

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**

2 This Class Action and PAGA Settlement Agreement and Release of Claims is entered into
3 by and between Plaintiff George P. Santos, individually and on behalf of all others similarly
4 situated, and Defendant Rockwell Collins, Inc., formerly known as Universal Propulsion
5 Company, Inc., and is approved as to form by their respective counsel of record, subject to the
6 terms and conditions hereof and the Court’s approval.

7 **A. Definitions**

8 1. “Actions” refers to the civil action entitled: *George P. Santos v. Rockwell Collins,*
9 *Inc.*, Case No. 23CV039609, in the Superior Court of California, County of Alameda (the “Class
10 Action”) and *George P. Santos v. Rockwell Collins, Inc.*, Case No. 23CV045970, in the Superior
11 Court of California, County of Alameda (the “PAGA Action”).

12 2. “Aggrieved Employees” include all persons who are or were previously employed
13 by Defendant in California classified as a non-exempt or hourly employee at any time from July
14 26, 2022, through the Preliminary Approval Date.

15 3. “Agreement,” “Settlement Agreement,” or “Settlement” shall mean this Class
16 Action and PAGA Settlement Agreement and Release of Claims, including any attached Exhibits.

17 4. “Class Claims” or “Released Class Claims” will include all claims that were
18 alleged, or reasonably could have been alleged, based on the facts stated in the Operative
19 Complaint including, without limitation, claims for (1) failure to pay minimum wages; (2) failure
20 to pay overtime wages; (3) failure to pay sick pay wages; (4) failure to provide meal periods or
21 pay a premium in lieu thereof; (5) failure to authorize and permit rest periods or pay a premium
22 in lieu thereof; (6) failure to furnish accurate itemized wage statements; (7) failure to timely pay
23 final wages upon separation of employment; (8) failure to timely pay wages; (9) failure to
24 reimburse employees for incurred business expenses; (10) failure to pay split shift premiums; (11)
25 failure to pay reporting time pay; (12) unfair business practices; and (13) claims for statutory
26 penalties under Labor Code section 2698 *et seq.* for violation of California Labor Code sections
27 201-204, 210, 226, 226.3, 226.6, 226.7, 246, 510, 512, 1194, 1197, 1197.1, 1199, 2800, 2802, the
28 applicable IWC Wage Orders; the California Unfair Competition Law; California Code of

Regulations, Title 8, Division 1, Chapter 5, Group 2, Article 5, sections 11050(5)(A) and 11050(4)(C); and Business and Professions Code section 17200, *et seq.*

5. “Class Counsel” refers to Mehrdad Bokhour of Bokhour Law Group, P.C. and Joshua Falakassa of Falakassa Law, P.C.

6. “Class Data” means a complete list of all Settlement Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator on one spreadsheet and shall include the Settlement Class Members’ full names; last known addresses; telephone numbers; Social Security Numbers; dates of employment and/or number of Workweeks as non-exempt or hourly employees of Defendant during the Class Period and the PAGA Period for each Settlement Class Member.

7. “Class Period” and “Class Release Period” shall mean July 27, 2019 through the Preliminary Approval Date.

8. “Class Representative” or “Plaintiff” means and refers to George P. Santos.

9. “Court” means the California Superior Court, County of Alameda, or any Court of competent jurisdiction.

10. “Defendant” refers to Rockwell Collins, Inc, formerly known as Universal Propulsion Company, Inc.

11. “Defendant’s Counsel” refers to Justin T. Curley and Michael A. Sigall of Seyfarth Shaw LLP.

12. “Effective Date” refers to the date upon which both of the following have occurred: (i) final approval of the settlement is granted by the Court and (ii) the Court’s Judgment approving the settlement becomes Final. Final shall mean the latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for review with the California Supreme Court or other court in California assuming jurisdiction of this matter, or, (ii) if a petition for review is filed, the date of denial of the petition, or the date the Court’s Judgment is entered, pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Court’s Judgment. If a timely objection to settlement is filed (including an objection

1 from the LWDA), “Effective Date” shall be the later of: (a) the date on which the time for all
2 appeals relating to objections to Settlement and the Final Approval Order has expired; or (b) if an
3 appeal, review or writ is sought, the date on which the highest reviewing court renders its decision
4 denying any petition (where the immediately lower court affirmed the judgment) or affirming the
5 judgment. Provided, however, if the California Labor & Workforce Development Agency
6 (“LWDA”) has commenced an investigation or issued a Citation prior to the Effective Date, as
7 determined under the foregoing definition, the Effective Date will be extended to the date that the
8 LWDA concludes its investigation or resolves the Citation (whichever is later), or if the LWDA
9 objects to the Settlement, the date when the LWDA’s objection to the Settlement is resolved and
10 no longer appealable.

11 13. “Final” means that the Settlement has been granted “Final Approval” by the Court
12 and the “Effective Date” has occurred.

13 14. “Final Approval” refers to the order of the Court granting final approval of this
14 Settlement Agreement and entering a judgment approving this Settlement on substantially the
15 same terms provided herein or as may be modified by subsequent agreement of the Parties or
16 order of the Court.

17 15. “Individual Settlement Amount” shall have the meaning ascribed to it in Paragraph
18 51(d) below.

19 16. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 51(c)
20 below.

21 17. “Notice” means the notice of the proposed settlement of class action and PAGA
22 Settlement and the setting of a Final Approval Hearing that will be sent to the Settlement Class
23 Members.

24 18. “Notice Response Deadline” is 45 calendar days from the date the Notice is mailed
25 to the Settlement Class Members.

26 19. “Objecting Settlement Class Member” means a Settlement Class Member, other
27 than Plaintiff, who submits a valid and timely objection to the terms of this Agreement with
28 respect to the Class Claims pursuant to Paragraph 67(a) below.

1 20. “Operative Complaint” refers to the First Amended Complaint filed on September
2 28, 2024 in Alameda County Superior Court action for the case entitled *Santos v. Rockwell*
3 *Collins, Inc.*, Case No. 23CV039609.

4 21. “PAGA” shall refer to the California Labor Code Private Attorneys General Act
5 of 2004, California Labor Code Sections 2698-2699.5.

6 22. “PAGA Claims” or “Released PAGA Claims” shall include any and all claims for
7 PAGA penalties that were alleged, or reasonably could have been alleged during the PAGA
8 Period, based on the facts stated in the Operative Complaint and the PAGA Notice including
9 claims for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to
10 pay sick pay wages; (4) failure to provide meal periods or pay a premium in lieu thereof; (5)
11 failure to authorize and permit rest periods or pay a premium in lieu thereof; (6) failure to furnish
12 accurate itemized wage statements; (7) failure to timely pay final wages at the time of
13 termination/end of employment; (8) failure to timely pay wages; (9) failure to reimburse
14 employees for business expenses; (10) failure to pay split shift premiums; (11) failure to pay
15 reporting time pay; and (12) claims for penalties under the Private Attorneys General Act for
16 violation of California Labor Code sections 201-204, 206, 210, 226, 226.3, 226.6, 226.7, 226.8,
17 246, 432, 510, 512, 515, 558, 1182.12, 1174, 1174.5, 1194, 1197, 1197.1, 1198-1199, 2753, 2800,
18 2802; California Code of Regulations, Title 8, Division 1, Chapter 5, Group 2, Article 5, sections
19 11050(5)(A) and 11050(4)(C); and the applicable IWC Wage Orders.

20 23. “PAGA Notice” shall refer to the notice sent by Plaintiff, by and through counsel,
21 on or about July 26, 2023 and September 16, 2024, to the LWDA and Defendant, alleging that
22 Defendant engaged in violations of the California Labor Code, California Wage Order(s), and
23 California Code of Regulations.

24 24. “PAGA Period” shall mean July 26, 2022, through the Preliminary Approval Date.

25 25. “Participating Class Member” means any and all Settlement Class Members who
26 do not opt out of the settlement of the Class Claims by timely submitting valid Requests for
27 Exclusion.

28 26. “Parties” means Plaintiff, the Settlement Class Members, the Aggrieved

Employees, and Defendant, collectively.

27. “Preliminary Approval Date” means the date the Court preliminarily approves the Settlement Agreement and the exhibits thereto and enters the Preliminary Approval Order.

28. “Preliminary Approval Order” means the judicial Order to be entered by the Court, upon the application or motion of the Plaintiff, preliminarily approving this Settlement and providing for the issuance of the Notice to the Settlement Class Members, an opportunity to opt out of settlement of the Class Claims, an opportunity to submit timely objections to the terms of this Settlement related to the Class Claims, and setting a hearing on the fairness of the terms of Settlement, including approval of attorneys’ fees and costs.

29. “QSF” means the Qualified Settlement Fund set up by the Settlement Administrator for the benefit of the Participating Class Member, and from which the settlement payments shall be made, and which is intended to be a fund that qualifies under Internal Revenue Code Section 468.

30. “Release” shall mean the release and discharge of the Class Claims by Plaintiff and all of the Participating Class Members and the release and discharge of the PAGA Claims by Plaintiff and all of the Aggrieved Employees.

31. “Released Parties” shall refer to Defendant, and any of its past, present, and future direct or indirect parents, subsidiaries, predecessors, successors, and affiliates, as well as each of their past, present, and future officers, directors, employees, partners, members, shareholders and agents, attorneys, insurers, reinsurers, and any individual or entity which could be jointly liable with Defendant..

32. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 72(a) below.

33. “Service Payment” means the amounts approved by the Court to be paid to the Class Representative in addition to their Individual Settlement Amounts as Participating Class Members.

34. “Settlement Administration Costs” means the actual and direct fees and expenses reasonably incurred by the Settlement Administrator for administering this Settlement, including,

1 but not limited to, printing, distributing, and tracking documents for this Settlement, tax reporting,
2 due diligence, reporting and remittance obligations, distributing the Settlement Amount, and
3 providing necessary reports and declarations, as requested by the Parties. The Settlement
4 Administration Costs shall be paid from the Settlement Amount.

5 35. “Settlement Administrator” means and refers to Phoenix Class Action Settlement
6 Administrators, which will provide the Notice to the Class Members and perform all duties
7 relating to the administration of the Settlement as described in this Agreement, including, but not
8 limited to, printing, distributing, and tracking documents for this Settlement, tax reporting,
9 distributing the Settlement Amount, and providing necessary reports and declarations, as
10 requested by the Parties. The Settlement Administration Costs shall be paid from the Settlement
11 Amount, including, if necessary, any such costs in excess of the amount represented by the
12 Settlement Administrator as being the maximum costs necessary to administer the Settlement.

13 36. “Settlement Amount” shall have the meaning ascribed to it in Paragraph 51(a)
14 below.

15 37. “Settlement Class Member” or “Class Member” refers to individual members of
16 the Settlement Class.

17 38. “Settlement Class” and “Settlement Class Members” refer to all persons who are
18 or were previously employed by Defendant in California classified as a non-exempt employee
19 during the Class Period.

20 39. “Workweeks” for each Settlement Class Member and Aggrieved Employee means
21 any workweek during the Class Period and/or the PAGA Period, as applicable, in which the
22 Settlement Class Member and/or Aggrieved Employee was employed by Defendant as a non-
23 exempt employee in California and worked at least one shift during the workweek for or on behalf
24 of Defendant for which a prior release of claims has not been signed. Workweeks will be
25 calculated based on the Defendant’s business records. This information shall be treated as
26 confidential. Workweeks of Non-Participating Class Members will not be included in the total
27 number of Workweeks that are reported to the Settlement Administrator to calculate and distribute
28 Individual Settlement Payments to Participating Class Members. The number of full workweeks

that a Participating Class Member was on a leave of absence, sick time, or vacation during the Class Period shall be excluded from the total number of Workweeks.

B. General Terms

40. On or about July 27, 2023, Plaintiff filed the Class Action Complaint in the Court against Defendant, including allegations of: (1) failure to pay overtime wages; (2) failure to pay sick pay wages; (3) failure to provide meal periods or pay a premium in lieu thereof; (4) failure to authorize and permit rest periods or pay a premium in lieu thereof; (5) failure to furnish accurate itemized wage statements; (6) failure to timely pay final wages at the time of termination/end of employment; (7) unfair competition.

41. On or about September 29, 2023, Plaintiff filed the PAGA Action against Defendant asserting civil penalties for the same Labor Code violations alleged in the Class Action Complaint.

42. On June 4, 2024, the Parties participated in mediation before Tripper Ortman, Esq., a highly experienced class action mediator. After a full-day mediation, subsequent negotiations, and the issuance of a mediator's proposal, the Parties reached a settlement.

43. On August 16, 2024, the Parties agreed to stipulate to remand the Class Action to state court solely for the approval of the Settlement. If for any reason the Settlement is not approved, the Class Action will be returned to its original pre-mediation posture in federal court before the Honorable James Donato.

44. On September 16, 2024, Plaintiff submitted an amended letter to the Labor and Workforce Development Agency ("LWDA") pleading facts relating to violations of Labor Code sections 204, 206, 210, 226.8, 432, 512, 515, 558, 1174.5, 1182.12, 1194(a), 1197, 2753, 2800, 2802, and the corresponding provisions in the applicable Wage Orders, including but not limited to reporting time pay and split shift premium pay pursuant to California Code of Regulations, Title 8, Division 1, Chapter 5, Group 2, Article 5, sections 11050(4)(C) and 11050(5)(A).

45. On September 28, 2024, Plaintiff filed a First Amended Complaint in the Class Action alleging (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to pay sick pay wages; (4) failure to provide meal periods or pay a premium in lieu thereof; (5)

1 failure to authorize and permit rest periods or pay a premium in lieu thereof; (6) failure to furnish
2 accurate itemized wage statements; (6) failure to timely pay final wages at the time of
3 termination/end of employment; (8) failure to timely pay wages; (9) failure to reimburse
4 employees for business expenses; (10) failure to pay split shift premiums; (11) failure to pay
5 reporting time pay; (12) unfair business practices; and for civil penalties pursuant to the Private
6 Attorneys General Act.

7 46. Defendant denies Plaintiff's claims and allegations and contends that the Actions
8 is not suitable for class certification and/or representative treatment.

9 47. Class Representative believes he can proceed with his class, and representative
10 claims, that the Actions are meritorious, and that class certification is appropriate.

11 48. The Parties have thoroughly investigated the facts of the Actions. This includes
12 conducting an extensive exchange of informal discovery, including Defendant's written policies
13 and practices, and producing payroll and timekeeping records for Settlement Class Members and
14 Aggrieved Employees. Class Counsel is both knowledgeable about and has done extensive
15 research with respect to the applicable law and potential defenses to the claims of the Settlement
16 Class Members and Aggrieved Employees. Class Counsel has diligently investigated the Class
17 Members' claims against Defendant. Based on the foregoing data and their own independent
18 investigation and evaluation, Class Counsel is of the opinion that the settlement with Defendant
19 for the consideration and on the terms outlined in this Settlement Agreement is fair, reasonable,
20 and adequate and is in the best interest of the Settlement Class Members and Aggrieved
21 Employees in light of all known facts and circumstances, including the risk of significant delay
22 and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous
23 potential appellate issues.

24 49. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
25 to be performed or judgments to be entered pursuant to the terms of the Settlement and Agreement
26 shall be construed as an admission by Defendant of any wrongdoing or violation of any statute or
27 law or liability on the claims or allegations in the Actions.

1 50. Stipulation for Class Certification and Representative Treatment. For settlement
2 purposes only, Defendant will stipulate that the Settlement Class Members described herein who
3 do not Request Exclusion from the Settlement Class may be conditionally certified as a settlement
4 class and that the Aggrieved Employees are appropriate for representative treatment for settlement
5 purposes. This stipulation to certification and representative treatment is in no way an admission
6 that class action certification and/or representative treatment is proper and shall not be admissible
7 in this or any other action except for enforcing this Agreement. Should, for whatever reason, the
8 Court fail to issue Final Approval, the Parties’ stipulation to class certification and representative
9 treatment as part of the Settlement shall become null and void *ab initio* and shall have no bearing
10 on and shall not be admissible in connection with the issue of whether or not class certification
11 and/or representative treatment would be appropriate in a non-settlement context. Defendant
12 expressly reserves its right and declares that it will continue to oppose class certification,
13 representative treatment, and the substantive merits of the case should the Court fail to issue Final
14 Approval. Plaintiff expressly reserves his rights and declares that he will continue to pursue class
15 certification, representative treatment, and a trial should the Court fail to issue Final Approval.

16 **C. Terms of Settlement**

17 51. The financial terms of the Settlement are as follows:

18 (a) Settlement Amount: The Parties agree to settle the Actions for One Million Nine
19 Hundred Seventy-Five Thousand Dollars (\$1,975,000.00) (“the Settlement Amount”). The
20 Settlement Amount is the maximum amount that will be paid by the Defendant and includes
21 Individual Settlement Amounts, attorneys’ fees of Class Counsel, costs and expenses, the Service
22 Payment to the Class Representative, all Settlement Administration Costs, and payment to the
23 Labor Workforce Development Agency (LWDA) for PAGA penalties. The Settlement Amount
24 also includes the applicable employer-side payroll tax payments (including but not necessarily
25 limited to FICA, FUTA, etc.).

26 (b) Defendant estimates that there are approximately 45,000 Workweeks during the
27 period of July 27, 2019 to June 4, 2024. Should the qualifying Workweeks increase beyond 10%
28 worked during the aforementioned period (i.e., more than 49,500 workweeks), either (1)

Defendant shall, at its election, increase the Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Settlement Class Members above ten percent (10%), meaning Defendant will increase the Settlement Amount by the percentage amount above ten percent (10%) (e.g., if the number of Workweeks increases by 11% to 49,950 Workweeks, the Settlement Amount will increase by one percent (1%)), or (2) the Class Period shall end on the date before the Workweeks meet or exceed the 49,500 workweek threshold.

(c) Net Settlement Amount: The “Net Settlement Amount” is defined as the Settlement Amount less attorneys’ fees and litigation costs as approved and awarded by the Court, the Service Payment to Class Representative as approved and awarded by the Court, the Settlement Administration Costs, as approved and awarded by the Court, and the One Hundred Thousand Dollars (\$100,000.00) allocated to payment for PAGA penalties as described in paragraph 51(d) below. If the Court reduces the attorneys’ fees and litigation costs or Service Payment, Settlement Administration Costs, or either increases or decreases the amount allocated to PAGA penalties, the Net Settlement Amount shall be increased or decreased accordingly. Any Court order awarding less than the below allocations of the Settlement Amount shall not be grounds to rescind the Settlement Agreement or otherwise void the Settlement.

(d) Individual Settlement Amounts for the Settlement Class: The Settlement Administrator will use the Class Data provided by Defendant to calculate each Participating Class Member’s and Aggrieved Employee’s Individual Settlement Amounts based on the following formula:

i. PAGA Amount: \$100,000 of the Settlement Amount has been designated to the PAGA claims. Twenty-five percent (25%) of the \$100,000, or \$25,000, shall be paid to Aggrieved Employees. Each Aggrieved Employee shall receive a pro-rata portion of the \$25,000 proportionate to the number of Workweeks by the Aggrieved Employee during the PAGA Period compared to the total number of Workweeks by all Aggrieved Employees during the PAGA Period. Aggrieved Employees shall have their settlement amount for the Released PAGA claims paid one hundred percent (100%) as civil penalties for which no taxes will be withheld and for which the Settlement Administrator will issue a Form 1099.

1 ii. Class Amount: The Net Settlement Amount shall be allocated to each
2 Participating Class Member based on his/her/their proportionate Workweeks during the Class
3 Period. This is determined by multiplying the Net Settlement Amount by a fraction, the numerator
4 of which is the Participating Class Member's total Workweeks during the Class Period, and the
5 denominator of which is the total Workweeks by all Participating Class Members during the Class
6 Period. If there are any timely submitted Requests for Exclusion, the Settlement Administrator
7 shall proportionately increase the Individual Settlement Amounts for each Participating Class
8 Member so that the amount distributed to Participating Class Members equals 100% of the Net
9 Settlement Amount allocated toward Released Class Claims.

10 (e) Allocation of Individual Settlement Amounts: The Individual Settlement Amounts
11 will be allocated for tax purposes based on the allegations in the Actions as follows: one third
12 (33.33%) will be paid as wages subject to withholding of all applicable local, state, and federal
13 taxes; and two-thirds (66.67%) will be paid as interest and as civil penalties (pursuant to, e.g.,
14 California Labor Code sections 203, 226) from which no taxes will be withheld. The Settlement
15 Administrator will issue to each Participating Class Member an Internal Revenue Service Form
16 W-2 and comparable state forms concerning the wage allocation and a Form 1099 concerning the
17 civil penalties and interest allocations.

18 (f) Service Payment to Class Representative: The amount awarded to the Class
19 Representative as Service Payment will be set by the Court in its discretion, not to exceed
20 \$10,000. Defendant agrees not to oppose this request. The Service Payment to the Class
21 Representative will be paid from the Settlement Amount. Class Representative will be issued IRS
22 Form 1099 in connection with this payment. Plaintiff shall be solely and legally responsible for
23 paying any and all applicable taxes on this payment. The Parties agree that any amount awarded
24 by the Court as the Service Payment to Plaintiff less than the requested amount shall not be a
25 basis for Plaintiff or Class Counsel to rescind the Settlement Agreement or otherwise void the
26 Settlement. Should the Court approve a lesser amount for the Service Payment, the difference
27 shall be added to the Net Settlement Amount to be distributed to the Participating Class Members.
28 In the event of any appeal of the amount of the service awards (if any) approved by the Court, if,

1 after the exhaustion of any such appellate review, additional amounts not awarded to the Class
2 Representative shall be added to the Net Settlement Amount to be distributed to the Participating
3 Class Members.

4 (g) Class Counsel's Attorneys' Fees and Costs: Defendant agrees not to oppose a
5 request by Class Counsel to the Court for an award of attorneys' fees of one-third (33.33%) of
6 the Settlement Amount, plus reasonable litigation costs not to exceed \$25,000 ("Attorneys' Fees
7 and Costs Award"). For purposes of this Settlement, Defendant agrees not to oppose any
8 contention by Class Counsel that attorneys' fees should be based on the common fund theory.
9 The Attorneys' Fees and Costs Award shall be paid from the Settlement Amount, and except for
10 this award, Defendant shall have no further obligation to pay any attorneys' fees, costs, or
11 expenses to Class Counsel. Should the Court approve a lesser amount than what is sought by
12 Class Counsel, the difference shall be added to the Net Settlement Amount to be distributed to
13 the Participating Class Members. Any Court order awarding less than the amount sought by Class
14 Counsel shall not be grounds to rescind the Settlement Agreement or otherwise void the
15 Settlement. In the event of any appeal of the amount of the awards of attorneys' fees and costs (if
16 any) approved by the Court, final funding and administration of the portion of the attorneys' fees
17 and/or costs award in dispute will be segregated and stayed pending the exhaustion of appellate
18 review. If, after the exhaustion of any such appellate review, additional amounts not awarded to
19 as attorneys' fees and costs shall be added to the Net Settlement Amount to be distributed to the
20 Participating Class Members and/or Aggrieved Employees. The Settlement Administrator shall
21 issue to Class Counsel an IRS Form 1099 reflecting the amount of attorneys' fees and costs
22 awarded by the Court. Class Counsel agrees that any allocation of fees between or among Class
23 Counsel and any other attorney representing or claiming to represent the Class Members shall be
24 the sole responsibility of Class Counsel.

25 (h) Settlement Administration Costs: The fees and other charges of the Settlement
26 Administrator will be paid from the Settlement Amount, not to exceed \$7,000, subject to Court
27 approval, unless approved by all Parties and the Court.

1 (i) PAGA Penalties: The Parties agree that \$100,000 is allocated to PAGA Penalties
2 and will be paid from the Settlement Amount, subject to Court approval. Of this amount, \$75,000
3 (75%) shall be paid to the LWDA in satisfaction of Plaintiff's claims for civil penalties under the
4 PAGA, and \$25,000 (25%) will be included in the Individual Settlement Amounts, payable to the
5 Aggrieved Employees as set forth in Paragraph 51(d).

6 (j) Tax Liability: Class Counsel, Defendant, and Defendant's Counsel make no
7 representations as to the tax treatment or legal effect of Settlement Amounts called for hereunder,
8 and Plaintiff and the Settlement Class Members are not relying on any statement or representation
9 by Class Counsel, Defendant, or Defendant's Counsel in this regard. Plaintiff and Participating
10 Class Members understand and agree that they will be solely responsible for paying any taxes and
11 penalties assessed on their respective Settlement Amounts described herein. Income tax
12 withholding will also be made pursuant to applicable federal, state, and/or local withholding codes
13 or regulations. Forms W-2 and/or Forms 1099 will be distributed at times and in the manner
14 required by the Internal Revenue Code of 1986 (the "Code") and consistent with this Agreement.
15 If the Code, the regulations promulgated thereunder, or other applicable tax law are changed after
16 the date of this Agreement, the processes set forth in this Section may be modified to bring
17 Defendant into compliance with any such changes.

18 (k) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS AGREEMENT (FOR
19 PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
20 TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER
21 PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
22 AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR
23 AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS
24 INTENDED TO BE, NOR SHALL ANY SUCH COMMUNICATION OR DISCLOSURE
25 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN
26 THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31
27 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED
28 EXCLUSIVELY UPON HIS, HER, THEIR, OR ITS OWN, INDEPENDENT LEGAL AND

1 TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH
2 THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON
3 THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR
4 TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY
5 COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY
6 OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE
7 ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER
8 PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY
9 OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF
10 WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE
11 ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY
12 TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS
13 AGREEMENT.

14 52. "Non-Reversionary" Settlement. This is a "non-reversionary" settlement. Under
15 no circumstances will any portion of the Settlement Amount revert to Defendant. Participating
16 Class Members will not have to make a claim to receive an Individual Settlement Amount.
17 Individual Settlement Amounts will be made directly to each Participating Class Member. The
18 Settlement Administrator shall be responsible for accurately and timely reporting any remittance
19 obligations with respect to unclaimed funds as a result of a Participating Class Member not
20 cashing an Individual Settlement Amount by the check cashing deadline, as set forth herein.

21 53. Class Counsel and Plaintiff believe that the Settlement is fair, reasonable, and
22 adequate and will so represent the same to the Court.

23 **D. Release by Plaintiff and the Participating Class Members**

24 54. Upon the Effective Date of this Settlement, Plaintiff and each Participating Class
25 Member, for themselves and their respective spouses, domestic partners, marital community,
26 children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors,
27 administrators, trustees, conservators, guardians, assigns, and representatives, will forever
28 completely release and discharge the Released Parties from the Released Class Claims for the

Class Release Period.

55. Each Participating Class Member will be deemed to have made the foregoing Release as if by manually signing it.

56. Upon the Effective Date of this Settlement, Plaintiff and the LWDA for themselves and their respective spouses, domestic partners, marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives, will forever completely release and discharge the Released Parties from the Released PAGA Claims for the PAGA Period.

57. Plaintiff and the LWDA will be deemed to have made the foregoing Release as if by manually signing it.

58. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Participating Class Members to obtain a recovery based on and/or arising out of any and all of the Released Class Claims including, without limitation, claims that were alleged, or reasonably could have been alleged, based on the facts of the Operative Complaint. The Settlement Class Members shall be notified in the Notice. This paragraph does not apply to any Settlement Class Member who timely and validly opts out of the Settlement for purposes of Class Claims.

59. Plaintiff and Defendant intend that the Settlement described in this Agreement will release and preclude any claim, whether by lawsuit, administrative claim or action, arbitration, demand, or other action of any kind, by each and all of the Aggrieved Employees and the LWDA to obtain a recovery based on and/or arising out of any and all of the Released PAGA Claims including, without limitation, claims that were alleged, or reasonably could have been alleged, based on the facts of the Operative Complaint or the PAGA Notice. This paragraph shall not be interpreted as a release of the Aggrieved Employees' individual claims. The Aggrieved Employees and the LWDA shall be notified in the Notice.

60. Class Representative, on behalf of themselves and the Participating Settlement Class Members, acknowledge and agree that the claims for unpaid wages and unreimbursed

1 expenses in the Actions, inaccurate wage statements, and untimely payment of wages in the
2 Actions, are disputed and that the payments set forth herein constitute payment of all sums
3 allegedly due to them. Class Representative, on behalf of themselves and the Participating
4 Settlement Class Members, acknowledge and agree that California Labor Code Section 206.5
5 does not apply to the Parties hereto. Section 206.5 provides in pertinent part as follows:

6 An employer shall not require the execution of any release of any claim or right on
7 account of wages due, or to become due, or made as an advance on wages to be
8 earned unless payment of those wages has been made.

9 **E. General Release by Class Representative**

10 61. With the exception of claims that cannot be released as matter of law, such as
11 claims for workers' compensation, and in addition to Class Representative's release of the
12 Released Class Claims and Released PAGA Claims, as discussed in Paragraphs 54 and 56 above,
13 Class Representative does hereby, for himself and for his respective spouses, domestic partners,
14 marital community, children, estates, trusts, attorneys, heirs, successors, beneficiaries, devisees,
15 legatees, executors, administrators, trustees, conservators, guardians, assigns, and representatives,
16 forever completely release and discharge the Released Parties from any and all charges,
17 complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies,
18 damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses
19 (including for back wages, statutory penalties, civil penalties, liquidated damages, exemplary
20 damages, interest, attorneys' fees, and costs) of any nature whatsoever, from the beginning of
21 time through the execution of this Settlement Agreement, whether known or unknown, suspected
22 or unsuspected, concealed or hidden, including but not limited to all claims arising out of, based
23 upon, or relating to Class Representative's employment with Defendant or the remuneration for
24 or termination of such employment (the "Class Representative's Claims").

25 62. Class Representative expressly waives and relinquishes all rights and benefits
26 afforded by Section 1542 of the Civil Code of the State of California, understanding and
27 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code of
28 the State of California states:

1 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
2 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
3 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
4 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
5 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE
6 DEBTOR OR RELEASED PARTY.

7 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a full and
8 complete release and discharge of all parties, Class Representative and Class Counsel expressly
9 acknowledge that this Settlement Agreement is intended to include in its effect, without
10 limitation, all claims that Class Representative knew of, as well as all claims that they do not
11 know or suspect to exist in their favor against the Released Parties, or any of them, for the time
12 period from the beginning of time to the execution of this Settlement Agreement, and that this
13 Settlement Agreement contemplates the extinguishment of any such Class Representative's
14 claims.

14 **F. Interim Stay of Proceedings**

15 63. Pending completion of all prerequisites necessary to effectuate this Settlement, the
16 Parties agree, subject to Court approval, to a stay of all proceedings in the Actions except such as
17 are necessary to effectuate the Settlement, including the filing of the Operative Complaint.

18 **G. Notice Process**

19 64. Appointment of Settlement Administrator. The Parties have agreed to the
20 appointment of the Settlement Administrator to perform the duties of a settlement administrator,
21 including mailing the Notice, using standard devices to obtain forwarding addresses,
22 independently reviewing and verifying documentation associated with any claims or opt-out
23 requests, resolving any disputes regarding the calculation or application of the formula for
24 determining the Individual Settlement Amounts, drafting and mailing the settlement checks to
25 Participating Class Members, issuing Forms W-2 and 1099, reporting to taxing authorities, due
26 diligence, reporting and remittance obligations, and performing such other tasks as set forth herein
27 or as the Parties mutually agree or that the Court orders.

28 65. Disputes Regarding Settlement Administration. Any and all disputes relating to

1 the administration of the Settlement by the Settlement Administrator (except for disputes
2 regarding Class Data) shall be referred to the Court, if necessary, which will have continuing
3 jurisdiction over the terms and conditions of this Settlement Agreement until Plaintiff and
4 Defendant notify the Court that all payments and obligations contemplated by this Settlement
5 Agreement have been fully carried out. Before presenting any issue to the Court, counsel for the
6 Parties will confer in good faith to resolve the dispute without the necessity of Court intervention.
7 The Settlement Administrator shall also be responsible for issuing to Plaintiff, Participating Class
8 Members, and Class Counsel any Forms W-2, Forms 1099, or other Tax Forms as may be required
9 by law for all amounts paid pursuant to this Agreement. The Settlement Administrator shall also
10 be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and
11 penalties to the appropriate government authorities.

12 66. Class Data. Within fifteen (15) business days after the Preliminary Approval Order
13 entry, Defendant shall provide the Class Data to the Settlement Administrator. The Settlement
14 Administrator will check the Class Members' addresses against those on file with the U.S. Postal
15 Service's National Change of Address List. The Class Data provided to the Settlement
16 Administrator will not be provided to Class Counsel, and it will remain confidential; it shall be
17 used solely to administer the Settlement, and it will not be used or disclosed to anyone except as
18 required by applicable tax authorities, pursuant to Defendant's express written consent, or by
19 order of the Court.

20 67. Notice. The Notice, as approved by the Court, shall be sent by the Settlement
21 Administrator to the Settlement Class Members by first-class mail, in English, within fourteen
22 (14) calendar days following the Settlement Administrator's receipt of the Class Data. The
23 Settlement Administrator shall use standard devices, including a skip trace, to obtain forwarding
24 addresses of Settlement Class Members if any notices are returned.

25 68. Returned Notices. The Settlement Administrator will take steps to ensure that the
26 Notice is received by all Settlement Class Members, including utilization of the National Change
27 of Address Database maintained by the United States Postal Service, to review the accuracy of
28 and, if possible, update a mailing address. Notices will be re-mailed to any Settlement Class

Member for whom an updated address is located within ten (10) calendar days following the Settlement Administrator's learning of the failed mailing and its receipt of the updated address. The Notice shall be identical to the original Notice, except that it shall notify the Settlement Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Notice Response Deadline or fifteen (15) days after remailing the Notice.

69. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an envelope has not been returned within thirty (30) days of the mailing the Settlement Class Member received the Notice.

70. Disputes Regarding Class Data. Settlement Class Members are deemed to participate in the Settlement unless they opt out. The Notice will inform Settlement Class Members of his/her/their estimated Individual Settlement Amount and the number of Workweeks during the Class Period and the PAGA Period. Settlement Class Members may dispute their Workweeks if they believe they were employed more Workweeks in the Class Period in California than the Defendant's records show by timely submitting evidence to the Settlement Administrator. Defendant's records will be presumed determinative absent reliable evidence to rebut the Defendant's records, but the Settlement Administrator will evaluate the evidence submitted by the Settlement Class Member and provide the evidence submitted to the Class Counsel and Defendant's Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Workweeks and estimated Individual Settlement Amount. If Class Counsel and Defendant's Counsel cannot agree, they agree to submit the dispute to the Court to render a final decision. Settlement Class Members will have until the Notice Response Deadline to dispute Workweeks, object, or opt out, unless extended by the Court. If the Settlement Administrator increases the number of Workweeks for any Settlement Class Member, then the Settlement Administrator will recalculate the Participating Class Members' Individual Settlement Amounts; accordingly, in no event will Defendant be required to increase the Settlement Amount.

71. Declaration of Due Diligence. The Settlement Administrator shall provide counsel for the Parties, at least twenty-five (25) days before the final approval hearing, a declaration of

1 due diligence and proof of mailing with regard to the mailing of the Notice.

2 72. Settlement Class Members' Rights. Each Settlement Class Member will be fully
3 advised of the Settlement, the ability to object to the provisions in the Settlement related to the
4 Class Claims, and the ability to opt-out or request exclusion from the Class Claims provisions of
5 the Settlement. The Notice will inform the Settlement Class Members of the Court-established
6 deadlines for filing objections or requesting exclusion from the Class Claims provisions of the
7 Settlement in accordance with the following guidelines:

8 (a) Requests for Exclusion from Participating Settlement Class. Any
9 Settlement Class Member, other than Plaintiff, may request to be excluded from the Participating
10 Settlement Class by submitting a "Request for Exclusion" to the Settlement Administrator,
11 postmarked on or before the Notice Response Deadline. The Request for Exclusion should be
12 stated in words to this effect:

13 "I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN
14 THE SANTOS V. ROCKWELL COLLINS, INC. LAWSUIT. I
15 UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE
16 SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM
THE SETTLEMENT OF THE CLASS CLAIMS IN THIS LAWSUIT.

17 Any Request for Exclusion must include the full name, address, telephone number, last
18 four digits of the social security number or date of birth, and signature of the Settlement Class
19 Member requesting exclusion. The Request for Exclusion must be returned by mail to the
20 Settlement Administrator at the specified address. Any such Request must be made in accordance
21 with the terms set forth in the Notice. A Request for Exclusion will be timely only if postmarked
22 by the Notice Response Deadline unless the Parties agree in writing. Any Settlement Class
23 Member who timely requests exclusion in compliance with these requirements: (i) will not have
24 any rights under this Agreement with respect to the Class Claims, including the right to object,
25 appeal, or comment on the Settlement; (ii) will not be entitled to receive any payments under this
26 Agreement with respect to Class Claims; and (iii) will not be bound by this Agreement, or the
27 Judgment, with respect to the Class Claims.

1 (b) Binding Effect on Participating Settlement Class Members. Except for
2 those Settlement Class Members who exclude themselves in compliance with the procedures set
3 forth above, all Settlement Class Members will: (i) be deemed to be Participating Class Members
4 for all purposes under this Agreement; (ii) will be bound by the terms and conditions of this
5 Agreement, the Judgment, and the releases set forth herein; and (iii) except as otherwise provided
6 herein, will be deemed to have waived all objections and oppositions to the fairness,
7 reasonableness, and adequacy of the Settlement.

8 (c) Objections to Settlement of Class Claims. Any Settlement Class Member,
9 other than Plaintiff, may object to the terms of this Agreement with respect to the Class Claims
10 and may appear at the Final Approval Hearing and object whether or not they have filed a written
11 objection as outlined herein. To object, a Settlement Class Member shall inform the Settlement
12 Administrator, in writing, of his/her/their objection, which must be postmarked by the Notice
13 Response Deadline at the address set forth in the Notice. Such objection shall include the full
14 name, address, telephone number, dates of employment with Defendant of the Objecting
15 Settlement Class Member, the case name and number, the basis for the objection. The Settlement
16 Administrator shall provide objections, if any, to Class Counsel and Defendant's Counsel within
17 three (3) days of receipt, and the Settlement Administrator shall attach the same to its declaration
18 of due diligence filed with the Court before the Final Approval Hearing. Any Participating Class
19 Member who files an objection remains eligible to receive monetary compensation from the
20 Settlement. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses
21 incurred by any Class Member and/or his/her/their counsel related to any objections to the
22 Settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather,
23 the right to appeal is preserved by becoming a party of record by timely and properly intervening
24 or filing a motion to vacate the judgment under Code of Civil Procedure section 663. Settlement
25 Class Members and Aggrieved Employees may not object to or opt out of the Settlement with
26 respect to the PAGA Claims.

27 (d) Failure to Object. Any Settlement Class Member who desires to object
28 with respect to the Class Claims but fails to submit a written objection timely waives any right to

1 object will be foreclosed from making any objection to this Settlement. Any Settlement Class
2 Member who does not timely and properly become a party of record by intervening or filing a
3 motion to vacate the judgment waives any and all rights to appeal from the Judgment, including
4 all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate
5 judgment, motion for new trial, a motion under California Code of Civil Procedure section 473,
6 and extraordinary writs.

7 (e) Responses to Objections. Counsel for the Parties may file a response to any
8 objections submitted by Objecting Settlement Class Members at least five (5) court days before
9 the date of the Final Approval Hearing.

10 73. Settlement Class Members will have until the Notice Response Deadline to object
11 or submit a Request for Exclusion to the Settlement Administrator by U.S. Mail. The Settlement
12 Administrator shall disclose jointly to Class Counsel and Defendant's counsel what objections or
13 Requests for Exclusion were timely submitted every week and upon the request of Class Counsel
14 or Defendant's Counsel.

15 74. Funding of the Settlement Amount. Defendant shall make a one-time deposit into
16 the QSF of the Settlement Amount, as described in Paragraph 51(a), that is necessary to make all
17 payments required under this Settlement within fourteen (14) days after the Effective Date, and
18 Defendant shall separately pay its share of employer payroll taxes as calculated and directed by
19 the Settlement Administrator.

20 75. Qualified Settlement Fund. The Qualified Settlement Fund shall be established at
21 a federally insured bank acceptable to the Defendant and the Settlement Administrator. The
22 Parties agree that the Qualified Settlement Fund is intended to be a "Qualified Settlement Fund"
23 under section 468B of the Code and Treas. Reg. §1.468B-1, 26 CFR § 1.468B-1, *et seq.*, and will
24 be administered by the Settlement Administrator as such. With respect to the Qualified
25 Settlement Fund, the Settlement Administrator shall: (1) open and administer a Settlement
26 Account in such a manner as to qualify and maintain the qualification of the Qualified Settlement
27 Fund as a "Qualified Settlement Fund" under Section 468B of the Code and Treas. Reg. §1.468B-
28 1; (2) calculate, withhold, remit and report each Participating Class Member's share of applicable

1 payroll taxes (including, without limitation, federal, state and local income tax withholding,
2 FICA, Medicare and any state or local employment taxes), and indemnify Defendant for any
3 penalty arising out of any error or incorrect calculation and/or interest with respect to any late
4 deposit of the same; (3) calculate and cooperate with Defendant to remit and to permit Defendant
5 to report Defendant's share of applicable taxes (including, without limitation, federal, state and
6 local income tax withholding, FICA, Medicare, unemployment insurance, employment training
7 tax, state disability insurance and any state or local employment taxes), and indemnify Defendant
8 for any penalty arising out of any error or incorrect calculation and/or interest with respect to the
9 same; (4) satisfy all federal, state and local income and other tax reporting, return, and filing
10 requirements with respect to the Qualified Settlement Fund and any interest or other income
11 earned by the Qualified Settlement Fund; and (5) satisfy out of the Qualified Settlement Fund all
12 (i) taxes (including any estimated taxes, interest or penalties) with respect to the interest or other
13 income earned by the Qualified Settlement Fund, if any, and (ii) fees, expenses and costs incurred
14 in connection with the opening and administration of the Qualified Settlement Fund and the
15 performance of its duties and functions as described in this Agreement. The aforementioned
16 taxes, fees, costs, and expenses shall be treated as and included in the costs of administering the
17 Qualified Settlement Fund and Settlement Administration Costs. The Parties and the Settlement
18 Administrator shall treat the Qualified Settlement Fund as coming into existence as a Qualified
19 Settlement Fund on the earliest date permitted as set forth in 26 CFR §1.468B-1(j)(2)(i), and such
20 election statement shall be attached to the appropriate returns as required by 26 CFR §1.468B-
21 1(j)(2)(ii). The Parties agree to cooperate with the Settlement Administrator and one another to
22 the extent reasonably necessary to carry out the provisions of this Section.

23 76. Distribution of Funds. No later than ten (10) calendar days after deposit of the
24 payment into the QSF, the Settlement Administrator will mail the payments to the Participating
25 Class Members, the payment for the attorneys' fees and costs to Class Counsel, any Service
26 Payment to the Class Representative, the payment to the LWDA for PAGA penalties, and will
27 pay itself the Settlement Administration Costs.
28

1 77. Deadline for Cashing Settlement Checks. Participating Class Members shall have
2 180 calendar days after mailing by the Settlement Administrator to cash their settlement checks.
3 If any Participating Class Member's check is not cashed within that period, the check will be void,
4 and a stop-payment will be issued. All unclaimed funds shall will revert to *cy pres* recipient Safe
5 Place for Youth. The release will be binding upon all Participating Class Members who do not
6 cash their checks within the 180-day period. If any settlement check is returned to the Settlement
7 Administrator within 180 days of mailing, the Settlement Administrator will, within five (5)
8 business days of receipt of the returned settlement check, perform a skip trace to locate the
9 individual. If a new address is located by these means, the Administrator will have ten (10)
10 business days to re-issue the check and notify Defendant's Counsel and Class Counsel that a re-
11 issued check has been sent. Neither the Defendant, Defendant's Counsel, Class Counsel, Plaintiff,
12 or settlement administrator will have any liability for lost or stolen settlement checks, forged
13 signatures on settlement checks, or unauthorized negotiation of settlement checks. Without
14 limiting the foregoing, in the event that a Participating Class Member notifies the Settlement
15 Administrator that he/she/they believes that a settlement check has been lost or stolen, the
16 Settlement Administrator shall immediately stop payment on such check. If the check-in question
17 has not been negotiated before the stop payment order, the Settlement Administrator will issue a
18 replacement check.

19 78. No person shall have any claim against Defendant, Defendant's Counsel, Plaintiff,
20 Class Counsel, or the Settlement Administrator based on mailings, distributions, payments, or
21 reports made in accordance with or pursuant to this Agreement. This provision does not, however,
22 prevent a Party from seeking enforcement of this Agreement.

23 79. Without prejudice to any other remedies, the Settlement Administrator shall agree
24 to be responsible for any breach of its obligations (whether committed by the Settlement
25 Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from
26 and against all liabilities, claims, causes of action, costs and expenses (including legal fees and
27 expenses) arising out of any breach committed by the Settlement Administrator or its agents.
28

1 **H. Duties of the Parties Prior to the Court's Approval**

2 80. Upon completion of the execution of this Settlement Agreement, Plaintiff will
3 move the Court for Preliminary Approval of this Settlement and entry of the Preliminary Approval
4 Order accomplishing the following:

5 (a) Scheduling the Final Approval Hearing on the issue of whether this
6 Settlement should be finally approved as fair, reasonable, and adequate as to the Class Members
7 and a hearing on fees, costs, and the Service Payment;

8 (b) Approving as to form and content of the proposed Notice;

9 (c) Directing the mailing of the Notice by first class mail to the Settlement
10 Class Members;

11 (d) Preliminarily approving this Settlement; and

12 (e) Preliminarily certifying the class for purposes of this Settlement.

13 Plaintiff's counsel shall provide a draft of the motion for preliminary approval of the
14 settlement to Defendant's Counsel for review and comment at least seven days prior to filing it.
15 Class Counsel shall consider in good faith Defendant's Counsel's comments or edits prior to filing
16 the motion.

17 81. Reallocation of Settlement Proceeds. In the event the Court fails, on its first
18 hearing, to approve this Agreement because the amount of the PAGA penalties is not adequate,
19 then the Parties shall cooperate in good faith to reallocate the total settlement proceeds within this
20 Agreement, to try to achieve Final Approval of the Agreement upon any subsequent Court
21 hearings.

22 **I. Duties of the Parties Following Court's Final Approval**

23 82. In connection with the Final Approval Hearing provided for in this Settlement
24 Agreement, Class Counsel shall submit a proposed Final Approval Order:

25 (a) Approving the Settlement, adjudging the terms thereof to be fair, reasonable, and
26 adequate, and directing consummation of its terms and provisions;

27 (b) Approving Class Counsel's application for an award of attorneys' fees and
28 reimbursement of litigation costs and expenses, the Service Payment to the Class Representative,

1 and the payment to the Settlement Administrator for costs of administering the settlement; and

2 (c) Entering judgment approving the settlement, thereby permanently barring all
3 Participating Class Members from prosecuting any Released Class Claims against any of the
4 Released Parties and permanently barring all Aggrieved Employees and the LWDA from
5 prosecuting any Released PAGA Claims against any of the Released Parties.

6 Plaintiff's counsel shall provide drafts of the motion for final approval of the settlement,
7 and the proposed Final Approval Order, to Defendant's Counsel for review and comment at least
8 seven days prior to filing it. Class Counsel shall consider in good faith Defendant's Counsel's
9 comments or edits prior to filing the motion.

10 **J. Voiding the Agreement**

11 83. If the Court fails or refuses to issue the Final Approval Order or fails to approve
12 any material condition of this Settlement Agreement which effects a fundamental change of the
13 Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to
14 all Parties herein at the option of either Party. Reduction of the amount of attorney's fees and/or
15 costs sought, or Class Representative awards sought shall not be considered a failure to approve
16 a material condition.

17 84. If five percent (5%) or more of the Settlement Class Members timely submit a
18 Request for Exclusion, Defendant shall have the option of terminating or modifying this
19 Agreement without prejudice to its pre-settlement positions and defenses in the Actions. If
20 Defendant exercises such option under this paragraph, it shall be relieved of any obligation to pay
21 the Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's
22 Counsel and the Settlement Administrator within seven (7) days of being notified by the
23 Settlement Administrator of a 5% or greater opt-out rate. In such an event, the Parties shall be
24 restored to their respective positions in all respects as though the contemplated settlement never
25 occurred. In the event of such termination, no party may use the fact that the Parties agreed to
26 settle or the terms provided herein as an admission, as evidence, or for any other purpose,
27 including, without limitation, to prove any liability or the amount of any sum allegedly owed by
28 any Party. All parties and counsel shall not encourage opt-outs or objections to this Agreement.

1 The parties agree not to solicit opt-outs, directly or indirectly, through any means.

2 85. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will
3 have no further obligations under the Settlement, including any obligation by Defendant to pay
4 the Settlement Amount or any amounts that otherwise would have been owed under this
5 Settlement.

6 86. If the Settlement is voided or fails for any reason, any costs incurred by the
7 Settlement Administrator shall be borne equally by Defendant and Plaintiff unless otherwise
8 specified in this Agreement.

9 **K. Other Terms**

10 87. Full and Complete Defense. Any Released Party may plead this Agreement as a
11 full and complete defense to and may be used as the basis for an injunction against any action,
12 suit, or other proceeding that has been or may be instituted, prosecuted, or attempted, asserting
13 any Released Claim.

14 88. Waiver. The waiver by one Party of any breach of this Agreement by another Party
15 shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

16 89. Parties' Authority. The signatories hereto represent that they are fully authorized
17 to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions
18 hereof.

19 90. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
20 accomplish the terms of this Settlement Agreement, including but not limited to the execution of
21 such documents and to take such other action as may reasonably be necessary to implement the
22 terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best
23 efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that
24 may become necessary by order of the Court or otherwise, to effectuate this Settlement
25 Agreement and the terms set forth herein. As soon as practicable after executing this Settlement
26 Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and
27 Defendant's Counsel, take all necessary steps to secure the Court's preliminary and final approval
28 of the settlement and the final entry of judgment.

1 91. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
2 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
3 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
4 cause of action, or rights released and discharged by this Settlement Agreement.

5 92. No Admission. Defendant denies any and all liability to Plaintiff and/or any
6 Settlement Class Member or Aggrieved Employee under PAGA in the Actions as to any and all
7 causes of action that were asserted or that might have been asserted in the Actions. Nonetheless,
8 Defendant wishes to settle and compromise the matters at issue in the Operative Complaint to
9 avoid further substantial expense and the inconvenience and distraction of protracted and
10 burdensome litigation. Defendant also has taken into account the uncertainty and risks inherent
11 in litigation, and without conceding any infirmity in the defenses that they have asserted or could
12 assert against Plaintiff, have determined that it is desirable and beneficial that Plaintiff's claims
13 be settled in the manner and upon the terms and conditions set forth in this Agreement.

14 93. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
15 Order, nothing contained herein, nor the consummation of this Settlement Agreement, is to be
16 construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part
17 of Defendant or any of the other Released Parties. Each of the Parties hereto has entered into this
18 Settlement Agreement with the intention of avoiding further disputes and litigation with the
19 attendant inconvenience and expenses. This Settlement Agreement is a settlement document, and
20 it, along with all related documents such as the notices and motions for preliminary and final
21 approval, shall, pursuant to California Evidence Code section 1152 and/or Federal Rule of
22 Evidence 408, be inadmissible in evidence in any proceeding, except an action or proceeding to
23 approve the settlement, and/or interpret or enforce this Settlement Agreement. The stipulation for
24 class certification as part of this Settlement Agreement is for settlement purposes only, and if, for
25 any reason, the settlement is not approved, the stipulation will be of no force or effect.

26 94. Notices. Unless otherwise specifically provided herein, all notices, demands, or
27 other communications given hereunder shall be in writing and shall be deemed to have been duly
28 given as of the third business day after mailing by United States registered or certified mail, return

receipt requested, addressed.

To the Settlement Class Members and Aggrieved Employees:

Mehrdad Bokhour <i>mehrdad@bokhourlaw.com</i> 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (310) 975-1493; Fax: (310) 675-0861	Joshua Falakassa <i>josh@falakassalaw.com</i> 1901 Avenue of the Stars, Suite 450 Los Angeles, California 90067 Tel: (818) 456-6168; Fax: (888) 505-0868
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To Defendant:

Justin T. Curley <i>jcurley@seyfarth.com</i> 560 Mission Street, Suite 3100 San Francisco, California 94105 Tel: (415) 397-2823

Michael A. Sigall <i>msigall@seyfarth.com</i> 2029 Century Park East, Suite 3500 Los Angeles, California 90067

95. Construction. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any Party because of the extent to which any Party or their counsel participated in the drafting of this Settlement Agreement. Plaintiff and Defendant expressly waive the common-law and statutory rule of construction that ambiguities should be construed against the drafter of an agreement and further agree, covenant, and represent that the language in all parts of this Agreement shall be in all cases construed as a whole, according to its fair meaning.

96. Captions and Interpretations. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and not merely a recital.

97. Modification. This Settlement Agreement may not be changed, altered, or modified except in writing and signed by the Parties hereto and approved by the Court. This

Settlement Agreement may not be discharged except by performance in accordance with its terms or by writing signed by all of the Parties hereto.

98. Dispute Resolution. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies, and Plaintiff and Defendant agree to seek the help of the mediator identified in this Agreement to resolve any dispute they are unable to resolve informally. During this period, the Parties shall bear their attorneys' fees and costs. This provision shall not apply to any legal action or other proceeding instituted by any person or entity other than Plaintiff or Defendant.

99. Court Retains Jurisdiction. The Parties agree that upon the entry of judgment of dismissal pursuant to the terms of this Agreement, that, pursuant to Code of Civil Procedure section 664.6, the Court shall retain exclusive and continuing equity jurisdiction of the Actions over all Parties to interpret, enforce, and effectuate the terms, conditions, intents, and obligations of this Agreement.

100. Enforceability. Pursuant to California Evidence Code section 1123(a) and (b), this Agreement is intended by the Parties to be and shall be, enforceable, binding, and admissible in a court of law.

101. Choice of Law. This Settlement Agreement shall be governed by and construed, enforced, and administered in accordance with the laws of the State of California, without regard to its conflicts-of-law rules.

102. Integration Clause. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No rights hereunder may be waived except in writing.

103. Binding On Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors, and assigns.

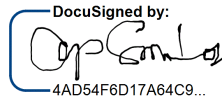
104. Signatures of All Class Members Unnecessary to be Binding. It is agreed that because the members of the Settlement Class are numerous, it is impossible or impractical to have each Participating Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein, and such shall have the same force and effect as if each Participating Class Member executed this Settlement Agreement.

105. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES:

11/1/2024
Dated: _____, 2024

PLAINTIFF/CLASS REPRESENTATIVE:

DocuSigned by:

4AD54F6D17A64C9...

George P. Santos

Dated: _____, 2024

DEFENDANT:

By: Heather Robertson
Its: President Mission Systems

104. Signatures of All Class Members Unnecessary to be Binding. It is agreed that because the members of the Settlement Class are numerous, it is impossible or impractical to have each Participating Class Member execute this Settlement Agreement. The Notice will advise all Settlement Class Members of the binding nature of the releases provided herein, and such shall have the same force and effect as if each Participating Class Member executed this Settlement Agreement.

105. Counterparts. This Settlement Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original and, when taken together with other signed counterparts, shall constitute one fully signed Settlement Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

APPROVAL AND EXECUTION BY PARTIES:

Dated: _____, 2024

PLAINTIFF/CLASS REPRESENTATIVE:

George P. Santos

Dated: _____, 2024

DEFENDANT:

**Heather
Robertson**

Digitally signed by Heather
Robertson
Date: 2024.10.31 12:38:32
-05'00'

By: Heather Robertson
Its: President Mission Systems

APPROVED AS TO FORM:

10/31/2024

Dated: _____, 2024

CLASS COUNSEL

FALAKASSA LAW, P.C.

DocuSigned by:

Joshua Falakassa

15A628B2C5A149C...

Joshua Falakassa
Attorneys for Plaintiff

11/1/2024

Dated: _____, 2024

BOKHOUR LAW GROUP, P.C.

Signed by:

MEHRDAD BOKHOUR

D8D3643F271940F...

Mehrdad Bokhour
Attorneys for Plaintiff

Dated: _____, 2024

DEFENDANT'S COUNSEL:

SEYFARTH SHAW LLP

Justin T. Curley
Attorneys for Defendant

1 **APPROVED AS TO FORM:**

2 **CLASS COUNSEL**

3 Dated: _____, 2024

FALAKASSA LAW, P.C.

5 _____
6 Joshua Falakassa
7 Attorneys for Plaintiff

8 Dated: _____, 2024

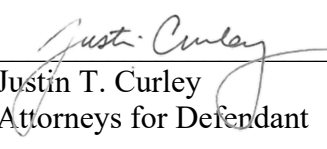
BOKHOUR LAW GROUP, P.C.

10 _____
11 Mehrdad Bokhour
12 Attorneys for Plaintiff

13 Dated: October 31, 2024

DEFENDANT'S COUNSEL:

14 **SEYFARTH SHAW LLP**

15 _____
16 
17 Justin T. Curley
18 Attorneys for Defendant