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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

HENRY CORLEW, 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, Plaintiff, vs. SUPERIOR DUCT FABRICATION, INC., a California corporation; and DOES 1 through 100, inclusive, Defendants.	Case No. 22STCV13075 Honorable Kenneth R. Freeman Department 14 **<u>CLASS ACTION</u>** **DECLARATION OF HELENE MAYER IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: March 25, 2025 Time: 11:00 a.m. Department: 14 Complaint Filed: April 18, 2022 FAC Filed: September 4, 2024 Trial Date: None Set

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DECLARATION OF HELENE MAYER

I, Helene Mayer, 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 Plaintiff Henry Corlew ("Plaintiff"). 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 April 18, 2022, Plaintiff filed the Class Action Complaint for Damages in the Superior Court for the County of Los Angeles, thereby commencing the above-captioned lawsuit.

3. On June 30, 2022, Defendant Superior Duct Fabrication, Inc. ("Defendant") filed a Notice of Removal, removing the Action from Superior Court of California, County of Los Angeles, to the United States District Court for the Central District of California.

4. On August 2, 2022, Defendant filed a Notice of Motion and Motion to Dismiss Plaintiff's Complaint Pursuant to Fed. R. Civ. P. 12(b)(6).

5. On October 5, 2022, Plaintiff filed a Notice of Motion to Remand Pursuant to 2 U.S.C. § 1447.

6. On October 14, 2022, Defendant filed its Memorandum of Points and Authorities in Opposition to Plaintiff's Motion to Remand.

7. On October 14, 2022, Plaintiff filed its Opposition to Defendant's Motion to Dismiss.

8. On October 21, 2022, Defendant filed its Reply in Support of Motion to Dismiss Plaintiff's Complaint Pursuant to Fed. R. Civ. P. 12(b)(6).

9. On November 9, 2022, Plaintiff filed its Reply in Support of Plaintiff's Motion to Remand.

10. On December 21, 2022, the Court granted in part and reversed in part Plaintiff's Motion to Remand.

11. On April 24, 2023, Defendant filed its Answer to Plaintiff's Class Action Complaint for Damages.

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12. On September 6, 2023, Plaintiff provided written notice by certified mail to the LWDA and Defendant of the specific provisions of the California Labor Code that were alleged to be violated ("PAGA Notice"). Marked and attached hereto as "**EXHIBIT 1**" is a true and correct copy of Plaintiff's PAGA Notice.

13. On August 26, 2024, Plaintiff sought leave to file a First Amended Complaint for Damages and Enforcement Under the Private Attorneys General Act, Cal. Lab. Code § 2698, *Et Seq*. ("Operative Complaint"), adding a PAGA cause of action. The Court granted Plaintiff leave to file the proposed First Amended Complaint on September 3, 2024, and Plaintiff filed the First Amended Complaint on September 4, 2024.

THE PROPOSED SETTLEMENT

14. Marked and attached hereto as "**EXHIBIT 2**" is a true and correct copy of the Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant, on the other hand (together, the "Parties"). The Parties and their counsel have approved the proposed Notice of Class Action Settlement ("Class Notice"), which is attached to the Settlement Agreement as "Exhibit A" and respectfully request that the Court approve it as well.

15. The Settlement provides for a Total Settlement Amount of $1,200,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Total Settlement Amount less the following amounts, subject to approval by the Court: Class Counsel Fees Payment of up to $396,000.00 (if the Total Settlement Amount remains $1,200,000.00) and Class Counsel Litigation Expenses Payment not to exceed $25,000.00 to Class Counsel, Enhancement Award to Plaintiff of not more than $7,500.00, Administration Expenses Payment to the Settlement Administrator not to exceed $10,000.00, and the PAGA Penalties of $120,000.00. Assuming that the amounts allocated under the Settlement toward these payments are awarded by the Court, the Net Settlement Amount that will be available for distribution to Settlement Class Members is currently $641,500.00. Additionally, 25% of the PAGA Penalties (i.e., Individual PAGA Payment), which is $30,000.00 out of $120,000.00, will be distributed to the Aggrieved Employees, for their

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respective portion of the PAGA Penalties. The Total Settlement Amount will be fully distributed in accordance with the terms of the Settlement and there is no reversion to Defendant.

16. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to 33% of the Total Settlement Amount (i.e., $396,000.00, if the Total Settlement Amount remains $1,200,000.00) and expenses and costs of not more than $25,000.00, which will be paid out of the Total Settlement Amount, subject to approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained. A description of the qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by Class Counsel in this matter can be found in paragraphs 24 through 34, *infra*.

17. The Settlement Agreement provides for payment of up to $7,500.00 to Plaintiff as an Enhancement Award, to be paid out of the Total Settlement Amount subject to approval by the Court. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed him and actively tried to obtain information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiff to receive an Enhancement Award, in addition to his individual settlement payment, for his services on behalf of the Class, Aggrieved Employees, and State of California.

18. The Parties have agreed to retain Phoenix Class Action Administration Solutions, ("Settlement Administrator" or "Phoenix") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Phoenix to handle these procedures and serve as the Settlement Administrator. Defendant will provide Phoenix with the Class Data, and the Settlement Administrator will calculate each Class Member's estimated share of the Net Settlement Amount ("Individual Class Payment") and each Aggrieved Employee's estimated *pro rata* share of the 25% portion of the PAGA Penalties. The Settlement Administrator will be responsible for printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances, providing

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necessary reports and declarations, transmitting leftover funds represented by cancelled Individual Class Payment and Individual PAGA Payment checks after the void date to a Court-approved nonprofit organization or foundation consistent with California Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") Legal Aid at Work, and other duties and responsibilities set forth to process the Settlement, and as requested by the Parties. Administration Expenses Payment are currently estimated not to exceed $10,000.00 and will be paid out of the Total Settlement Amount, subject to approval of the Court.

19. Under the Settlement Agreement, Defendant is responsible for any employer-side tax obligations associated with the Total Settlement Amount and will deposit that amount into the settlement fund in addition to the Total Settlement Amount. Each Settlement Class Member's Individual Class Payment will be allocated 20% to wages and 80% to penalties and interest. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Class Payments.

CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE

20. **Ascertainability:** The proposed Class is defined as all current and former hourly-paid or non-exempt employees of Superior Duct Fabrication, Inc. in California employed during the Class Period, which is April 18, 2018 through March 13, 2024.

21. **Numerosity:** Based on data provided by Defendant, the Class is estimated to be approximately 476 individuals who worked an estimated total of 52,950 workweeks.

22. **Commonality:** Based on investigation and information discovered, Class Counsel believes that there is sufficient evidence to support the allegations made in the lawsuit, including the allegations that Defendant, with respect to Plaintiff, Class Members, and Aggrieved Employees, *inter alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed to provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay wages during employment and upon termination of employment, failed to provide compliant wage statements, failed to maintain requisite payroll records, and failed to reimburse necessary business expenses, and thereby engaged in unfair business practices and conduct giving rise to civil penalties recoverable under the Private Attorneys General Act of 2004 (California Labor Code sections 2698,

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et seq.). Plaintiff also asserted that Class Members were expected to perform similar job duties and were subject to the same or similar operations and employment policies, practices, and procedures. Additionally, Plaintiff asserted that Defendant's recordkeeping practices with respect to Plaintiff, Class Members, and Aggrieved Employees were substantially the same during the time period at issue. As a result of said alleged uniform practices, Plaintiff claims that the Class Members were not paid all of the compensation that was owed to them by Defendant. Thus, in Class Counsel's view, it is clear that the outcome of this litigation would be determined by Defendant's uniform operations and employment practices, policies, and procedures that Plaintiff alleges applied across its hourly-paid or non-exempt employees in California during the relevant time period.

23. **Adequacy and Typicality:** Plaintiff undertook the responsibilities of representing a class action against his former employer. Plaintiff spent considerable time and effort to produce relevant documents and past employment records and to provide the facts and evidence necessary to attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed him and actively tried to obtain information that would benefit the Class. Plaintiff has no interests that are adverse to the Class. Plaintiff was employed by Defendant during the Class Period and subject to the same alleged violations and the same policies, practices, and procedures. Plaintiff took on the challenge and risk of commencing and maintaining this action, and he has not yet received any monetary benefit for his service to date. Plaintiff put his own interests aside and brought a publicly filed lawsuit against an employer not just for his own benefit, but, instead, on behalf of other hourly-paid employees and the State of California.

EXPERIENCE AND ADEQUACY OF LAWYERS *for* JUSTICE, PC

24. For over a decade, Lawyers *for* Justice, PC has almost exclusively focused on the prosecution of consumer and employment class actions, involving wage-and-hour claims, race discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is attorney of record in well over a dozen of employment-related putative class actions in both state and federal courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on litigating complex wage-and-hour class and Private Attorneys General Act ("PAGA") representative actions. Lawyers *for* Justice, PC has successfully litigated cases involving the

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executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has recovered millions of dollars on behalf of thousands of individuals in California.

25. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice, PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution as part of its Masters in Dispute Resolution degree program. In addition, he has previously served as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000, he studied Legal Writing at Harvard University. From approximately September 2002 to approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained a license to practice law from the California State Bar. Since in or around October 2008, through his work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of consumer and employment class actions. While employed by Lawyer's *for* Justice, PC, he has argued over one hundred (100) motions, taken or defended over one hundred fifty (150) depositions, prepared dozens of expert witnesses for deposition or trial, and attended over one hundred seventy-five (175) mediations. Together with other attorneys at the firm, and in many cases in conjunction with co-counsel, he has successfully litigated cases involving the executive, administrative, and other overtime exemptions to the State of California and federal overtime compensation requirements. Under his supervision, Lawyers *for* Justice, PC has successfully obtained class certification by contested motion practice in approximately sixteen (16) cases in the last decade, and litigated over 1,000 class action or representative action cases.

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

27. Joanna Ghosh is a Managing Member of Lawyers *for* Justice, PC. She received a Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown University Law Center in 2010. She is admitted to practice in California (since 2010) and in New York (since 2013) and is admitted to practice in all U.S. District Courts in California, the U.S. Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken and defended dozens of depositions and successfully handled motion practice in class action cases regarding discovery (including and not limited to, regarding class contact information), class certification (both contested class certification and stipulated class certification), arbitration

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agreements, coordination, and intervention. She has successfully handled briefing and oral argument on appeal and obtained notable decisions regarding the Private Attorneys General Act and employer efforts to compel arbitration of PAGA claims, e.g., *Roberto Betancourt v. Prudential Overall Supply* (Cal. Ct. App., Mar. 7, 2017) 9 Cal.App.5th 439, cert. denied (Cal., May 24, 2017), cert. denied (U.S., Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, (2019) 8 Cal.5th175. She has significant experience with class actions, including and not limited to working on cases to obtain class certification through contested motion practice and working on cases in the post-certification stage (e.g., post-certification discovery, appeal, statistical sampling and pilot study, and trial preparation in conjunction with co-counsel in a case involving a certified class consisting of approximately 2,600 individuals). She also has extensive experience with class action and/or representative action settlements, and has handled this process in over five hundred (500) cases. Under Edwin Aiwazian, Arby Aiwazian, and her supervision, Lawyers *for* Justice, PC has handled the class certification and court approval process for hundreds of class action and/or representative action matters that have successfully resolved. She is a member of the California Employment Lawyers Association and, on several occasions, has been a speaker regarding topics in wage and hour law at the organization's continuing legal education events.

28. I, Helene Mayer, am a Member of Lawyers *for* Justice, PC. I received my Bachelor of Arts degree from University of San Diego in 2017, and I earned my Juris Doctor degree from University of San Diego School of Law in 2020. I was admitted to practice law in California in 2021. I am admitted to practice before all courts of the State of California and all U.S. Federal District Courts in the State of California. I have worked on wage-and-hour class action and PAGA representative cases, and my work has included, *inter alia*, researching and drafting pleadings, administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement agreements, and making court appearances. Prior to working at Lawyers *for* Justice, PC, I worked at law firms focused primarily on family law matters, including, *inter alia*, representing clients in divorce, parentage, child custody, and domestic violence restraining order proceedings, researching and drafting pleadings, negotiating and finalizing marital settlement agreements, engaging in motion practice, and making court appearances.

THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED

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

30. Class Counsel has litigated the matter for over two years and was actively preparing the matters for class certification and trial. The Parties engaged in extensive settlement negotiations and participated in a full-day mediation conducted by Steve Rottman, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the litigation and in connection with the mediation and settlement discussions, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, regular rate, meal and rest periods, PAGA representative actions, and state wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting investigations, formal and informal discovery and exchange of information, extensive settlement negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiff and Settlement Class Members, and of the

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Released PAGA Claims of Plaintiff, the State of California, and the Aggrieved Employees, against the Released Parties.

31. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength, and scope of the claims, and was preparing the actions for class certification and trial. Plaintiff conducted significant investigation and formal and informal discovery regarding the facts of the case, including and not limited to, the exchange, review, and analysis of a large volume of documents and data obtained from Defendant, Plaintiff, and other sources. The volume of data and documents that Class Counsel reviewed and analyzed included and was not limited to: a sampling of Class Members' time and payroll data, Plaintiff's personnel records, Defendant's Employee Handbook, earning statements, Pay Summaries, Notice to Employee as to Change in Relationship, Separation Notice, Employment Application, Timecard Reports, company policy, job descriptions, Defendant's operations and employment practice, policies, and procedures, among other information and documents. Class Counsel had the opportunity to interview Plaintiff and other Class Members to gather facts and to identify potential witnesses. Counsel for the Parties also met and conferred on numerous occasions, e.g., to discuss issues relating to the pleadings, and the production of documents and data prior to the mediation. Class Counsel also drafted pleadings and the mediation brief and prepared for and attended court proceedings, mediation, and settlement negotiations, among other tasks.

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

33. Class Counsel is aware of the defenses and position of Defendant but believes that Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and Class Counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those involved in class

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certification and/or representative adjudication. Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have also considered the Parties' settlement discussions, as well as the evaluations of the mediator, who is experienced and well-regarded in complex labor and employment matters.

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

ESTIMATE OF THE VALUE OF THE CLAIMS

35. Plaintiff's action alleges that Defendant has violated the California Labor Code and Industrial Welfare Commission Wage Orders by engaging in a uniform policy and systematic scheme of wage abuse against Plaintiff and the putative class members, including inter alia, failing to properly compensate overtime and minimum wages, failing to provide compliant meal and rest periods and associated premium pay, failing to timely pay wages during employment, failing to timely pay wages upon termination and associated waiting-time penalties, failing to provide compliant wage statements, failing to maintain requisite payroll records, and failing to reimburse

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necessary business expenses. Plaintiff further contends that Defendant's aforementioned conduct constitutes unfair business practices (under the California Business and Professions Code ("UCL") and gives rise to civil penalties recoverable under PAGA.

36. Based on data provided by Defendant and extrapolated by Plaintiff, the total number of putative class members during the period from April 18, 2018 to March 10, 2024 ("relevant time period") was estimated to be approximately 519 individuals who worked an estimated total of 55,343 workweeks with an average hourly rate of pay of $40.16.

37. Plaintiff contended that Defendant required putative class members to perform work before clocking-in and after clocking-out of their scheduled shifts and during meal and rest periods. Plaintiff contended that Defendant discouraged the recordation of overtime hours and required putative class members to perform work off-the-clock. Plaintiff contended that Defendant failed to include non-discretionary bonuses and incentives in the calculation of the regular rate when paying overtime wages. Plaintiff also contended that meal and rest periods were regularly missed, later, shortened, and/or interrupted, that putative class members were required to remain on premises during rest breaks, readily available to assist with work tasks, and that Defendant failed to properly pay premiums for all non-compliant meal and rest periods. Additionally, Plaintiff alleged that Defendant intentionally and willfully failed to pay Plaintiff and putative class members all wages due to them while they were employed by Defendant, within the time period permissible under California law, and that Defendant failed to pay all wages due upon termination, within the time period permissible under California law, thereby triggering waiting-time penalties under California Labor Code section 203. Plaintiff contended that, based on the violations described herein, the wage statements provided by Defendant and the payroll records kept by Defendant were inaccurate. Finally, Plaintiff contended that Defendant failed to reimburse Plaintiff and the other putative class members for necessary business expenses, including, but not limited to, the costs associated with the usage of personal cell phones and personal vehicles for work duties, and costs associated with the purchase of steel-toed shoes to perform their work duties.

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38. Class Counsel considered defense arguments, e.g., that the employer's practices, policies, and procedures complied with the law, that Defendant paid putative class members over the California minimum wage for all hours worked, that Defendant correctly paid overtime for all overtime hours worked, that no waiting-time penalties were due because waiting-time penalties only arise from "willful" failure to pay wages due and owing at the time of termination or resignation, that Plaintiff and putative class members suffered no actual injury from the alleged wage statement violations and that this alleged violation and the alleged recordkeeping violation are entirely derivative of the other causes of action, and that a policy and practice of reimbursing employees for necessary business-related expenses exists. Class Counsel also considered the likelihood of Plaintiff's success in establishing that any of provisions of the California Labor Code, on which the civil penalties under PAGA and the UCL claim are predicated, were violated and that such violations were injurious and/or warranted imposition of civil penalties. Class Counsel also considered that trial courts have wide discretion when assessing penalties under PAGA, and that it could be determined that individual liability issues predominate (e.g., due to purported variation in shifts, locations, job duties, and other circumstances which could raise individualized questions of fact) and could pose challenges to certification, manageability, and the merits of Plaintiff's claims.

39. Class Counsel considered information, data, and documents obtained from Plaintiff, Defendant, and other sources, and created violation, damages, and penalties valuations and models prior to reaching the Settlement. Based thereon, Plaintiff calculated the potential value of the claims. However, the potential value of each claim assumed an exposure based on the above-captioned action having been certified and Plaintiff having proven all elements of the claims and entitlement to monetary recovery in the above-captioned action (on a class-wide and a representative basis), despite risks associated with obtaining and maintaining certification and demonstrating manageability, risks to establishing liability and any underlying California Labor Code and IWC Wage Order violations and damages, and significant additional costs that would have to be incurred in order to certify the above captioned action and establish liability, damages, and penalties amounts in the cases. Plaintiff faced the risk of the Court finding that individualized issues predominate, such that the cases are not suitable for class treatment. While Class Counsel disagreed with Defendant's

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arguments and factual contentions, Class Counsel recognized the circumstances and realities of the cases, applicable case law and regulations, the extensive time and pay records produced by Defendant, the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of each claim as follows:

a. Failure to Pay Overtime Wages: The potential value of this claim was estimated to be $3,333,862.32 (55,343 workweeks x 1 hours of unpaid overtime wages x overtime hourly rate of $60.24, which is based on the average hourly rate of $40.16). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $1,333,544.93), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $400,063.48), and a discount of 70% 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 $120,019.04).

b. Failure to Pay Minimum Wages: The potential value of this claim was estimated to be $2,222,574.88 (55,343 workweeks x 1 hour of unpaid minimum wages x average hourly rate of $40.16). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $889,029.95, a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $266,708.99), and a discount of 70% 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 $90,012.70).

c. Failure to Provide Compliant Meal Periods and Associated Premiums: The potential value of this claim was estimated to be $4,445,149.76 (55,343 workweeks x 2 meal period premium x average hourly rate of $40.16). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class

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certification (bringing the value of this claim closer to $2,222,574.88), 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 $889,029.95), and a discount of 70% 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 $266,708.99).

d. Failure to Provide Compliant Rest Periods and Associated Premiums: The potential value of this claim was estimated to be $4.445.149.76 (55,343 workweeks x 2 rest period premiums x average hourly rate of $40.16). 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 $2,222,574.88), 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 $889,029.95), and a discount of 70% 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 $266,708.99).

e. Failure to Timely Pay Wages During Employment: The value of this claim is considered as a part of the valuation of the PAGA claim contained *infra*.

f. Failure to Timely Pay Wages After Termination (and Waiting-Time Penalties): Based on information and data provided by Defendant, it was estimated that approximately 287 putative class members had been terminated during the three-year statute of limitations (i.e., from April 18, 2019). Assuming that these individuals were not timely paid all wages due to them upon termination, the potential value of waiting-time penalties was estimated to be $2,766,220.80 collectively (287 individuals x [30 days x hourly rate of $40.16 x 8 hours]), or approximately $9,638.40 per individual. At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $1,106,488.32), a discount of 70% was applied to account for the

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risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $331,946.50), 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 $82,986.63).

g. Failure to Provide Compliant Wage Statements: The potential value of this claim was calculated to be $1,053,950.00 ([323 initial violations x $50 statutory penalty] + [10,378 subsequent violations x $100 statutory penalty]). At this juncture, a discount of 60% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to $421,580.00), a discount of 70% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to $126,474.00), 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 $31,618.50).

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 *infra*.

i. Failure to Reimburse Necessary Business Expenses: The potential value of this claim was estimated to be $553,430.00 (55,343 workweeks x $10.00 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 $276,715.00), 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 $96,850.25), and a discount of 70% 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 $29,055.08).

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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 $629,850.00 (323 aggrieved employees estimated to have worked during one-year statutory period x $1,950 civil penalties). At this juncture, 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 $251,940.00), and a discount of 80% was applied to account for the risks associated with the Court's discretion to reduce civil penalties and obtaining an award of civil penalties (bringing the value of this claim closer to $50,388.00).

40. The foregoing discussion confirms that the amount of the Settlement is adequate in light of Plaintiff's allegations and causes of action, the evidence at issue with respect to those allegations and causes of action, and legal and factual arguments and circumstances which pose challenges to certification, manageability, merits, and monetary recovery. The conclusion to be drawn from the foregoing analysis is that neither class certification, manageability, liability, nor the ability to adjudicate and/or recover monetary relief on a class-wide or representative basis is clear-cut, which is why the Parties elected to settle this matter. Class Counsel also recognized that additional discounts could be made to the risk-adjusted value to account for the costs and expenses associated with further litigation and the present value of obtaining a settlement now as opposed to monetary recovery, if any, that may be obtained in the future after further litigation. Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, and risks to recovery and applied appropriate discounts.

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41. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and is in the best interest of Plaintiff, the Class, and State of California. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

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

Executed on this 24th day of February 2025 at Mooresville, North Carolina.

Helene Mayer

____
Helene Mayer

LAWYERS *for* JUSTICE, PC
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Glendale. California 91203

EXHIBIT 1

September 6, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAfilings@dir.ca.gov

Re: ***SUPERIOR DUCT FABRICATION, INC.***

Dear Representative:

We have been retained to represent Henry Corlew against Superior Duct Fabrication, Inc. (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as ("Superior Duct") for violations of California wage-and-hour laws. Mr. Corlew seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Corlew seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Superior Duct employed Mr. Corlew as an hourly-paid, non-exempt employee in the State of California. Mr. Corlew is an "aggrieved employee" as defined by California Labor Code section 2699 because she was employed by Superior Duct and she suffered one or more of the alleged violations, as demonstrated below.

The "aggrieved employees" that Mr. Corlew may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Superior Duct has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders.

Superior Duct required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Superior Duct rounded the work time recorded by aggrieved employees in a manner that was not fair and neutral on its face and/or that favored Superior Duct over time, resulting in aggrieved employees being underpaid for their time worked.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Corlew and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Corlew and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Superior Duct required Mr. Corlew and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods. Superior Duct also required aggrieved employees to stay on work premises during rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting. During the relevant time period, Superior Duct failed to pay Mr. Corlew and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Superior Duct failed to pay Mr. Corlew and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Superior Duct did not provide Mr. Corlew and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Superior Duct were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Corlew and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars ($50) for each aggrieved employee per pay period for the initial violation and one hundred dollars ($100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Corlew and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Corlew and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Corlew and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Corlew and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Superior Duct failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Corlew and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Superior Duct did not provide Mr. Corlew and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee … under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Superior Duct failed to pay Mr. Corlew and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Corlew and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Superior Duct failed to pay Mr. Corlew and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Corlew and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Corlew and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Superior Duct.

Therefore, on behalf of all aggrieved employees, Mr. Corlew seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,

Meg Razi

Meg Razi, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Superior Duct Fabrication, Inc.
c/o Lonnie D. Giamela
Lalonnie V. Gray
FISHER & PHILLIPS, LLP
Attorneys
444 South Flower Street, Suite 1500
Los Angeles, California 90071

EXHIBIT 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff Henry Corlew ("Plaintiff") and Defendant Superior Ducts Fabrication, Inc. ("Defendant" or "Superior Duct Fabrication"). The Agreement refers to Plaintiff and Superior Duct Fabrication collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiff's lawsuit alleging wage and hour violations against Superior Duct Fabrication captioned *Henry Corlew v. Superior Duct Fabrication, Inc.* initiated on April 18, 2022 and pending in Superior Court of the State of California, County of Los Angeles, Case No. 22STCV13075.

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 Total 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 all hourly non-exempt employees who have worked for Superior Duct Fabrication for at least one day during the PAGA Period.

1.5. "Class" means all current and former hourly-paid or non-exempt employees of Superior Duct Fabrication in California employed during the Class Period.

1.6. "Class Counsel" means Arby Aiwazian, Joanna Ghosh, and Helene Mayer 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.

1.8. "Class Data" means Class Member identifying information in Superior Duct Fabrication's possession including the Class Member's full 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 April 18, 2018 through March 13, 2024.

1.13. “Class Representative” means Henry Corlew, the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

1.14. “Class Settlement” means the settlement and resolution of the Released Class Claims.

1.15. “Court” means the Superior Court of California, County of Los Angeles.

1.16. “Defendant” means the named Defendant Superior Duct Fabrication, Inc.

1.17. “Defense Counsel” means Lonnie D. Giamela of Fisher & Phillips, LLP.

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, 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, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. “Enhancement Award” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

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

1.21. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22. “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.23. “Individual Class Payment” means the 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 the Aggrieved Employee’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled to seventy-five percent (75%) of civil penalties under California Labor Code section 2699, subd. (i).

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under California Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Total Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, LWDA PAGA Payment, Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is the portion of the Total Settlement Amount that is to be paid to Participating Class Members as Individual Class Payments.

1.29. "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 from the Settlement.

1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Superior Duct Fabrication for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period from April 18, 2021 through March 13, 2024.

1.32. "PAGA" means the Private Attorneys General Act (California Labor Code section 2698. et seq.).

1.33. "PAGA Notice" means Plaintiff's September 6, 2023 letter to Superior Duct Fabrication and the LWDA providing notice pursuant to California Labor Code section 2699.3, subd. (a), assigned to LWDA Case No. LWDA-CM-979947-23.

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Total Settlement Amount of One Hundred Twenty Thousand Dollars and Zero Cents ($120,000.00), allocated 25% to the Aggrieved Employees (i.e., $30,000.00) and the 75% to LWDA (i.e., $90,000.00) in settlement of PAGA claims.

1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. "Plaintiff" means Henry Corlew, the named plaintiff in the Action.

1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the Order Granting Preliminary Approval of the Settlement.

1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.40. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.41. “Released Parties” means Superior Duct Fabrication and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.42. “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.

1.43. "Response Deadline" means sixty (60) days after the Administrator mails the Class Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Class Settlement, or (b) email or mail his or her Objection to the Class Settlement. The Response Deadline shall be extended by fourteen (14) calendar days for those Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator.

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

1.45. “Total Settlement Amount” means One Million Two Hundred Thousand Dollars and Zero Cents ($1,200,000.00), which is the total amount Superior Duct Fabrication agrees to pay under the Settlement except as provided in Paragraph 8 below. The Total Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Enhancement Award and Administrator’s Expenses.

1.46. “Workweek” means any week during which a Class Member worked for Superior Duct Fabrication for at least one day, during the Class Period.

2. RECITALS.

2.1. On April, 18, 2022, Plaintiff commenced this Action by filing a Class Action Complaint For Damages alleging causes of action against Superior Duct Fabrication for (1) failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and applicable Industrial Welfare Commission (“IWC”) Wage Orders; (2) failure to provide meal periods and associated premiums pursuant to California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders; (3) failure to provide rest periods and associated premiums pursuant to California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and applicable IWC Wage Orders; (6) failure to timely pay wages during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and applicable IWC Wage Orders; (8) failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d) and applicable IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and applicable IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, *et seq*. based on the aforementioned. Plaintiff will file a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("Operative Complaint"), which will add a cause of action for civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code section 2698 et seq. ("PAGA") based on the aforementioned California Labor Code violations. Superior Duct Fabrication denies the allegations in the Action and Operative Complaint, denies any failure to comply with the laws identified in the Action and Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. On June 30, 2022, Superior Duct Fabrication filed a Notice of Removal, removing the Action from Superior Court of California, County of Los Angeles, to the United States District Court for the Central District of California.

2.3. On December 21, 2022, the United States District Court for the Central District of California issued an Order of Remand, remanding the Action to the Superior Court of California, County of Los Angeles

2.4. On September 6, 2023, pursuant to California Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Superior Duct Fabrication and the LWDA by sending the PAGA Notice.

2.5. On August 16, 2023, the Parties participated in an all-day mediation presided over by mediator Steve Rottman, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator's evaluation, the parties searched the settlement that is memorialized in this agreement.

2.6. In connection with mediation and settlement negotiations, Plaintiff obtained, through informal discovery, documents, testimony, and information, including, but not limited to: (1) Plaintiff's time and payroll records; (2) a 20% classwide sampling of time and payroll records; (3) Superior Duct Fabrication's employee handbooks and policy documents; (4) exemplars of Superior Duct Fabrication's wage statements provided to Class Members during the Class Period; and (5) various class and PAGA data points regarding the Class Members and Aggrieved Employees. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.7. The Court has not granted class certification. The Parties agree to class certification for settlement purposes only.

2.8. 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. Total Settlement Amount. Except as otherwise provided by Paragraph 8 below, Superior Duct Fabrication promises to pay One Million Two Hundred Thousand Dollars and Zero Cents ($1,200,000.00), and no more as the Total Settlement Amount and to separately pay any and all employer payroll taxes and contributions owed on the Wage Portions of the Individual Class Payments. Superior Duct Fabrication has no obligation to pay the Total Settlement Amount (or any employer payroll taxes and contributions) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Total Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Total Settlement Amount will revert to Superior Duct Fabrication.

3.2. Payments from the Total Settlement Amount. The Administrator will make and deduct the following payments from the Total Settlement Amount, in the amounts specified by the Court in the order granting final approval of the Settlement:

3.2.1. To Plaintiff: Enhancement Award to the Class Representative of not more than Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00) (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive). Superior Duct Fabrication will not oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part of the motion for final approval of the Settlement, Plaintiff will seek Court approval for any Enhancement Awards. If the Court approves an Enhancement Award less than the amount requested, the remainder will remain in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will report the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 33%, which is currently estimated to be Three Hundred Ninety-Six Thousand Dollars and Zero Cents ($396,000.00) and a Class Counsel Litigation Expenses Payment of not more than Twenty-Five Thousand Dollars and Zero Cents ($25,000.00). Superior Duct Fabrication will not oppose requests for these payments provided that they do not exceed these amounts. As part of the motion for final approval of the Settlement, Plaintiff will seek Court approval for any Class Counsel Fees Payment and Class Litigation Expenses Payment. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the remainder will remain in the Net Settlement Amount to be distributed to Participating Class Members. Released Parties shall have no liability to any other counsel arising from any claim to any portion of any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will report 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 Superior Duct Fabrication harmless, and indemnifies Superior Duct Fabrication, from any dispute or controversy regarding any division or sharing of any of these Payments. With respect to the Class Counsel Fees Payment and/or the Class Counsel Litigation Expenses, the Administrator may purchase annuities to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the use of attorney fee deferral vehicles shall be paid separately by Class Counsel and shall not be included in the Administration Expenses.

3.2.3. To the Administrator: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Ten Thousand Dollars and Zero Cents ($10,000.00) except for a showing of good cause and as approved by the Court. To the extent the actual Administration Expenses are less or the Court approves payment less than Ten Thousand Dollars and Zero Cents $10,000.00, the remainder will remain in the Net Settlement Amount. to be distributed to Participating Class Members.

3.2.4. Individual Class Payment Calculations: Individual Class Payments will be calculated and apportioned from the Net Settlement Amount based on the Class Members' Workweeks, as follows:

3.2.4.1. After Preliminary Approval of the Settlement, the Administrator will divide the Net Settlement Amount by the total number of Workweeks worked by all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Class Payments that he or she may be eligible to receive under the Class Settlement.

3.2.4.2. After Final Approval of the Settlement, the Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the "Final Workweek Value," and multiply each Participating Class Member's individual Workweeks by the Final Workweek Value to yield his or her Individual Class Payments.

3.2.4.3. Tax Allocation of Individual Class Payments. Twenty percent (20%) 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. Eighty percent (80%) 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.

3.2.4.4. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive payment of 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 One Hundred Twenty Thousand Dollars and Zero Cents ($120,000.00), to be paid from the Total Settlement Amount, with 75% (i.e., $90,000.00) allocated to the LWDA Payment and 25% (i.e., $30,000.00) 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 (i.e., $30,000.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period 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 75% of the approved PAGA Penalties to the LWDA and 25% of the approved PAGA Penalties to the Individual PAGA Payments. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Workweeks and PAGA Pay Periods. Based on a review of its records, Superior Duct Fabrication estimated that there are 476 Class Members during the period April 18, 2018 to August 16, 2023, that Class Members collectively worked a total of 52,950 Workweeks during the period from during the period from April 18, 2018 to August 16, 2023; that are 316 Aggrieved Employees during the period from April 18, 2021 to August 16, 2023, and that Aggrieved Employees worked a total of 10,474 PAGA Pay Periods during the period from April 18, 2021 to August 16, 2023.

4.2. Class Data. Not later than fifteen (15) days after the Court grants Preliminary Approval of the Settlement, Superior Duct Fabrication will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Superior Duct Fabrication 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.

4.3. Funding of Total Settlement Amount. Superior Duct Fabrication shall fully fund the Total Settlement Amount, and also fund the amounts necessary to fully pay Superior Duct Fabrication's share of payroll taxes by transmitting the funds to the Administrator no later than fourteen (14) days after the Effective Date.

4.4. Payments from the Total Settlement Amount. Within fourteen (14) calendar days after Superior Duct Fabrication funds the Total 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 Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Enhancement Award 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 to Participating Class Member and Individual PAGA Payments to Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than one hundred eighty (180) days after the date of mailing) when the check will be voided. The Administrator will cancel all checks after 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, if applicable. 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 sixty (60) calendar days of mailing. Within seven (7) calendar 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. The Administrator shall transmit the leftover funds represented by cancelled Individual Class Payment and Individual PAGA Payment checks to a Court-approved nonprofit organization or foundation consistent with California Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient") Legal Aid at Work. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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

5. **RELEASES OF CLAIMS**. Upon the Effective Date and full funding of the Total Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Class Payments), Plaintiff, all Participating Class Members, and Aggrieved Employees will release claims against all Released Parties as follows:

5.1. <u>Plaintiff's Release</u>. Plaintiff and his 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: (a) all claims that were, or reasonably could have been, alleged, based on the facts and legal assertions contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts and legal assertions contained in the Operative Complaint, Plaintiff's PAGA Notice, or ascertained during the Action and released under Paragraph 5.2, below. ("Plaintiff's Release.") Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff's discovery of them.

5.1.1. <u>Plaintiff's Waiver of Rights Under California Civil Code Section 1542</u>. For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

<u>**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.**</u>

5.2. <u>Released Class Claims by Participating Class Members</u>. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, that arose during the Class Period, based on the facts and legal assertions stated in the Operative Complaint, including any and all claims involving any alleged (1) failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, 1198, and applicable IWC Wage Orders; (2) failure to provide meal periods pursuant to California Labor Code sections 226.7 and 512(a) and applicable IWC Wage Orders; (3) failure to provide rest periods pursuant to California Labor Code section 226.7 and applicable IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and applicable IWC Wage Orders; (6) failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a) and applicable IWC Wage Orders; (8) failure to maintain adequate payroll records pursuant to California Labor Code sections 1174(d) and 1174.5 and applicable IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and applicable IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, et seq. (the "Released Class Claims"). This release also includes claims under California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804. 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, , whether or not they are a Participating Class Member, 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 civil penalties under the Private Attorneys General Act, California Labor Code § 2699, et seq. that were alleged, or reasonably could have been alleged, that arose during the PAGA Period, based on the facts and legal assertions stated in the Operative Complaint and the PAGA Notice including any and all claims for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and IWC Wage Orders (the "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. Defendant's Declaration in Support of Preliminary Approval. Within thirty (30) days of the full execution of this Agreement, Superior Duct Fabrication will prepare and deliver to Class Counsel a signed Declaration from Superior Duct Fabrication and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator and Cy Pres Recipient. In their Declarations, Defense Counsel and

Superior Duct Fabrication shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2. Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all drafts of documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval and a request for approval of the PAGA Settlement under California Labor Code section 2699, subd. (f)(2); (ii) a draft proposed Order Granting Preliminary Approval of the 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/or the proposed Cy Pres; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve as a representative of the Class and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members or the Administrator; (v) a signed declaration from Class Counsel attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (California Labor Code section 2699.3, subd. (a)), Operative Complaint (California Labor Code section 2699, subd. (l)(1)), this Agreement (California 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 or the Administrator. In their Declaration, 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.

6.3. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than sixty (60) 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 Order to the Administrator.

6.4. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION

7.1. Selection of Administrator. The Parties have jointly selected Phoenix Class Action Administration Solutions ("Phoenix") and will ask the Court to appoint Phoenix to serve as the Administrator and to perform 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 take steps to establish a case-specific Employer Identification Number, if necessary, for purposes of calculating payroll tax withholdings and providing reports to the state and federal tax authorities.

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

7.4. Notice to Class Members.

7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and PAGA Pay Periods in the Class Data. At this time, the Settlement Administrator shall also confirm the number of Workweeks during the period from April 18, 2018 to August 16, 2023.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in English 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 to the Class Member and/or Individual PAGA Payment payable to the Aggrieved Employee, 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. If the Administrator receives any Class Notice returned by the USPS as undelivered, before the Response Deadline, then, not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class

Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4. The deadlines for Class Members' written objections to the Class Settlement, disputes regarding Workweeks and/or Pay Periods, and Requests for Exclusion from the Class Settlement will be extended an additional fourteen (14) calendar days beyond the sixty (60) calendar 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, Superior Duct Fabrication, 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, the Parties shall prepare a stipulation reflecting their agreement and submit it the Court for review and approval. If the Court approves said stipulation, 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 fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. <u>Requests for Exclusion from the Class Settlement (Opt-Outs)</u>.

7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Class Settlement and includes the Class Member's full name, address, and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline. Aggrieved Employees shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.

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. Class Members who do not submit a timely and valid Request for Exclusion are deemed to be Participating Class Members under this Agreement, entitled to all benefits and bound by all terms and conditions of the Class Settlement, including the Participating Class Members' release of Released Class Claims under Paragraph 5.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Class Settlement.

7.5.4. Class Members who submit a valid and timely Request for Exclusion are Non-Participating Class Members and shall not receive an Individual Settlement Payment or have the right to object to the Class 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 and Aggrieved Employee shall have until the Response Deadline to challenge the number of Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member and/or Aggrieved Employee in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via 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 and/or PAGA Pay Periods 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 PAGA 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 PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7. Objections to Settlement.

7.7.1. Only Participating Class Members may object to the Class, including contesting the fairness of the Class 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 mail. In addition to submitting a written objection or as an alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline.

7.7.3. Non-Participating Class Members have no right to object to the Class 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. Website, Email Address and Toll-Free Number. The Administrator will post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval Order, an exemplar Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Enhancement Award, the Final Approval Order, and the Judgment on a portion of its website. The Administrator will also maintain and monitor a toll-free telephone number to receive Class Member calls.

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 five (5) calendar 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 PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Administrator shall also provide Class Counsel and Defense Counsel, on a regular basis, with its assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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

7.8.5. Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Total 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 fifteen (15) calendar 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, or that status thereof. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE. Based on its records, Superior Duct Fabrication provided figures as to the Class size as set forth in Paragraph 4.1 above. If the Workweeks during the period from April 18, 2018 to August 16, 2023 increase beyond ten percent (10%) above the estimate stated herein in Paragraph 4.1 (i.e., more than 5,295 workweeks), Superior Duct Fabrication shall increase the Total Settlement Amount on a pro-rata basis equal to the percentage increase in the number of Workweeks above ten percent (10%) during the aforementioned period. Meaning Superior Duct Fabrication will increase the Total Settlement Amount by the percentage amount above ten percent (10%) (e.g., if the number of workweeks during the aforementioned period increases by 11% to 58,775 workweeks, the Total Settlement Amount will increase by one percent (1%)).

9. MOTION FOR FINAL APPROVAL. Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the Settlement, a proposed final approval order and judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than three (3) calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1. Response to Objections. Each Party retains the right to respond to any objection to the Class Settlement raised by a Participating Class Member, including the right to file responsive documents in Court prior to or at the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material 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. Material modification to the Agreement by the Court voids the Agreement at the option of the adversely affected party. The Court's decision to award less than the amounts requested for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment PAGA Penalties, and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties and their respective counsel, waive all rights to commence an appeal from the Judgment, as well as the right to file motions to vacate judgment, motions for new trial, or extraordinary writs. 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 monetary payments provided for under the Settlement.

9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of releases to be granted under the Settlement), 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 negotiate a resolution of the Action and obtain Preliminary Approval, Final Approval, and entry of Judgment. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

11. ADDITIONAL PROVISIONS.

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Superior Duct Fabrication that any of the allegations in the Operative Complaint have merit or that Superior Duct Fabrication has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Superior Duct Fabrication'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, Superior Duct Fabrication reserves the right to contest certification of any class for any reasons, and Superior Duct Fabrication reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Superior Duct Fabrication's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Superior Duct Fabrication, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Superior Duct Fabrication, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with any ethical obligations that may be owed to Class Members. Additionally, Plaintiff and Class Counsel agree they shall make no public statement or release regarding this Agreement, and agree not to post the settlement terms, amount, or that they obtained a settlement from Defendant on their website or social media accounts.

11.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or 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 ethical obligations that may be owed to Class Members.

11.4. 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.

11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Superior Duct Fabrication, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.6. 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.

11.7. 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.

11.8. No Tax Advice. Neither Plaintiff, Class Counsel, Superior Duct Fabrication, 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.

11.9. 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.

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

11.11. 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.

11.12. 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.

11.13. 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.

11.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to California Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by Superior Duct Fabrication 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.

11.15. 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.

11.16. 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.

11.17. 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, addressed as follows:

To Plaintiff and the Class:

LAWYERS *for* JUSTICE, PC
Arby Aiwazian, Esq.
Joanna Ghosh, Esq
Helene Mayer, Esq.
410 West Arden Avenue, Suite 203
Glendale, California, 91203
Telephone: (818) 265-1020

To Defendant:

FISHER & PHILLIPS LLP
Lonnie D. Giamela, Esq.
444 South Flower Street, Suite 1500
Los Angeles, California 90071
Telephone: (213)330-4500

11.18. 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.

11.19. 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 California Code of Civil Procedure section 583.330 the date to bring a case to trial under California Code of Civil Procedure section 583.310 shall be extended for the entire period of this settlement process.

11.20. Fair Settlement. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Class Action and PAGA Settlement Agreement between Plaintiff and Defendant:

Date: 5/18/2024

Electronically Signed 2024-05-19 04:22:51 UTC - 76.32.180.126
Henry Corlew
Nintex AssureSign® 4d525e41-ce0a-44b5-a2c6-b157014ad9a8

Plaintiff, Henry Corlew

Date: ____________________

____

Name: ______________________
On behalf of Defendant, Superior Duct Fabrication, Inc.

SIGNED ONLY AS TO FORM:

LAWYERS *FOR* JUSTICE, PC

Date: May 20, 2024

Helene Mayer

Arby Aiwazian
Joanna Ghosh
Helene Mayer
Attorneys for Plaintiff, Henry Corlew

FISHER & PHILLIPS LLP

Date: ____________________

____

Lonnie Giamela
Attorneys for Defendant, Superior Duct Fabrication, Inc.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Class Action and PAGA Settlement Agreement between Plaintiff and Defendant:

Date: 5/18/2024

Henry Corlew

Plaintiff, Henry Corlew

Date: June 25, 2024

Name: Michael Hilgert

On behalf of Defendant, Superior Duct Fabrication, Inc.

SIGNED ONLY AS TO FORM:

LAWYERS *FOR* JUSTICE, PC

Date: May 20, 2024

Helene Mayer

Arby Aiwazian
Joanna Ghosh
Helene Mayer
Attorneys for Plaintiff, Henry Corlew

FISHER & PHILLIPS LLP

Date: June 26, 2024

Lonnie Giamela
Attorneys for Defendant, Superior Duct Fabrication, Inc.

EXHIBIT A

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

***Henry Corlew v. Superior Duct Fabrication, Inc.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case No. 22STCV13075**

YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE READ THIS NOTICE CAREFULLY.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do **not** have to do anything. **Your estimated Individual Settlement Payment is: $<<___>>. See the explanation below.** After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Administrator as provided below. If you request exclusion, you will receive **no money from the Settlement**. Instructions are set forth below, except that you will still receive your Individual PAGA Payment.
Object	You may write to the Court about why you do not like the settlement. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the "Settlement") of this lawsuit entitled *Henry Corlew v. Superior Duct Fabrication, Inc.*, Case Nos. 22STCV13075 (the "Action"), currently pending before the Superior Court of the State of California, County of Los Angeles (the "Court") has been reached Henry Corlew ("Plaintiff") and Superior Ducts Fabrication, Inc. ("Defendant"). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a Settlement Class Member, which is defined as:

> All current and former hourly-paid or non-exempt employees of Superior Duct Fabrication in California employed during the Class Period.

The "Class Period" is the period from April 18, 2018 through March 13, 2024.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On April, 18, 2022, Plaintiff commenced this Action by filing a Class Action Complaint For Damages alleging causes of action against Defendant for (1) failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, and 1198 and applicable Industrial Welfare Commission ("IWC") Wage Orders; (2) failure to provide meal periods and associated premiums pursuant to California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders; (3) failure to provide rest periods and associated premiums pursuant to California Labor Code sections 226.7 and 512 and applicable IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and applicable IWC Wage Orders; (6) failure to timely pay wages during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226 and applicable IWC Wage Orders; (8) failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d) and applicable IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and applicable IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, *et seq*. based on the aforementioned. On September 4, 2024, Plaintiff filed a First Amended Class Action Complaint for Damages and Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("Operative Complaint"), which added a cause of action for civil penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code section 2698 et seq. ("PAGA") based on the aforementioned California Labor Code violations.

On August 16, 2023, the Parties participated in a full-day, private mediation with Steve Rottman, Esq., an experienced mediator who is well-versed in putative class and representative actions. Through that process Mr. Rottman made a mediator's proposal which was accepted by the Parties, and with Mr. Rottman's assistance, the Parties reached an agreement to resolve the Action. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representatives, and the law firm of Lawyers *for* Justice, PC to serve as Class Counsel.

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendant paid any members of the class at least minimum wage for all hours worked, paid all overtime owed, and paid all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; that Defendant reimbursed members of the class for all reasonably necessary business expenses; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

3. What are the terms of the Settlement?

Total Settlement Amount. Defendant has agreed to pay One Million Two Hundred Thousand Dollars and Zero Cents ($1,200,000.00) (the "Total Settlement Amount") to fund the settlement. The Total Settlement Amount includes the payment of all Individual Settlement Payments to Participating Class Members, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, Litigation Expenses Payment, the PAGA Penalties, and the Enhancement Award to the Plaintiff. Defendant will be responsible for paying any employer share of payroll taxes on any Individual Settlement Payments separate and apart from the Total Settlement Amount.

Within fourteen (14) calendar days following the Effective Date, Defendant will fund the Total Settlement Amount, plus the employer's side payroll taxes, by depositing the money into a settlement fund account maintained by the third-party Administrator.

Amounts to be Paid from the Total Settlement Amount. The Settlement provides for certain payments to be made from the Total Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Total Settlement Amount before settlement payments are made to Settlement Class Members, as follows:

- Administration Expenses. Payment to the Administrator, estimated not to exceed $10,000.00, for expenses, including expenses of sending this Notice, processing opt-outs, and distributing settlement payments.

- Class Counsel Fees and Litigation Expenses. Subject to Court approval, Class Counsel shall seek a Class Counsel Fees Payment in an amount equal to one-third of the Total Settlement Amount currently estimated to be $396,000.00 for reasonable attorneys' fees, plus costs and expenses supported by declaration not to exceed $25,000.00. The Class Counsel Fees and Litigation Expenses Payments are intended to compensate and reimburse Class Counsel for all of the work already performed and all of the work remaining to be performed by Class Counsel in documenting the settlement, securing Court approval of the settlement, administering the settlement, and making sure that the settlement is fairly administered and implemented.

- Enhancement Award. Enhancement Award of up to $7,500.00 to Plaintiff Henry Corlew, or such lesser amount as may be approved by the Court, to compensate him for services on behalf of the Class in initiating and prosecuting the Action, for their complete release of all claims, and for the risks he undertook.

- PAGA Penalties. A payment of $120,000.00 relating to Plaintiff's claim under the Private Attorney General's Act ("PAGA"), $90,000.00 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining $30,000.00 will be distributed to Aggrieved Employees which are all hourly non-exempt employees who have worked for Superior Duct Fabrication for at least one day during the PAGA Period, which means the period from April 18, 2021 through March 13, 2024.

- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Administration Expenses, Class Counsel Fees and Litigation Expenses Payments, Enhancement Awards and the PAGA Penalties are deducted from the Total Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Class Members"). The Individual Settlement Payment for each Participating Class Member will be calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked for all Participating Class Members that occurred during the Class Period and (b) multiplying the result by each individual Participating Class Member's workweeks worked that occurred during the Class Period.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Individual Settlement Payment to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 20% of each Individual Settlement Payment constitutes wages in the form of back-pay (and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment) and 80% of each Individual Settlement Payment constitutes interest, penalties, and other non-wage payments (and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment). Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Class Claims. Upon the Effective Date and full funding of the Total Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, that arose during the Class Period, based on the facts and legal assertions stated in the Operative Complaint, including any and all claims involving any alleged (1) failure to pay overtime wages pursuant to California Labor Code sections 510, 1194, 1198, and applicable IWC Wage Orders; (2) failure to provide meal periods pursuant to California Labor Code sections 226.7 and 512(a) and applicable IWC Wage Orders; (3) failure to provide rest periods pursuant to California Labor Code section 226.7 and applicable IWC Wage Orders; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1194.2, 1197, and 1197.1 and applicable IWC Wage Orders; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201-203 and applicable IWC Wage Orders; (6) failure to pay all wages in a timely manner during employment pursuant to California Labor Code section 204 and applicable IWC Wage Orders; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a) and applicable IWC Wage Orders; (8) failure to maintain adequate payroll records pursuant to California Labor Code sections 1174(d) and 1174.5 and applicable IWC Wage Orders; (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802 and applicable IWC Wage Orders; and (10) violations of California Business & Professions Code sections 17200, et seq. (the "Released Class Claims"). This release also includes claims under California Labor Code Sections 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1198.5, 1199, 2802, and 2804. 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.

Released Parties. Released Parties means Superior Duct Fabrication and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

Released PAGA Claims. Upon the Effective Date and full funding of the Total Settlement Amount, all Aggrieved Employees, , whether or not they are a Participating Class Member, 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 civil penalties under the Private Attorneys General Act, California Labor Code § 2699, et seq. that were alleged, or reasonably could have been alleged, that arose during the PAGA Period, based on the facts and legal assertions stated in the Operative Complaint and the PAGA Notice including any and all claims for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and IWC Wage Orders.

5. How much will my payment be?

Defendant's records reflect that you have <<_____>> Workweeks worked during the Class Period.

Based on this information, your estimated Individual Settlement Payment is <<_______>>.

Defendant's records reflect that you have <<_____>> PAGA Pay Periods worked during the PAGA Period.

Based on this information, your estimated Individual PAGA Payment is <<_______>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Administrator at the address provided in this Notice no later than ________________, 2025 [sixty (60) days after the Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Administrator. The Administrator is: Phoenix Class Action Administration Solutions at (800) _________.

The Court will hold a hearing on __________________ to decide whether to approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms**.

To opt out, you must submit to the Administrator, by First Class Mail or email, a written, signed and dated Request for Exclusion postmarked no later than ______________, 2025. The Request for Exclusion must state in substance: "I wish to exclude myself from the Settlement in *Henry Corlew v. Superior Duct Fabrication, Inc.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case No. 22STCV13075. I understand that by requesting to be excluded from the Settlement, I will receive no money from the Settlement." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

The address for the Administrator is ____; the email address for the Administrator is ___________________________. Written requests for exclusion that are postmarked after ___________________, 2025, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't like the Settlement?

Any Class Member, who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Henry Corlew v. Superior Duct Fabrication, Inc.*, currently pending before the Superior Court of the State of California, County of Los Angeles, Case No. 22STCV13075.

To object to the Settlement, you must not opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

The objections must be delivered or mailed to the Administrator no later than ________________, 2025 with copies to the Parties' counsel. The address for the Administrator is ____________________________________.

The addresses for the Parties' counsel are as follows:

To Plaintiff:	**To Defendant:**
LAWYERS *for* JUSTICE, PC Arby Aiwazian, Esq. Joanna Ghosh, Esq. Helene Mayer, Esq. 450 North Brand Blvd., Suite 900 Glendale, California 91203	**FISHER & PHILLIPS LLP** Lonnie D. Giamela, Esq. 444 South Flower Street, Suite 1500 Los Angeles, California 90071

The Court will hold a Final Approval Hearing at 00:00 AM/PM on ________________, at the Los Angeles County Superior Court, located at 312 N Spring St., Los Angeles, CA 90012 in Department 14 before Hon. Kenneth R. Freeman. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Administrator at _____________ or write to: *Henry Corlew v. Superior Duct Fabrication, Inc.*, Superior Court of the State of California, County of Los Angeles, Case No. 22STCV13075 Administrator, c/o ____________________.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to the Plaintiff's counsel.

PLEASE <u>DO</u> <u>NOT</u> CALL THE COURT ABOUT THIS NOTICE.

<u>IMPORTANT:</u>

- You must inform the Administrator of any change of address to ensure receipt of your settlement payment.

- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. Any unclaimed funds as a result of the failure to cash Individual Settlement Payment checks by the void date shall be distributed to Legal Aid at Work pursuant to Code of Civil Procedure section 384. If your check is lost or misplaced, you should contact the Administrator immediately to request a replacement.