimately succeed in the matter. Both sides have also had the opportunity to
9 interview witnesses and review documents and information relating to Plaintiffs',
10 Class Members', and Aggrieved Employees' employment with Defendant, and
11 Defendant's operations and employment policies, practices, and procedures. The
12 Parties also reviewed and analyzed thousands of pages of documents and data to
13 determine the potential value and strength of the claims. The available information
14 enabled Class Counsel to assess and value the class and PAGA claims and prepare
15 violation, damages, and penalties analyses models. Accordingly, the Parties have
16 conducted adequate investigation and discovery to be sufficiently informed of the
17 nature and extent of the Class Members' claims, and to enable both sides to fully
18 evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement
19 takes into account the strengths and weaknesses of each side's position and the
20 uncertainty of how the case might have concluded at certification, trial, and/or appeals.

21 **ESTIMATE OF THE VALUE OF THE CLAIMS**

22 32. Plaintiffs' Action alleges that Defendant has violated the California
23 Labor Code and Industrial Welfare Commission Wage Orders by engaging in a
24 uniform policy and systematic scheme of wage abuse against Plaintiffs and the
25 putative class members, including, inter alia, failing to properly compensate overtime
26 and minimum wages, failing to provide compliant meal and rest periods and
27 associated premium pay, failing to timely pay wages during employment, failing to
28 timely pay wages upon termination and associated waiting-time penalties, failing to

1 provide compliant wage statements, failing to maintain requisite payroll records, and
2 failing to reimburse necessary business expenses. Plaintiffs further contend that
3 Defendant's aforementioned conduct constitutes unfair business practices under the
4 California Business and Professions Code ("UCL") and gives rise to civil penalties
5 recoverable under PAGA.

6 33. Based on data provided by Defendant and extrapolated by Plaintiffs, the
7 total number of putative class members during the period from August 8, 2018 to
8 September 27, 2023 ("relevant time period") was estimated to be approximately 2,838
9 individuals who worked an estimated total of 309,020 Workweeks with an average
10 hourly rate of pay of \$18.35.

11 34. Plaintiffs contended that Defendant required putative class members to
12 perform work before clocking in and after clocking out of their scheduled shifts and
13 during meal and rest periods. Plaintiffs contended that Defendant discouraged the
14 recordation of overtime hours and required putative class members to perform work
15 off-the-clock. Plaintiffs contended that Defendant failed to include non-discretionary
16 bonuses, incentives, and shift differentials in the calculation of the regular rate when
17 paying overtime wages. Plaintiffs also contended that meal and rest periods were
18 regularly missed, late, shortened, and/or interrupted, and Defendant failed to properly
19 pay premiums for all non-compliant meal and rest periods. Additionally, Plaintiffs
20 alleged that Defendant intentionally and willfully failed to pay Plaintiffs and putative
21 class members all wages due to them while they were employed by Defendant, within
22 the time period permissible under California law, and that Defendant failed to pay all
23 wages due upon termination, within the time period permissible under California law,
24 thereby triggering waiting-time penalties under California Labor Code section 203.
25 Plaintiffs contended that, based on the violations described herein, the wage
26 statements provided by Defendant and the payroll records kept by Defendant were
27 inaccurate. Finally, Plaintiffs contended that Defendant failed to reimburse Plaintiffs
28 and the other putative class members for necessary business expenses, including but

1 not limited to the costs of complying with Defendant’s dress code and the purchase of
2 supplies, such as masks, sanitizers, and gloves.

3 35. Class Counsel considered defense arguments, e.g., that the employer’s
4 practices, policies, and procedures complied with the law, that Defendant paid
5 putative class members over the California minimum wage for all hours worked, that
6 Defendant correctly paid overtime for all overtime hours worked, that a large portion
7 of the class may be subject to an exemption from overtime claims pursuant to
8 collective bargaining agreements, that no waiting-time penalties were due because
9 waiting-time penalties only arise from “willful” failure to pay wages due and owing
10 at the time of termination or resignation, that Plaintiffs and putative class members
11 suffered no actual injury from the alleged wage statement violations and that this
12 alleged violation and the alleged recordkeeping violation are entirely derivative of the
13 other causes of action, and that a policy and practice of reimbursing employees for
14 necessary business-related expenses exists. Class Counsel also considered the
15 likelihood of Plaintiffs’ success in establishing that any of provisions of the California
16 Labor Code, on which the civil penalties under PAGA and the UCL claim are
17 predicated, were violated and that such violations were injurious and/or warranted
18 imposition of civil penalties. Class Counsel also considered that trial courts have wide
19 discretion when assessing penalties under PAGA, and that it could be determined that
20 individual liability issues predominate (e.g., due to purported variation in shifts,
21 locations, job duties, and other circumstances which could raise individualized
22 questions of fact) and could pose challenges to certification, manageability, and the
23 merits of Plaintiffs’ claims.

24 36. Class Counsel considered information, data, and documents obtained
25 from Plaintiffs, Defendant, and other sources, and created violation, damages, and
26 penalties valuations and models prior to reaching the Settlement. Based thereon,
27 Plaintiffs calculated the potential value of the claims. However, the potential value of
28 each claim assumed an exposure based on the above-captioned action having been

1 certified as to all claims and Plaintiffs having proven all elements of the claims and
2 entitlement to monetary recovery (on a class-wide and a representative basis), despite
3 risks associated with obtaining and maintaining certification, risks to establishing
4 liability and any underlying California Labor Code and IWC Wage Order violations
5 and damages, and significant additional costs that would have to be incurred in order
6 to certify the above-captioned action and establish liability, damages, and penalties
7 amounts. Plaintiffs faced the risk of the Court finding that individualized issues
8 predominate such that the cases are not suitable for class treatment. While Class
9 Counsel disagreed with Defendant's arguments and factual contentions, Class
10 Counsel recognized the circumstances and realities of the case, applicable case law
11 and regulations, the extensive time and pay records produced by Defendant, the costs
12 and expenses of further litigation and certification, and risks to recovery, and applied
13 appropriate discounts for them. Class Counsel calculated the potential and realistic
14 values of each claim as follows:

15 a. Failure to Pay Overtime Wages: The potential value of this claim was
16 estimated to be \$17,014,641.20 (309,020 Workweeks x 2 hours of unpaid
17 overtime wages x overtime hourly rate of \$27.53, which is based on the
18 average hourly rate of \$18.35). At this juncture, a discount of 50% was
19 applied to account for the risks associated with obtaining and maintaining
20 class certification (bringing the value of this claim closer to
21 \$8,507,320.60), a discount of 75% was applied to account for the risks
22 associated with succeeding on the merits and establishing liability
23 (bringing the value of this claim closer to \$2,126,830.15), and a discount
24 of 75% was applied to account for the risks associated with proving the
25 extent of damages and obtaining an award thereof (bringing the value of
26 this claim closer to \$531,707.54).

27 b. Failure to Pay Minimum Wages: The potential value of this claim was
28 estimated to be \$5,670,517.00 (309,020 Workweeks x 1 hour of unpaid

1 minimum wages x average hourly rate of \$18.35). At this juncture, a
2 discount of 45% was applied to account for the risks associated with
3 obtaining and maintaining class certification (bringing the value of this
4 claim closer to \$3,118,784.35), a discount of 60% was applied to account
5 for the risks associated with succeeding on the merits and establishing
6 liability (bringing the value of this claim closer to \$1,247,513.74), and a
7 discount of 75% was applied to account for the risks associated with
8 proving the extent of damages and obtaining an award thereof (bringing
9 the value of this claim closer to \$311,878.44).

10 c. Failure to Provide Compliant Meal Periods and Associated Premiums:

11 The potential value of this claim was estimated to be \$11,341,034.00
12 (309,020 Workweeks x 2 meal period premiums x average hourly rate of
13 \$18.35). At this juncture, a discount of 50% was applied to account for
14 the risks associated with obtaining and maintaining class certification
15 (bringing the value of this claim closer to \$5,670,517.00), a discount of
16 65% was applied to account for the risks associated with succeeding on
17 the merits and establishing liability (bringing the value of this claim
18 closer to \$1,984,680.95), and a discount of 75% was applied to account
19 for the risks associated with proving the extent of damages and obtaining
20 an award thereof (bringing the value of this claim closer to \$496,170.24).

21 d. Failure to Provide Compliant Rest Periods and Associated Premiums:

22 The potential value of this claim was estimated to be \$11,341,034.00
23 (309,020 Workweeks x 2 rest period premiums x average hourly rate of
24 \$18.35). At this juncture, a discount of 50% was applied to account for
25 the risks associated with obtaining and maintaining class certification
26 (bringing the value of this claim closer to \$5,670,517.00), a discount of
27 65% was applied to account for the risks associated with succeeding on
28 the merits and establishing liability (bringing the value of this claim

1 closer to \$1,984,680.95), and a discount of 75% was applied to account
2 for the risks associated with proving the extent of damages and obtaining
3 an award thereof (bringing the value of this claim closer to \$496,170.24).

4 e. Failure to Timely Pay Wages During Employment: The value of this
5 claim is considered as a part of the valuation of the PAGA claim
6 contained in paragraph 35(j), *post*.

7 f. Failure to Timely Pay Wages After Termination (and Waiting-Time
8 Penalties): Based on information and data provided by Defendant, it was
9 estimated that approximately 1,162 putative class members had been
10 terminated during the three-year statute of limitations (i.e., from August
11 8, 2019). Assuming that these individuals were not timely paid all wages
12 due to them upon termination, the potential value of waiting-time
13 penalties was estimated to be \$5,117,448.00 collectively (1,162
14 individuals x [30 days x hourly rate of \$18.35 x 8 hours]), or
15 approximately \$4,404.00 per individual. At this juncture, a discount of
16 50% was applied to account for the risks associated with obtaining and
17 maintaining class certification (bringing the value of this claim closer to
18 \$2,558,724.00), a discount of 60% was applied to account for the risks
19 associated with succeeding on the merits and establishing liability
20 (bringing the value of this claim closer to \$1,023,489.60), and a discount
21 of 75% was applied to account for the risks associated with proving the
22 extent of damages and obtaining an award thereof (bringing the value of
23 this claim closer to \$255,872.40).

24 g. Failure to Provide Compliant Wage Statements: The potential value of
25 this claim was calculated to be \$7,204,000.00 ([1,801 initial violations x
26 \$4,000 statutory maximum penalty]. At this juncture, a discount of 50%
27 was applied to account for the risks associated with obtaining and
28 maintaining class certification (bringing the value of this claim closer to

\$3,602,000.00), a discount of 60% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$1,440,800.00), and a discount of 75% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$360,200.00).

h. Failure to Maintain Payroll Records: Arguably, civil penalties would only be recoverable by the Labor Commissioner, therefore, the value of this claim is considered as a part of the valuation of the PAGA claim contained in paragraph 35(j), *post*.

i. Failure to Reimburse Necessary Business Expenses: The potential value of this claim was estimated to be \$1,452,394.00 (309,020 Workweeks x \$4.70 unreimbursed business expenses). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$726,197.00), a discount of 65% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$254,168.95), and a discount of 75% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$63,542.24).

j. PAGA Penalties: The amount of civil penalties at issue, which the Court could determine whether or not to assess and whether or not to reduce based on the facts and circumstances of the case (to avoid an award that is unjust, arbitrary and oppressive, or confiscatory, pursuant to California Labor Code section 2699(e)(2)), were estimated to be approximately \$3,318,000.00 (1,896 aggrieved employees estimated to have worked during the one-year statutory period x \$1,750 civil penalties). At this

1 to Plaintiffs, Administration Expenses Payment to the Settlement Administrator, and
2 the PAGA Penalties. Assuming that the amounts allocated under the Settlement
3 toward these payments are awarded by the Court, the Net Settlement Amount that will
4 be available for distribution to Participating Class Members is currently estimated to
5 be \$2,304,463.70. Additionally, 25% of the PAGA Penalties, which is \$125,000.00
6 out of \$500,000.00, will be distributed to the Aggrieved Employees, for their
7 respective portion of the PAGA Penalties (i.e., Individual PAGA Payments). The
8 Gross Settlement Amount will be fully distributed in accordance with the terms of the
9 Settlement, and there is no reversion to Defendant.

10 39. The Parties have agreed to retain Phoenix Class Action Administration
11 Solutions (“Phoenix” or “Administrator”) to handle the notice and settlement
12 administration process. The Parties respectfully request that the Court appoint Phoenix
13 to handle these procedures and serve as the Settlement Administrator. Defendant will
14 provide Phoenix with a list of Class Members that Defendant will compile from its
15 records, which will include each Class Member’s and Aggrieved Employee’s full
16 name, last-known mailing address, Social Security number, and number of Class
17 Period Workweeks and PAGA Pay Periods (“Class Data”), and the Administrator will
18 calculate each Class Member’s estimated share of the Net Settlement Amount
19 (“Individual Class Payment”). The Administrator will also receive requests for
20 exclusion from the Class Settlement, objections to the Class Settlement, and disputes
21 regarding Workweeks and/or PAGA Pay Periods; provide necessary reports and
22 declarations; calculate, subtract, and transmit necessary taxes and withholdings;
23 prepare and submit informational and other tax filings and documents; issue and
24 transmit all payments provided for by the Settlement, including and not limited to,
25 mailing Individual Class Payment checks to the Participating Class Members; mailing
26 Individual PAGA Payment checks to Aggrieved Employees; and perform any other
27 usual and customary duties for administering a class action settlement. The
28 Administration Expenses Payment is currently estimated not to exceed \$20,000.00

1 and will be paid out of the Gross Settlement Amount, subject to approval of the Court.

2 40. The Settlement Agreement provides for Class Counsel to apply for
3 attorneys' fees in an amount of up to 35% of the Gross Settlement Amount (i.e.,
4 \$1,566,634.30) and for Class Counsel to apply for reimbursement of their actual costs
5 and expenses of not more than \$50,000.00, which will be paid out of the Gross
6 Settlement Amount, subject to approval by the Court. Currently, the actual costs are
7 estimated to be less than \$40,000.000. It should be noted that Class Counsel has borne
8 all of the risks and costs of litigation and will not receive any compensation until
9 recovery is obtained. Furthermore, while the Settlement states that "Defendant will
10 not oppose requests for these payments provided that they do not exceed these
11 amounts," Ex. 1, § 3.2.2, there is no agreement between the Parties to pay Class
12 Counsel a certain amount of attorneys' fees separate from the Gross Settlement
13 Amount. Rather, the language was taken from a model settlement agreement from the
14 Los Angeles County Superior Court, where Plaintiffs initially filed their Motion for
15 Preliminary Approval. The attorneys' fees sought are commensurate with: (1) the risk
16 that Class Counsel took in commencing and/or pursuing the Action; (2) the time,
17 effort, and expense that Class Counsel dedicated to the Action; (3) the skill and
18 determination that Class Counsel have shown; (4) the substantial results that Class
19 Counsel have achieved throughout the litigation of the Action; (5) the value of the
20 settlement that Class Counsel have achieved; and (6) the contingency-fee agreement
21 entered into by and between Class Counsel and Plaintiffs, who have agreed to a
22 contingency fee of at least 35% of the recovery.

23 41. The Settlement Agreement provides for payment of Class Representative
24 Service Payments to the Class Representatives of not more than \$15,000.00 for
25 Plaintiff Johnson, \$12,500.00 for Plaintiff Kennedy, and \$7,500.00 for Plaintiff
26 Walker, in addition to any Individual Class Payment and Individual PAGA Payment
27 that they are entitled to receive as Participating Class Members, to be paid out of the
28 Gross Settlement Amount, subject to approval by the Court. Plaintiffs spent

1 considerable time and effort to produce relevant documents and past employment
2 records and to provide the facts and evidence necessary to attempt to prove the
3 allegations. Plaintiffs were available whenever Class Counsel needed them and
4 actively tried to obtain information that would benefit the Class. Plaintiff Johnson
5 prepared for and attended his deposition, and Plaintiff Kennedy was preparing to do
6 so when the matter reached a settlement. Accordingly, it is appropriate and just for
7 Plaintiffs to receive a Class Representative Service Payment, in addition to their
8 Individual Class Payment and Individual PAGA Payment, for their services on behalf
9 of the Class, Aggrieved Employees, and the State of California.

10 42. Class Counsel submits that the Settlement is fair, reasonable, and
11 adequate, and is in the best interest of Plaintiffs, the Class, Aggrieved Employees, and
12 the State of California. Class Counsel further submits that the Settlement is within an
13 acceptable range of recovery for this type of litigation given the strengths and
14 weaknesses of the case, the inherent costs and risks of further litigation, and the costs
15 and risks associated with class certification, representative adjudication, trial, and/or
16 appeals.

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

19 Executed on this 7th day of April 2025, at Glendale, California.

20 

21 _____
22 Elizabeth Parker-Fawley
23
24
25
26
27
28

EXHIBIT 1

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiffs **Tyrone Johnson, Terrence Kennedy, and James Walker** (“Plaintiffs”) and Defendant **Parsec, Inc.** (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

- 1.1. “Action” means the Plaintiffs’ lawsuit alleging wage and hour violations against Defendant captioned *Tyrone Johnson, et al. v. Parsec, Inc.* initiated on August 5, 2022 and pending in the Superior Court of the State of California, County of Los Angeles (Case No.: 22STCV25427).
- 1.2. “Administrator” means Phoenix Class Action Administration Solutions, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Aggrieved Employee” means a non-exempt or hourly-paid employee employed by Defendant in the State of California who worked for Defendant at any time during the PAGA Period.
- 1.5. “Class” means all of Defendant’s current and former non-exempt or hourly-paid employees employed by Defendant in the State of California who worked for Defendant at any time during the Class Period.
- 1.6. “Class Counsel” means Edwin Aiwarzian and Elizabeth Parker-Fawley of Lawyers for Justice, PC.
- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action and the Federal Class Action.
- 1.8. “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available

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

- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from August 8, 2018 through September 27, 2023.
- 1.13. “Class Representatives” means the named Plaintiffs in the Action seeking Court approval to serve as Class Representatives.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Los Angeles.
- 1.16. “Defendant” means named Defendant Parsec, Inc. d/b/a Ohio Parsec, Inc.
- 1.17. “Defense Counsel” means Adam Y. Siegel and Kishaniah Dhamodaran of Jackson Lewis P.C.
- 1.18. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, 65 days after the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, 10 days after the appellate court affirms the Judgment and issues a remittitur.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.22. “Gross Settlement Amount” means Four Million Four Hundred and Seventy-Six Thousand and Ninety Eight Dollars and Zero Cents (\$4,476,098.00) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payments and the Administrator’s Expenses.

- 1.23. “Individual Class Payment” means a Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.
- 1.24. “Individual PAGA Payment” means an Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties which shall be calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. “LWDA” means the California Labor and Workforce Development Agency, the agency identified in Labor Code section 2699, subd. (i).
- 1.26. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.27. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payments, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.28. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.29. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 5.1. “PAGA Period” means the period from June 1, 2021 through September 27, 2023.
- 1.30. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.31. “PAGA Notice” means Plaintiff Terrence Kennedy’s May 23, 2022 letter, Plaintiff Tyrone Johnson’s June 1, 2022 letter, and Plaintiff James Walker’s June 21, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.32. “PAGA Penalties” means the \$500,000 to be paid from the Gross Settlement Amount for PAGA civil penalties, allocated 25% to the Aggrieved Employees (\$125,000) and 75% to the LWDA (\$375,000) in settlement of the PAGA claims.
- 1.33. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.34. “Plaintiffs” means Tyrone Johnson, Terrence Kennedy, and James Walker, the named Plaintiffs in the Action.
- 1.35. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

- 1.36. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.37. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.38. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.39. “Released Parties” means: Defendant and all of its present and former parent companies, subsidiaries, divisions, concepts, related or affiliated companies, shareholders, officers, directors, employees, agents, attorneys, insurers, successors and assigns, and any individual or entity which could be liable for any of the Released Class Claims, and/or Released PAGA Claims, respectively, and Defendant’s counsel of record in the Action.
- 1.40. “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.41. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline expiration date.
- 1.42. “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.43. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS

- 2.1. On August 5, 2022, Plaintiffs Tyrone Johnson and Terrence Kennedy commenced this Action by filing a Complaint alleging a single cause of action against Defendant in the Superior Court of California, County of Los Angeles for civil penalties pursuant to PAGA (Case No.: 22STCV25427) (defined as the “Action” in Section 1.1).
- 2.2. On August 8, 2022, Plaintiffs Tyrone Johnson and Terrence Kennedy commenced a second action by filing a Complaint alleging the following causes of action against Defendant in the Superior Court of California, County of Los Angeles on a class-wide basis (Case No.: 22STCV25562): (1) Unpaid Overtime in Violation of Labor Code sections 510 and 1198; (2) Unpaid Meal Period Premiums in Violation of Labor Code sections 226.7 and 512(a); (3) Unpaid Rest Period Premiums in Violation of Labor Code section 226.7; (4) Unpaid Minimum Wages in Violation of Labor Code sections 1194, 1197, and 1197.1; (5) Final Wages Not Timely Paid in Violation of Labor Code

- sections 201 and 202; (6) Wages Not Timely Paid During Employment in Violation of Labor Code section 204; (7) Non-Compliant Wage Statements in Violation of Labor Code section 226(a); (8) Failure to Keep Requisite Payroll Records in Violation of Labor Code section 1174(d); (9) Unreimbursed Business Expenses in Violation of Labor Code sections 2800 and 2802; and (10) Violation of California Business and Professions Code sections 17200, et seq.
- 2.3. On September 26, 2022, Defendant removed the Class Action referenced in Paragraph 2.2 to the United States District Court for the Central District of California pursuant to 28 U.S.C. sections 1332, 1441, 1446, and 1453 (CAFA). The Class Action is currently pending in the above-referenced federal court (Case No.: 2:22-cv-06930) (hereinafter, the “Federal Class Action”).
- 2.4. Plaintiffs Tyrone Johnson and Terrence Kennedy will file a First Amended Complaint in this Action to include the claims in the Federal Class Action only for the purposes of Settlement and to seek approval of the Settlement of both this Action and the Federal Class Action in one forum. Once the Settlement is approved, Plaintiffs will dismiss the Federal Class Action in its entirety with prejudice.
- 2.5. Plaintiffs Tyrone Johnson and Terrence Kennedy’s First Amended Complaint in this Action will add Plaintiff James Walker as a named Plaintiff to the Action.
- 2.6. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”) for purposes of the Settlement only. Should the Settlement not be approved, the First Amended Complaint shall be stricken and the original Complaint shall become the Operative Complaint. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.7. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.
- 2.8. On June 29, 2023, Plaintiffs and Defendant, by and through the Class Counsel and Defense Counsel respectively, participated in an all-day mediation presided over by Mark Rudy, which led to this Agreement to settle the Action.
- 2.9. Prior to mediation, Plaintiffs obtained, through informal discovery, time records, pay records, and other information relating to the size and scope of the Class, as well as data permitting Plaintiffs to fully understand the nature and scope of the allegations. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.10. The Court has not granted class certification.

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

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay Four Million Four Hundred and Seventy-Six Thousand and Ninety Eight Dollars and Zero Cents (\$4,476,098.00) and no more as the Gross Settlement Amount. Defendant shall pay employer payroll taxes separate and apart from the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiffs: Class Representative Service Payments to the Class Representatives of not more than Fifteen Thousand Dollars and Zero Cents (\$15,000.00) for Class Representative Tyrone Johnson, Twelve Thousand Five Hundred Dollars and Zero Cents (\$12,500.00) for Class Representative Terrence Kennedy, and Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Class Representative James Walker, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Litigation Expenses Payment, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves the Class Representative Service Payments for less than the amounts requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on their individual Class Representative Service Payment.
- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is currently estimated to be One Million Five Hundred Sixty-Six Thousand Six Hundred and Thirty-Four Dollars and Thirty Cents (\$1,566,634.30) and a Class Counsel Litigation Expenses Payment of not more than Fifty Thousand Dollars and Zero Cents (\$50,000.00). Defendant will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiffs and/or Class Counsel

will file a motion for Class Counsel Fees Payment and Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

- 3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed \$20,000 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$20,000, the Administrator will retain the remainder in the Net Settlement Amount.
- 3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
- 3.2.5.1. Tax Allocation of Individual Class Payments: 15% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The other 85% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
- 3.2.5.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments: Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.
- 3.2.5. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) to be paid from the Gross Settlement Amount, with 75% (\$375,000.00) allocated to the LWDA

PAGA Payment and 25% (\$125,000.00) allocated to the Individual PAGA Payments.

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$125,000.00) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods: Based on a review of its records to date, Defendant estimates there are approximately 2,522 Class Members who collectively worked a total of 274,612 Workweeks, and 1,596 Aggrieved Employees who worked a total of 120,227 PAGA Periods.

4.2. Class Data: Not later than 30 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount: Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount: Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments.

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

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

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

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

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

5. **RELEASE OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1. **Plaintiffs' Release:** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, including, but not limited to: any and all claims, known and unknown, asserted and not asserted, which the Plaintiffs have or may have against the Released Parties as of the date of execution of this Agreement ("Plaintiffs' Released Claims"). The Plaintiffs' Released Claims include, but are not limited to, all of the Released Class Claims, the Released PAGA Claims and any other claims arising under the California Labor Code; any claim arising out of the California common law of contract; the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*, and federal common law; all claims for lost wages and benefits, emotional distress, retaliation, punitive damages, and attorneys' fees and costs arising under federal, state, or local laws for discrimination, harassment, and wrongful termination, including but not limited to, 42 U.S.C. section 1981, Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the California Fair Employment and Housing Act, the California Labor Code, and the law of contract and tort. This release excludes the release of claims not permitted by law. Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

- 5.1.1. **Plaintiffs' Waiver of Rights Under California Civil Code Section 1542:** For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

- 5.2. **Release by Participating Class Members:** All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action, including 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, throughout the Class Period (“Released Class Claims”). Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

5.3. Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice and ascertained in the course of the Action, including civil penalties pursuant to PAGA 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, interest, fees, costs, as well as all other claims and allegations alleged in the Action, throughout the PAGA Period (“Released PAGA Claims”).

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

6.1. Plaintiffs’ Responsibilities: Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;

- (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiffs confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); (vi) a redlined version of the Parties’ Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.2. Responsibilities of Counsel: Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court’s Preliminary Approval to the Administrator.
- 6.3. Duty to Cooperate: If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court’s concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator: The Parties have jointly selected Phoenix Settlement Administrators to serve as the Administrator and verified that, as a condition of appointment, Phoenix Settlement Administrators agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other

than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4. Notice to Class Members:

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

7.4.2. Using best efforts to perform as soon as possible, and in no event later than 45 days after the Court grants Preliminary Approval of the Settlement, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

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

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

7.4.5. If the Administrator, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on

whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline date in the Class Notice, whichever is later.

7.5. Requests for Exclusion (Opt-Outs):

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

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

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

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

7.6. Challenges to Calculation of Workweeks: Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7. Objections to Settlement:

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

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

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

7.7.4. Aggrieved Employees are not permitted to object to any of the PAGA components of the Settlement.

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

7.8.1. Email Address and Toll-Free Number: The Administrator will maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

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

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

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

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

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

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, Defendant estimates that, as of the date of this Agreement, there are 2,522 Class Members who collectively worked a total of 274,612 Workweeks during the Class Period, and 1,596 Aggrieved Employees who worked a total of 120,227 PAGA Periods. To the extent that the actual number of Workweeks exceeds 274,612 by more than 10%, Defendant will have the option to either increase the Maximum Settlement Amount above the 10% (*e.g.*, if the number of workweeks increase by 11%, Defendant shall increase the Gross Settlement Amount by 1%) or cut off the Class Period as of the date the workweeks increased by more than 10%.
9. **DEFENDANT'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 3% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 14 days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel no later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 10.1. **Response to Objections:** Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2. **Duty to Cooperate:** If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

- 10.3. Continuing Jurisdiction of the Court: The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4. Dismissal of Federal Class Action: The Parties agree that after entry of Judgment, Plaintiffs will dismiss the Federal Class Action, referenced in Paragraph 2.3 and currently pending in the United States District Court for the Central District of California, in its entirety with prejudice.
- 10.5. Waiver of Right to Appeal: Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-Judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.6. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment: If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
11. **AMENDED JUDGMENT**. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.
12. **ADDITIONAL PROVISIONS**.
- 12.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes: This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have

merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiffs reserve the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

- 12.2. Confidentiality Prior to Preliminary Approval: The Parties agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.3. No Solicitation: The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4. Integrated Agreement: Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 12.5. Attorney Authorization: Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this

Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

- 12.6. Cooperation: The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7. No Prior Assignments: The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 12.8. No Tax Advice: Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9. Modification of Agreement: This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 12.10. Agreement Binding on Successors: This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11. Applicable Law: All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 12.12. Cooperation in Drafting: The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13. Confidentiality: To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14. Use and Return of Class Data: Information provided to Class Counsel pursuant to Cal. Evid. Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any

existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.15. Headings: The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16. Calendar Days: Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17. Notice: All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, to the other Party's respective counsel of record.
- 12.18. Execution in Counterparts: This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19. Stay of Litigation: The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: 05/28/2024, 2024

Tyrone Johnson



Dated: _____, 2024

Terrence Kennedy

existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

- 12.15. Headings: The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16. Calendar Days: Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17. Notice: All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, to the other Party's respective counsel of record.
- 12.18. Execution in Counterparts: This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19. Stay of Litigation: The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

Dated: _____, 2024

Tyrone Johnson

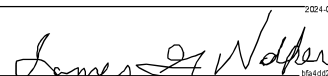
Dated: 5/29/2024, 2024

Terrence Kennedy

Electronically Signed 2024-05-29 16:20:08 UTC - 104.28.85.137
Nintex AssureSign®  2d50b2a6-211a-474b-8730-b17e0181d883

Dated: 05-28-2024, 2024

James Walker

Electronically Signed 2024-05-28 23:54:55 UTC - 76.39.66.129
Nitex Assured Sign®  bfa43d2b-3ee0-43eb-b197-b17e0168b260

Dated: 5/30/2024, 2024

Parsec, Inc.

David Budig

By: David Budig
Title: President

Approved as to form and content:

Dated: May 29, 2024

LAWYERS *for* JUSTICE, PC



Edwin Aiwanian, Esq.
Elizabeth Parker-Fawley, Esq.
Attorneys for Plaintiffs Tyrone Johnson,
Terrence Kennedy, and James Walker, on
behalf of themselves and all others similarly
situated

Dated: May 30, 2024

JACKSON LEWIS P.C.



Adam Y. Siegel Esq.
Kishaniah Dhamodaran, Esq.
Attorneys for Defendant Parsec, Inc.

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

Tyrone Johnson, et al. v. Parsec, Inc. (Case No. 22STCV25427)

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) 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 the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against 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

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

must be submitted by [].	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.
You can participate in the Final Approval Hearing.	The Court's Final Approval Hearing is scheduled to take place on []. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Class Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You can challenge the calculation of your Workweeks/Pay Periods. Written challenges must be submitted by [].	The amount of your Individual Class Payment and 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 []. See Section 4 of this Notice.

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. The Class Representative Service Payments will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment(s) and any Individual PAGA Payment(s) under the Settlement.
 - iii. Up to \$20,000 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 [], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (*i.e.*, Non-Participating Class Members) will not receive Individual Class Payments but will preserve their rights to personally pursue 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 [] 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 Stanley Mosk Courthouse in Department 24 of the Los Angeles Superior Court, located at 111 North Hill Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, 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) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything 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 can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 22STCV25427. You can also make an appointment to personally review court documents in the Clerk's Office.

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

The contact information for the Settlement Administrator is as follows:

[]

The addresses for the Parties' Counsel are as follows:

Class Counsel	Defense Counsel
Edwin Aiwarzian Elizabeth Parker-Fawley Lawyers for Justice, PC 410 Arden Ave, Suite 203 Glendale, CA 91203 Tel.: (818) 265-1020 Fax: (818) 265-1021	Adam Y. Siegel Kishaniah Dhamodaran Jackson Lewis P.C. 725 S. Figueroa St., Suite 2500 Los Angeles, CA 90017 Tel.: (213) 689-0404 Fax: (213) 689-0430 E-Mail: Adam.Siegel@jacksonlewis.com E-Mail: Kishaniah.Dhamo@jacksonlewis.com

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.

EXHIBIT 2

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-886699-22
Plaintiff for PAGA Case: Tyrone Johnson
Filer/Attorney for PAGA Case: Edwin Aiwarzian
Law Firm for PAGA Plaintiff: Lawyers for Justice, PC
Employer: Parsec, Inc.
Date Case Received:
Filer for Employer:
Employer Filer Firm:
Court Type: California Superior Courts
Court Name: LA - Stanley Mosk Courthouse
PAGA Court Case Number: 22STCV25427
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.20_Decl or EPF ISO MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.20_POS re P's MPA Notice_Johnson vs Parsec, Inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.20_P's PO_re MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.18_Decl of TK ISO MPA_Johnson v. Parsec, Inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of TJ ISO MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of JW ISO MPA_Johnson v. Parsec, Inc.pdf	6/21/2024 1:24 AM	Proposed Settlement
Additional PAGA Document Submitted on 05/24/2024 05:18:25 PM by Edwin	2024.05.24_Parsec_Stip for Leave to File FAC.pdf	5/25/2024 12:18 AM	Other PAGA Document
Court Complaint Submitted on 08/16/2022 12:34:58 PM by Edwin Aiwarzian	2022.08.05_Complaint (PAGA).pdf	8/16/2022 7:35 PM	Court Complaint
PAGA Notice Submitted on 06/01/2022 11:00:50 AM by Edwin Aiwarzian	2022.06.01_PAGA Notice_Tyrone Johnson v. Parsec, Inc. dba Ohio Parsec, Inc. (Certified).pdf	6/1/2022 6:01 PM	PAGA Notice

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Attachment Name	Description	Date Submitted	Type
Proposed Settlement Submitted on 06/20/2024 06:24:22 PM by Elizabeth Parker-Fawley	2024.06.20_P's Notice of MPA_Motion_Johnson v. Parsec, inc.pdf	6/21/2024 1:24 AM	Proposed Settlement

EXHIBIT 3

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-885160-22
Plaintiff for PAGA Case: Terrance Kennedy
Filer/Attorney for PAGA Case: Edwin Aiwarzian
Law Firm for PAGA Plaintiff: Lawyers for Justice
Employer: Parsec, Inc.
Date Case Received:
Filer for Employer:
Employer Filer Firm:
Court Type: California Superior Courts
Court Name: LA - Stanley Mosk Courthouse
PAGA Court Case Number: 22STCV25427
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.20_Decl or EPF ISO MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.20_POS re P's MPA Notice_Johnson vs Parsec, Inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.20_P's PO_re MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.18_Decl of TK ISO MPA_Johnson v. Parsec, Inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of TJ ISO MPA_Johnson v. Parsec, inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of JW ISO MPA_Johnson v. Parsec, Inc.pdf	6/21/2024 1:12 AM	Proposed Settlement
Additional PAGA Document Submitted on 05/24/2024 05:17:14 PM by Edwin	2024.05.24_Parsec_Stip for Leave to File FAC.pdf	5/25/2024 12:17 AM	Other PAGA Document
Court Complaint Submitted on 08/16/2022 12:37:50 PM by Edwin Aiwarzian	2022.08.05_Complaint (PAGA).pdf	8/16/2022 7:38 PM	Court Complaint
PAGA Notice Submitted on 05/23/2022 12:55:12 PM by Edwin Aiwarzian	2022.05.23_PAGA Notice_Kennedy v. Parsec, Inc. dba Ohio Parsec, Inc. (Certified).pdf	5/23/2022 7:55 PM	PAGA Notice

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Attachment Name	Description	Date Submitted	Type
Proposed Settlement Submitted on 06/20/2024 06:12:05 PM by Elizabeth Parker-Fawley	2024.06.20_P's Notice of MPA_Motion_Johnson v. Parsec, inc.pdf	6/21/2024 1:12 AM	Proposed Settlement

EXHIBIT 4

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-963545-23
Plaintiff for PAGA Case: James Walker
Filer/Attorney for PAGA Case: Gabriella Sole
Law Firm for PAGA Plaintiff: Lawyers For Justice, PC
Employer: Parsec, Inc d/b/a Ohio Parsec Inc
Date Case Received:
Filer for Employer:
Employer Filer Firm:
Court Type: Federal Courts
Court Name: U.S. Central Dist. CA
PAGA Court Case Number: 2:22-cv-06930-WLH-MAR
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.20_P's PO_re MPA_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.20_POS re P's MPA Notice_Johnson vs Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.20_Decl or EPF ISO MPA_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of TJ ISO MPA_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.18_Decl of TK ISO MPA_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Additional Document Submitted with Proposed Settlement on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.17_Decl of JW ISO MPA_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement
Court Complaint Submitted on 11/15/2024 06:49:08 PM by Elizabeth Parker-Fawley	Docket No. 52_FAC.pdf	11/16/2024 2:49 AM	Court Complaint
PAGA Notice Submitted on 06/21/2023 02:58:40 PM by Gabriella Sole	2023.06.21_PAGA Notice_Walker vs Parsec Inc_certified.pdf	6/21/2023 9:58 PM	PAGA Notice
Proposed Settlement Submitted on 06/24/2024 01:01:13 PM by Elizabeth Parker-Fawley	2024.06.20_P's Notice of MPA_Motion_Johnson v. Parsec, Inc.pdf	6/24/2024 8:01 PM	Proposed Settlement

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL