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Attorneys for Plaintiff ARMIDA BURTON

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

ARMIDA BURTON, individually and on
behalf of other members of the general public
similarly situated,

Plaintiffs,

vs.

MERCURY MISSION SYSTEMS, LLC; and
DOES 1 through 25, inclusive,

Defendants.

Case No. 24STCV02628

Honorable Timothy Patrick Dillon
Department 15

**DECLARATION OF ANNABEL BLANCHARD
IN SUPPORT OF PLAINTIFF’S MOTION
FOR PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: October 9, 2025
Time: 10:00 a.m.
Dept.: 15

Complaint Filed: January 31, 2024
Trial Date: Not Set

1 **DECLARATION OF ANNABEL BLANCHARD**

2 I, Annabel Blanchard, declare and state as follows:

3 1. I am an attorney duly licensed to practice law in all Courts of the State of California. I
4 am a member of Blackstone Law, APC (“Class Counsel”), attorneys of record for Plaintiff Armida
5 Burton (“Plaintiff”). I have personal knowledge of the facts contained herein, and, if called to testify,
6 I could and would competently do so.

7 **Experience and Adequacy of Blackstone Law, APC**

8 2. Blackstone Law, APC was started in February 2018, representing plaintiffs in
9 individual and representative employment litigation. The firm has grown exponentially over the past
10 seven-plus years, now maintaining over twenty highly pedigreed attorneys working on almost
11 exclusively labor and employment class actions, California Labor Code Private Attorney General Act
12 of 2004 (“PAGA”) cases, and individual matters, with roughly 15% of the firm focused on other
13 complex general litigation matters. Below is a summary of the experience and qualifications of the
14 attorneys from Blackstone Law, APC who primarily have been responsible for the representation of
15 Plaintiff in connection with the resolution of the above-captioned matter.

16 3. Jonathan M. Genish is the founder of Blackstone Law, APC. He received his law
17 degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in
18 2008. During law school, he clerked at the litigation firm Oved & Oved, LLP and was published
19 several times in various small publications. Upon graduation, he was rehired by Freedman &
20 Taitelman, LLP as an associate and remained employed there from September 2008 through August
21 2015. During his tenure, he managed hundreds (perhaps thousands) of complex litigation cases,
22 ranging from employment, corporate, entertainment, and general business litigation matters, though
23 his primary area of expertise was employment, both single plaintiff and representative actions. On the
24 vast majority of those cases, he was the only or primary attorney managing the case and thus obtained
25 extensive experience. In that capacity, he conducted wage and hour and wrongful termination labor
26 and employment intakes; was the primary contact for all clients; took and defended hundreds (if not
27 thousands) of depositions; propounded and responded to all discovery; prepared and opposed all
28 motions and pleadings, including dispositive and certification motions; strategized on all cases;

1 attended all hearings; attended all mediations; coordinated with class action administrators; prepared
2 and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all
3 other intricate facets of litigation. During that time, he represented a wide range of clients from sole
4 proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of
5 the cases he managed were highly publicized, with articles written about them in the Los Angeles
6 Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has
7 regularly honored him as a Southern California Rising Star since 2012.

8 4. Barbara DuVan-Clarke is a 16-year litigator who joined Blackstone in September 2022
9 as a Senior Trial Attorney and Team Lead, building on her entire career of litigating single-plaintiff
10 employment, catastrophic injury, and class/PAGA matters with well-known plaintiff-side wage and
11 hour law firms in Los Angeles. She earned her Bachelor of Arts degree from the University of
12 California at Los Angeles in 2003, and then obtained her Juris Doctorate from Case Western Reserve
13 University in Cleveland, Ohio in 2007. Ms. DuVan-Clarke also maintains leadership roles in the
14 California Employment Lawyers' Association ("CELA") and other organizations.

15 5. Danielle L. GruppChang is a senior associate attorney. She graduated from California
16 Polytechnic University San Luis Obispo in 2013, with a Bachelor of Arts degree in Political Science
17 with a minor in Communication Studies. She then obtained her Juris Doctorate from University of
18 California Law San Francisco (formerly known as University of California Hastings College of the
19 Law), graduating in 2016, and was admitted to the California State Bar in January 2017. She has
20 practiced exclusively plaintiff's side labor and employment class and representative action law from
21 2017 through the present.

22 6. P.J. Van Ert is an accomplished attorney who joined Blackstone in 2023, after having
23 worked at an employment litigation firm for 2 years, and prior to that, having served as a District
24 Attorney for over 13 years. In that role, she was a prolific trial attorney, and it is my understanding
25 that she tried over 50 jury trials to verdict. She graduated from University of California at Davis in
26 2000, with a Bachelor of Arts degree, and from University of California at Los Angeles School of Law
27 with a Juris Doctorate in 2004. She was admitted to the State Bar of California in December 2004.

28 7. I joined Blackstone Law, APC from a highly reputable employment law firm. I

1 graduated from University of California at Berkeley with a Bachelor of Arts degree in 2001, and from
2 Southwestern University School of Law with a Juris Doctorate in 2008. I was admitted to the State
3 Bar of California in December of 2008. I have worked on many wage and hour class action and PAGA
4 representative matters, and my work has included, *inter alia*, researching and drafting pleadings,
5 administrative notice exhaustion, drafting, negotiating, and finalizing stipulations and settlement
6 agreements, engaging in motion practice, claims evaluation and analysis, and making court
7 appearances.

8 8. Blackstone Law, APC has been counsel of record on several class action and PAGA
9 actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

10 **Procedural History of the Action**

11 9. On October 18, 2023, Plaintiff provided written notice to the California Labor and
12 Workforce Development Agency (“LWDA”) by online submission and to Defendant Mercury Mission
13 Systems, LLC (“Defendant”) by U.S. Certified Mail, pursuant to California Labor Code Section
14 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by
15 Defendant (“PAGA Letter”). A true and correct copy of the PAGA Letter is attached hereto as **Exhibit**
16 **2**.

17 10. On January 31, 2024, Plaintiff filed a Class Action Complaint for Damages (“Class
18 Action Complaint”) in the action entitled *Armida Burton v. Mercury Mission Systems, LLC*, Los
19 Angeles County Superior Court Case No 23STCV02628 (“Class Action”), thereby commencing a
20 putative class action against Defendant. The Class Action Complaint alleges nine (9) causes of action
21 for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime
22 wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to
23 provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages
24 during employment, failure to provide compliant wage statements, failure to timely pay wages upon
25 termination, and failure to reimburse necessary business expenses, and for violations of California
26 Business & Professions Code Section 17200, *et seq.* based on the aforementioned Labor Code
27 Violations.

28 11. On January 31, 2024, Plaintiff also filed a Complaint for Enforcement Under the

1 Private Attorneys General Act, California Labor Code §§ 2698, *Et Seq.* (“PAGA Complaint”) in the
2 action entitled *Armida Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior Court
3 Case No. 24TRCV00353, thereby commencing a putative representative PAGA action against
4 Defendant. The PAGA Complaint alleges a single cause of action for civil penalties under the Private
5 Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et. seq.* (“PAGA”)
6 based on the same California Labor Code violations enumerated in the Class Action Complaint.

7 12. On May 22, 2024, Defendant removed the Class Action to the U.S. District Court for
8 the Central District of California, thereby initiating federal district case no. 2:24-cv-04260.

9 13. On October 29, 2024, Plaintiff and Defendant (together, the “Parties”) participated in
10 a formal mediation conducted by Monique Ngo-Bonnici (“Mediator”), a neutral and respected
11 mediator with extensive experience in complex wage and hour matters, and with the assistance of the
12 Mediator’s evaluations, the Parties were able to reach an agreement to resolve this dispute on a class
13 and representative basis. The Parties then worked diligently to negotiate and memorialize the terms
14 in a long form settlement agreement.

15 14. On January 8, 2025, the Parties stipulated to remand the Class Action for purposes for
16 effectuating the settlement.

17 15. On March 7, 2025, the Parties executed the Joint Stipulation of Class Action and PAGA
18 Settlement (“Settlement” or “Settlement Agreement”). A true and correct copy of the Settlement
19 Agreement is attached hereto as **Exhibit 3**. The “Action,” as it is referred to herein, shall include the
20 PAGA Letter, the Class Action and the PAGA Action, collectively.

21 **Summary of the Terms of the Settlement Agreement**

22 16. For purposes of settlement only, the Parties have agreed that the Class shall be defined
23 as “all current and former hourly-paid or non-exempt employees employed by Defendant within the
24 State of California at any time during the Class Period. (“Class” or “Class Member(s)”). The Class
25 Period is defined as the period from January 31, 2020 through February 12, 2025. Based on
26 information provided by Defendant, it is estimated that there are a total of one hundred twenty-seven
27 (127) Class Members.

28 17. The Parties have agreed to settle the class and PAGA claims at issue in the Action for

1 a non-reversionary Gross Settlement Amount of Three Hundred Fifty Thousand Dollars and Zero
2 Cents (\$350,000.00), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a
3 common fund and therefore includes all requested costs, fees, and other allocations. The Gross
4 Settlement Amount includes: (1) Class Counsel's fees in the amount of thirty-five percent (35%) of
5 the Gross Settlement Amount (i.e., \$122,500.00 if the Gross Settlement Amount is \$350,000.00); (2)
6 Class Counsel's actual litigation costs and expenses, not to exceed Thirty Thousand Dollars
7 (\$30,000.00); (3) Settlement Administration Costs, not to exceed Seven Thousand Five Hundred
8 Dollars (\$7,500.00); (4) Enhancement Payment in the amount of Ten Thousand Dollars (\$10,000.00);
9 and (5) PAGA Amount in the amount of Forty-Six Thousand Six Hundred Sixty-Seven Dollars and
10 Zero Cents (\$46,667.00). After the above-estimated amounts are deducted from the Gross Settlement
11 Amount, the Net Settlement Amount that will be available for Class Members is currently estimated
12 to be One Hundred Thirty-Three Thousand Three Hundred Thirty-Three Dollars and Zero Cents
13 (\$133,333.00). Additionally, 25% of the PAGA Amount ("PAGA Employee Amount"), which is
14 \$11,666.75 out of \$ 46,667.00 will be fully distributed to all current and former hourly-paid and/or
15 non-exempt employees who worked for Defendant within the State of California at any time during
16 the PAGA Period ("PAGA Employee(s)"). The "PAGA Period" is defined as the period from October
17 18, 2022 through February 12, 2025.

18 18. The Net Settlement Amount will be distributed and paid to all Class Members who do
19 not submit a timely and valid Request for Exclusion ("Settlement Class Member(s)") on a *pro rata*
20 basis based on the number of weeks each Class Member was employed by Defendant as an hourly-
21 paid or non-exempt employee in California during the Class Period based on dates of employment for
22 each Class Member ("Workweeks"). The *pro rata* share of the Net Settlement Amount that a Class
23 Member may be eligible to receive under the Class Settlement ("Individual Settlement Share") will be
24 calculated by the Settlement Administrator, in accordance with the Settlement Agreement.

25 19. The PAGA Employee Amount will be distributed and paid to all PAGA Employees on
26 a *pro rata* basis based on the number of pay periods each PAGA Employee worked for Defendant as
27 an hourly-paid or non-exempt employee in California during the PAGA Period based on dates of
28 employment for each Class Member, as reflected in Defendant's records ("Pay Periods"). The *pro*

1 *rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under
2 the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement
3 Administrator, in accordance with the Settlement Agreement.

4 20. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages
5 and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages
6 will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage
7 damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The
8 Settlement Administrator will withhold the employee’s share of taxes and withholdings with respect
9 to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class
10 Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share
11 net of these taxes and withholdings) (“Individual Settlement Payment”). The employer’s share of
12 taxes and contributions in connection with the wages portion of Individual Settlement Shares will be
13 paid by Defendant separately and in addition to the Gross Settlement Amount. Each Individual PAGA
14 Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS
15 Form 1099 (if applicable) by the Settlement Administrator.

16 21. The Settlement Agreement is a non-reversionary and non-claims made settlement. The
17 Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount
18 will be fully distributed to the LWDA and PAGA Employees, in accordance with the Settlement
19 Agreement. No money will revert to Defendant.

20 22. Each Individual Settlement Payment and Individual PAGA Payment check will be
21 valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are
22 issued, and thereafter, shall be canceled. Any funds associated with such canceled checks will be
23 distributed by the Settlement Administrator to the State of California’s Unclaimed Property Fund in
24 the name of the Settlement Class Member and/or PAGA Employee.

25 **The Settlement is Reasonable**

26 ***Informed Arms-Length Negotiations***

27 23. The Parties’ settlement negotiations were at all times made at arm’s-length and were
28 adversarial. The Settlement was reached following a full day of mediation with a highly respected

mediator with substantial experience mediating wage and hour cases, and Plaintiff and Defendant engaged in additional negotiations in order to finalize the long-form agreement presently before the Court.

24. The Parties engaged in extensive informal discovery prior to reaching a settlement. Prior to mediation, Defendant produced a random sampling of putative class members' time and pay records as well as Defendant's relevant wage and hour policies, and information regarding the total number of putative class members, the number of current versus former employees, the total workweeks worked by the putative class members, and the average rate of pay for the putative class members.

25. This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class-wide damages.

26. Based on the information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions.

Estimate of Potential Value of Claims

27. Class Counsel analyzed all available data and estimated Defendant's maximum potential exposure to be approximately \$3,828,933, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. This maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. This estimate is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based on the analysis of the data which was extrapolated out for all class members across the entire putative class period, which included: \$609,859 for meal break violations (less meal period premiums paid); \$1,851,768 for rest period violations at a 100% violation rate; \$396,000 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; \$14,486 for unpaid overtime wages due to improper calculation of the regular rate; \$92,880 for unreimbursed business expenses; \$393,990 for waiting time penalties; and \$233,050 for wage statement penalties. Plaintiff further estimated that Defendant faced an additional exposure of \$236,900 in potential, non-

1 stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA
2 penalties. Together with the PAGA penalties, Defendant's maximum potential exposure totaled
3 \$3,828,933 in damages.

4 ***Specific Risks Considered***

5 28. Although the investigation and information discovered supports Plaintiff's contentions,
6 Defendant raised potential defenses and other circumstances that impacted the risk of proceeding on
7 a class-wide basis. Consideration of these risks factored into the negotiations and the decision to enter
8 the Settlement.

9 29. Class Counsel is aware of Defendant's defenses and arguments and has also taken into
10 account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays
11 inherent in such litigation, including those involved in class and/or representative adjudication.
12 Plaintiff further recognizes the burdens of proof necessary to establish liability for the claims asserted
13 in the Action, Defendant's defenses, and the difficulties in establishing entitlement to monetary
14 recovery. Plaintiff has also considered the Parties' settlement discussions, as well as the evaluations
15 of the Mediator, who is experienced and well-regarded in complex labor and employment matters.

16 30. Defendant denied and continues to deny any liability and wrongdoing of any kind
17 associated with the claims alleged in the Action, and further denies that class certification is
18 appropriate for any purpose other than the Settlement. Defendant believes that it would ultimately
19 prevail in the Action. Defendant proffered defenses to both certification and to the merits of Plaintiff's
20 claims. Defendant contended that Plaintiff's claims are not suitable for class certification because
21 individual issues would predominate should this case go to trial. As with all class actions, these
22 complex cases raise difficult management and proof issues and, accordingly, there is a significant risk
23 that the Court may deny class certification.

24 31. For example, Plaintiff's meal period claims, which were based on Defendant's alleged
25 failure to provide lawful meal periods, have been increasingly difficult to certify in recent years.
26 Plaintiff's theory of liability for meal period violations was based on allegations that Defendant had
27 failed to implement its policies and that its practices failed to allow Class Members to take meal breaks
28 in the manner required under California law. Defendant contended that its policies and practices at all

1 times during the Class Period were lawful, and that it had provided at least some class members with
2 meal period waivers. Defendant further argued that the rate of purported meal period violations
3 reflected in the data would require individualized inquiry and that such inquiry would prohibit a class
4 from being certified. Although Plaintiff did not concede that the proffered meal waivers were valid,
5 Plaintiff also had to consider the risk that the Court would find validity in the individualized proof
6 defense to certification of Plaintiff's meal period claim.

7 32. Additionally, a large portion of Defendant's overall liability lies in Plaintiff's rest
8 period allegations. As with the meal period allegations, Defendant contended that it had a lawful
9 written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as
10 required under California law. Additionally, this claim was even more uncertain given the difficulties
11 associated with proving the alleged rest period violations, as Defendant was not required to record
12 these breaks. Given the lack of records demonstrating rest period violations, there were legitimate
13 concerns Plaintiff would not be able to certify these claims or prove substantial damages with requisite
14 certainty, which made the estimated value of this claim subject to much challenge.

15 33. Plaintiff also faced challenges certifying and proving liability for her minimum wage
16 and overtime claims. These claims were largely based on Defendant's unrecorded, off-the-clock work
17 performed by the Class Members both before and after their shifts and during purported meal periods.
18 In addition, Defendant contended that it had implemented an alternative workweek schedule, further
19 complicating any calculation of overtime. Plaintiff argued that the alternative workweek schedule was
20 not properly voted upon or implemented at Defendant's location. However, the individualized nature
21 of why overtime work was performed, and the individualized nature of damages, presented substantial
22 concerns regarding the manageability of the case and the risk the Court could find these issues
23 prevented certification, and the estimated damages for this claim were based on an assumption that all
24 Class Members worked off the clock for at least one hour per week.

25 34. Plaintiff also contended that Defendant failed to reimburse Plaintiff and the other Class
26 Members for necessary business-related expenses, such as usage of personal cell phones for work-
27 related purposes. Defendant contended that it had a policy and practice of reimbursing employees for
28 necessary business-related expenses. Defendant further contended that, with respect to the alleged

1 expenses for which Plaintiff and the other Class Members never requested reimbursement from
2 Defendant, it did not know and had no reason to know that alleged business-related expenses had been
3 incurred. Defendant further contended that the reason why a Class Member undertook certain
4 expenses, while not others, and failed to receive reimbursement for certain expenses while not others,
5 would raise individual issues that could not be certified.

6 35. There are also substantial risks associated with Plaintiff's waiting time penalties and
7 wage statement claims. First, these claims were derivative of Plaintiff's claims for unpaid meal period
8 premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if
9 certification was denied on those underlying claims, these derivative claims for penalties would also
10 likely fail. Further, even if Plaintiff prevailed on her underlying claims, she would still be required to
11 demonstrate that Defendant's violations of California Labor Code section 203 were *willful* violations.
12 Wage statement claims have also seen varying treatment at the appellate level because such claims
13 have an element of discretion attached to them rather than a pure calculation of damages after liability
14 is proven. Accordingly, these derivative claims, which comprised a substantial portion of Defendant's
15 estimated liability, were therefore uncertain.

16 36. Class Counsel also recognized that, even if Plaintiff prevailed at class certification,
17 proving the amount of wages due to each Class Member would be an expensive, time-consuming, and
18 extremely uncertain proposition. In order to prove liability and damages, Class Counsel will need to
19 request and analyze thousands of pages of documents, obtain the Class Members' contact information,
20 contact them, and obtain declarations at great expense. Obtaining the cooperation of current employees
21 would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current
22 employer. On the other hand, Defendant would likely be able to obtain the cooperation of its
23 employees. Moreover, even if Plaintiff prevailed at class certification and trial, possible appeals would
24 substantially delay any recovery by the Class.

25 37. Therefore, taking into account how each of the above risks potentially effected
26 Plaintiff's ability to first obtain class certification, and then prove the underlying violations, plus the
27 cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendant's
28 estimated liability based on the challenges facing his ability to succeed on class certification by 75%

1 to \$957,233.25. The merits-based risk factors further reduced Defendant’s estimated liability by an
2 additional 65%. This resulted in an adjusted estimated liability of \$335,031.64. In light thereof, the
3 settlement amount of \$350,000.00 is a significant settlement.

4 38. Class Counsel also separately contemplated the risks of proceeding with the PAGA
5 claims and potential liability Defendant could face from these claims as part of the global resolution.
6 Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff’s underlying
7 wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the
8 imposition of cumulative civil penalties based on the alleged wage and hour violations could be
9 considered unjust, arbitrary and oppressive, or confiscatory, and that Defendant would argue that it
10 made a good faith attempt to comply with its legal obligations warranting a reduction in penalties.
11 Class Counsel also anticipated **Error! Reference source not found.** would argue that the violations
12 per pay period were low, warranting an additional reduction in civil penalties. Finally, we were also
13 mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is
14 instead intended to facilitate enforcement of California’s labor laws by financing state activities and
15 educating and deterring non-compliance.

16 39. Therefore, after considering this multitude of factors, we concluded that it was in the
17 best interest of the State of California and the PAGA Employees to enter into the Settlement, and to
18 allocate Forty-Six Thousand Six Hundred Sixty-Seven Dollars and Zero Cents (\$46,667.00) of the
19 Gross Settlement Amount towards the PAGA claims, which represents approximately 13.33% of the
20 Gross Settlement Amount**Error! Reference source not found..** This percentage of the settlement is
21 well-within the range of wage and hour settlements regularly approved in both state and federal court
22 for cases that include both a class and PAGA action. Typically, such hybrid cases allocate only 1%
23 of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as
24 0.22% of the gross settlement amount have been approved as reasonable by courts. Moreover, the
25 overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also
26 because it fulfills the public policy objectives of PAGA—to promote enforcement of California’s labor
27 laws, provide funds to the state, and deter future non-compliance by the employer.

28 40. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate.

1 The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of
2 California and is within the accepted range of recoveries for this type of litigation given the inherent
3 risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further
4 litigation.

5 ***Enhancement Payment***

6 41. As part of the Settlement Agreement, Plaintiff is requesting a reasonable Enhancement
7 Payment of Ten Thousand Dollars (\$10,000.00) to Plaintiff Armida Burton. This Enhancement
8 Payment is eminently reasonable given the time and effort Plaintiff spent on this case, and the benefit
9 to the Class Members as a result of Plaintiff's actions. Notice of the requested Enhancement Payment
10 is disclosed to the Class Members in the Class Notice.

11 ***Attorneys' Fees and Costs***

12 42. The attorneys' fees incurred by Class Counsel are in line with the common fund
13 requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an
14 amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$122,500.00 if the
15 Gross Settlement Amount is \$350,000.00) and actual litigation costs and expenses in an amount not
16 to exceed Thirty Thousand Dollars (\$30,000.00), which will be paid out of the Gross Settlement
17 Amount, subject to approval by the Court. Class Counsel has borne all of the risks and costs of
18 litigation and will not receive any compensation until recovery is obtained.

19 43. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated
20 into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA
21 Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting
22 additional years for the same, or potentially worse, result; (2) a guaranteed result that compares
23 favorably with other similar class action settlements of this type, given the strengths and weaknesses
24 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only
25 increased significantly had the case progress through certification, trial, and/or upon appeal.

26 44. Class Counsel has litigated this matter for over a year and was actively preparing this
27 matter for class certification and trial. The Motion for Final Approval will elaborate on the nature of
28 the legal services provided, the time incurred in performing those services, and Class Counsel's hourly

1 rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class
2 Counsel. Notice of the requested Attorneys' Fees and Costs is disclosed to the Class Members in the
3 Class Notice.

4 ***Notice to the Class***

5 45. The Parties have agreed to retain Apex Class Actions, LLC ("Apex" or "Settlement
6 Administrator") to handle the notice and settlement administration process. The Parties respectfully
7 request that the Court appoint Apex to handle these procedures and to serve as the Settlement
8 Administrator. Defendant will provide Apex with the Class List and Apex will calculate each Class
9 Member's estimated Individual Settlement Share and each PAGA Employee's estimated Individual
10 PAGA Payment. Apex will also receive and process Requests for Exclusion, Notices of Objection,
11 and Workweek Disputes; will provide necessary reports and declarations; will calculate, subtract, and
12 transmit necessary taxes and withholdings with respect to the wages portion of the Individual
13 Settlement Shares; will prepare and submit informational and other tax filings and documents; will
14 issue and transmit all payments provided for by the Settlement, including, but not limited to, mailing
15 Individual Settlement Payment checks to the Settlement Class Members and Individual PAGA
16 Payment checks to the PAGA Employees; and perform any other usual and customary duties for
17 administering a class action settlement.

18 46. I am not aware of an alternative method of providing notice to the Class which would
19 result in a higher likelihood of actual notice. The original source of the mailing addresses is from each
20 Class Member, who provided the information to Defendant. As a fail-safe to this highly reliable
21 method, skip tracing will be performed, if necessary.

22 ***Notice of Settlement to the LWDA***

23 47. In accordance with California Labor Code section 2699(1)(2), on June 23, 2025, a copy
24 of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's
25 website. A true and correct copy of the email from the LWDA confirming receipt is attached hereto
26 as **Exhibit 4**.

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

3 Executed on **July 25, 2025**, at Beverly Hills, California

4 *A. Blanchard*

5 _____
Annabel Blanchard

EXHIBIT 1

6. Blackstone Law, APC has been counsel of record on several class action and PAGA actions, the most recent of which are as follows:

- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, preliminarily approved as class counsel in settlement of wage and hour class and PAGA action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and

PAGA action.

- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.*, San Bernardino Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.*, Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.*, Contra Costa Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.*, Orange County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Samia Salazar Yunis v. Sharif Jewelers*, Sacramento Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA

action.

- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics*, Los Angeles Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Castillo-Rodriguez v. HR Outsourcing Associates, LLC*, Los Angeles Superior Court, Case No. 20STCV44138, a wage and hour PAGA action.
- *Ramiro Cruz v. LK Plumbing & Heating, Inc.*, Los Angeles Superior Court, Case No. BC686825, a wage and hour PAGA action.

EXHIBIT 2

October 18, 2023

PAGA Claim Notice Via Online Electronic Submission

California Labor & Workforce Development Agency

800 Capitol Mall, Suite 5000 (MIC-55)

Sacramento, CA 95814

<https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

RE: *Armida Burton v. Mercury Mission Systems, LLC*

Dear Representative:

This office represents Armida Burton (“Claimant”) with respect to Claimant’s claims under the California Labor Code against Mercury Mission Systems, LLC. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as “Employer”). This letter is being sent simultaneously to Employer by certified mail.

Employer employed Claimant from approximately June 2017 through approximately August 2023 as a non-exempt, hourly-paid employee. During Claimant’s employment with Employer, Claimant was employed as a Senior Electronic Technician at Employer’s location at 1845 W. 205th Street, Torrance, CA 90501. Claimant’s job duties typically, commensurate with Claimant’s job, were focused on the operations end of unit production. Employer manufactures technologies for aerospace and defense industries, and maintains employees throughout the state of California, including in Los Angeles County.

Claimant or Aggrieved Employees were also paid in a manner such that they would be treated as exempt and not afforded basic overtime pay, meal or rest periods, etc. However, Claimant and Aggrieved Employees were misclassified as they did not fit into cognizable exemptions and were not paid at least double the minimum wage at the time that they were exempted from being paid appropriately under California wage and hour laws and the appropriate Industrial Wage Orders.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”). Claimant is seeking penalties on behalf of Claimant and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employer in the State of

California during the relevant statutory period (“Aggrieved Employees”). This letter is being sent in compliance with California Labor Code section 2699.3 and shall serve as Claimant’s notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employer violated several of California’s wage and hour laws during Claimant’s employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders (“IWC Wage Orders”). The claims made on behalf of Claimant and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employer engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Orders require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Orders further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employer regularly required Claimant and other Aggrieved Employees to perform work off-the-clock. This off-the-clock work included, amongst other things, requiring Claimant and other Aggrieved Employees to receive and respond to work-related communications and issues between shifts (*e.g.*, via text, calls, or emails). Employer failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law. In addition, Employer utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, straight time/regular rate wages and overtime wages) to Claimant and Aggrieved Employees.

Employer also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employer failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employer failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time/regular rate wages, and overtime compensation. Accordingly, Employer violated IWC Wage Orders and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employer failed to provide Claimant and other Aggrieved Employees with legally compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employer to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employer regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employer's policy and

culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employer failed to authorize and permit Claimant and other Aggrieved Employees to take legally compliant 10-minute rest periods. Employer required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.*, 2 Cal.5th 257 (2016).

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train

Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to paragraph of the applicable IWC Wage Orders; Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

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, Employer failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia*, straight time/regular rate wages, minimum wages, overtime wages, meal and rest period premiums, or any other wages as they came due (*e.g.*, gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions,

provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employer violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 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, Employer failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees 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. The IWC Wage Orders require employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully

reimbursed by Employer. These costs include but are not limited to the usage of personal cell phones and related internet usage for work-related purposes, as well as usage of home internet, home computer usage, etc. for work-related communications and other work that took place off-the-clock between shifts.

Accordingly, Employer violated the IWC Orders and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

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, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer's practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employer failed to pay Aggrieved Employees for all straight time/regular rate wage, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst other wages that were due (*e.g.*, gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

9. EMPLOYER'S OTHER VIOLATIONS OF THE CALIFORNIA LABOR CODE

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc.* (2018) 25 Cal.App.5th 745 ("*Huff*"), as an Aggrieved Employee, Claimant has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation

of the Labor Code under PAGA may also bring PAGA claims against Employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Employee, as an “aggrieved” employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

Employer is in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.*, and specifically ask for an investigation, or if the agency does not intend to investigate the alleged violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employer for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq.*, by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant’s intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employer’s alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Alexander Spellman

Alexander K. Spellman, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

Mercury Mission Systems, LLC
1845 W. 205TH Sreet
Torrance, CA 90501

Mercury Mission Systems, LLC
50 Minuteman Road
Andover, MA 01810

Mercury Mission Systems, LLC
Agent for Service of Process
Amanda Garcia
330 N. Brand Blvd
Glendale, CA 91203

EXHIBIT 3

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or “Settlement Agreement”) is made and entered into by and between Plaintiff Armida Burton (“Plaintiff” or “Class Representative”), individually, and on behalf of all others similarly situated and on behalf of the State of California with respect to aggrieved employees, and Defendant Mercury Mission System, LLC (“Defendant”) (together, Plaintiff and Defendant are referred to as “Parties” and individually as “Party”).

This Settlement Agreement shall be binding on Plaintiff, Settlement Class Members (as defined herein), the State of California as to the employment of PAGA Employees (as defined herein), and Defendant, subject to the terms and conditions hereof and the approval of the Court.

DEFINITIONS

1. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Action and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Action, as set forth in Paragraph 14.

b. “Class” or “Class Member(s)” means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the Class Period.

c. “Class Counsel” means Jonathan M. Genish, Barbara DuVan-Clarke, Danielle GruppChang, P.J. Van Ert, and Annabel Blanchard of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendant during the Class Period; (5) Workweeks worked for Defendant during the Class Period; (6) Pay Periods worked for Defendant during the PAGA Period (if

applicable); and (7) such other information as is necessary for the Settlement Administrator to calculate Workweeks and Pay Periods.

e. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “**Exhibit A**.”

f. “Class Period” means the period from January 31, 2020, through February 12, 2025.

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

h. “Court” means the Superior Court of the State of California for the County of Los Angeles.

i. “Defendant’s Counsel” means Sheppard Mullin.

j. “Effective Date” means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendant’s Counsel; (2) the Court has given preliminary approval to the Settlement; (3) the Class Notice has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court has had a Final Approval Hearing and entered a Final Approval Order and Judgment; (5) sixty-five calendar days have passed since the Court entered a Final Approval Order and Judgment; and (6) in the event there are written objections to the Class Settlement filed prior to the Final Approval Hearing which are not later withdrawn or denied, the later of the following events: five business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed, or, if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five business days after any appeal, writ, or other appellate proceedings opposing the Court’s Final Approval Order and Judgment has been finally and conclusively dismissed with no right to pursue further remedies or relief.

k. “Employer Taxes” means the employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant

1 in addition to the Gross Settlement Amount.

2 l. “Enhancement Payment” means the amount to be paid to Plaintiff, in
3 recognition of her effort and work in prosecuting the Action on behalf of Class Members and PAGA
4 Employees, and general release of claims, as set forth in Paragraph 15.

5 m. “Final Approval” means the determination by the Court that the Settlement is
6 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

7 n. “Final Approval Hearing” means the hearing at which the Court will consider
8 and determine whether the Settlement should be granted Final Approval.

9 o. “Final Approval Order and Judgment” means the order granting final approval
10 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
11 Parties, and subject to approval by the Court.

12 p. “Gross Settlement Amount” means the amount of Three Hundred Fifty
13 Thousand Dollars and Zero Cents (\$350,000.00) to be paid by Defendant in full satisfaction of the
14 Action, Released Class Claims, and Released PAGA Claims, which includes all Attorneys’ Fees and
15 Costs, Enhancement Payment, PAGA Amount, Settlement Administration Costs, and Net Settlement
16 Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes
17 separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-
18 reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross
19 Settlement Amount is subject to increase, as provided in Paragraph 18.

20 q. “Individual PAGA Payment” means the *pro rata* share of the PAGA Employee
21 Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be
22 calculated in accordance with Paragraph 20.

23 r. “Individual Settlement Payment” means the net payment of each Settlement
24 Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and
25 withholdings with respect to the wages portion of the Individual Settlement Share, as provided in
26 Paragraph 21.

27 s. “Individual Settlement Share” means the *pro rata* share of the Net Settlement
28 Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated

1 in accordance with Paragraph 19.

2 t. “LWDA Payment” means the amount of Thirty-Five Thousand Dollars and
3 Twenty-Five Cents (\$35,000.25), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay
4 to the LWDA under the PAGA Settlement, as set forth in Paragraph 16.

5 u. “Net Settlement Amount” means the portion of the Gross Settlement Amount
6 that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount
7 less the Court-approved Attorneys’ Fees and Costs, Enhancement Payment, PAGA Amount, and
8 Settlement Administration Costs.

9 v. “Notice of Objection” means a Settlement Class Member’s written objection to
10 the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the
11 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
12 Social Security number; (c) contain a written statement of all grounds for the objection accompanied
13 by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents
14 upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the
15 specified address, postmarked on or before the Response Deadline.

16 w. “PAGA Amount” means the allocation of Forty-Six Thousand Six Hundred
17 Sixty-Seven Dollars and Zero Cents (\$46,667.00) from the Gross Settlement Amount for the PAGA
18 Settlement. Seventy-five percent (75%) of the PAGA Amount, or \$35,000.25, will be paid to the
19 LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or \$11,666.75, will
20 be distributed to the PAGA Employees (i.e., the PAGA Employee Amount).

21 x. “PAGA Employees” means all current and former hourly-paid or non-exempt
22 employees who worked for Defendant within the State of California at any time during the PAGA
23 Period.

24 y. “PAGA Employee Amount” means the amount of Eleven Thousand Six
25 Hundred Sixty-Six Dollars and Seventy-Five Cents (\$11,666.75), i.e., 25% of the PAGA Amount, to
26 be distributed to PAGA Employees on a *pro rata* basis based on their Pay Periods.

27 z. “PAGA Period” means the period from October 18, 2022, through February 12,
28 2025.

1 aa. “PAGA Settlement” means the settlement and resolution of all Released PAGA
2 Claims.

3 bb. “Pay Periods” means the number of pay periods each PAGA Employee worked
4 for Defendant as an hourly-paid or non-exempt employee in California during the PAGA Period based
5 on dates of employment for each Class Member, as reflected in Defendant’s records.

6 cc. “Preliminary Approval” means the date on which the Court enters the
7 Preliminary Approval Order.

8 dd. “Preliminary Approval Order” means the order granting preliminary approval
9 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
10 the Court.

11 ee. “Released Class Claims” means any and all claims, debts, liabilities, demands,
12 obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which were
13 alleged or which could have been alleged based on the factual allegations in the Class Action
14 Complaint against the Released Parties, arising during the Class Period, under any federal, state, or
15 local law, including but not limited to the failure to pay minimum wages, straight time compensation,
16 overtime compensation, double-time compensation, and interest thereon; failure to timely pay regular
17 and final wages; the calculation of the regular rate of pay; wages lost from time rounding and
18 timekeeping; non-compliant (e.g., missed, short, late, and/or interrupted) meal periods and rest
19 periods; failure to provide meal periods; failure to authorize and permit rest periods; the calculation
20 and payment of meal period and rest period premiums; payment for all hours worked, including off-
21 the-clock work and uncompensated work time; wage statements and paystubs, including wage
22 statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep
23 accurate records; failure to reimburse for all necessary business expenses; unfair business practices;
24 recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time
25 penalties; statutory penalties and civil penalties; interest for claims for unpaid wages; and attorneys’
26 fees and costs; claims under the California Labor Code including sections 201, , 202, 203, 204, 210,
27 218, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 510, 512, 558, 1174, 1182.12, 1194, 1194.2,
28 1194.3, 1197, 1197.1, 1198, 2800, and 2802); the Wage Orders of the California Industrial Welfare

Commission; and California Business and Professions Code section 17200, et seq..

ff. “Released PAGA Claims” means any and all claims for the recovery of civil penalties under the California Private Attorneys General Act, California Labor Code § 2698, et. seq., that were alleged, or reasonably could have been alleged, based on the facts stated in the PAGA Complaint and the PAGA Letter that occurred during the PAGA Period, including but not limited to claims for unpaid wages, including failure to pay minimum wages, straight time compensation, overtime compensation, double-time compensation, and interest; the calculation of the regular rate of pay; non-compliant (e.g., missed, short, late, and/or interrupted) meal periods and rest periods; failure to provide meal periods; failure to authorize and permit rest periods; the calculation and payment of meal period and rest period premiums; failure to reimburse for all necessary business expenses; payment for all hours worked, including off-the-clock work and rounded time; wage statements; failure to keep accurate records; unlawful deductions and/or withholdings from wages; failure to timely pay wages; and failure to timely pay final wages. The Released PAGA Claims include claims for violation of the Wage Orders of the California Industrial Welfare Commission and the following California Labor Code sections: 201, 202, 203, 204, 210, 218, 218.5, 218.6, 221, 223, 224, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 2800, 2802, 2698 et seq., and 2699 et seq.) .

gg. “Released Parties” means Defendant and each of its past, present and future agents, officers, directors, partners, employees, joint employers, insurers, affiliates, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, predecessors, successors, joint venturers, alter-egos, and assigns.

hh. “Request for Exclusion” means a letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Class Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

ii. “Response Deadline” means the deadline by which Class Members must submit

1 a Request for Exclusion, Notice of Objection, and/or Workweeks Dispute, which shall be the date that
2 is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement
3 Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which
4 case the Response Deadline will be extended to the next day on which the United States Postal service
5 is open. The Response Deadline may also be extended by express agreement between Class Counsel
6 and Defendant's Counsel. In the event that a Class Notice is re-mailed to a Class Member, the
7 Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the
8 original Response Deadline.

9 jj. "Settlement Administrator" means Apex Class Actions, LLC, or any other
10 third-party class action settlement administrator agreed to by the Parties and approved by the Court
11 for purposes of administering the Settlement. The Parties and their counsel each represent that they
12 do not have any financial interest in the Settlement Administrator or otherwise have a relationship
13 with the Settlement Administrator that could create a conflict of interest.

14 kk. "Settlement Administration Costs" means the costs payable from the Gross
15 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
16 Paragraph 17.

17 ll. "Settlement Class" or "Settlement Class Member(s)" means all Class Members
18 who do not submit a timely and valid Request for Exclusion.

19 mm. "Workweeks" means the number of weeks each Class Member was employed
20 by Defendant as an hourly-paid or non-exempt employee in California during the Class Period based
21 on dates of employment for each Class Member, as reflected in Defendant's records.

22 nn. "Workweeks Dispute" means a letter submitted by a Class Member disputing
23 the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a)
24 contain the case name and number of the Class Action; (b) contain the Class Member's full name,
25 signature, address, telephone number, and the last four (4) digits of the Class Member's Social Security
26 number; (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods
27 credited to the Class Member/PAGA Employee and what the Class Member/PAGA Employee
28 contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the

1 specified address, postmarked on or before the Response Deadline.

2 **RECITALS**

3 2. On October 18, 2023, Plaintiff provided written notice to the Labor and Workforce
4 Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified Mail,
5 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
6 Code alleged to have been violated by Defendant (“PAGA Letter”). On January 31, 2024, Plaintiff
7 filed a Class Action Complaint for Damages (“Class Action Complaint”) in the action entitled *Armida*
8 *Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior Court Case No.
9 23STCV02628 (“Class Action”), thereby commencing a putative class action against Defendant. The
10 Class Action Complaint alleges nine (9) causes of action for violations of the California Labor Code
11 for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal
12 periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums
13 payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant
14 wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary
15 business expenses, and for violations of California Business & Professions Code Section 17200, *et*
16 *seq.* based on the aforementioned California Labor Code violations.

17 3. On January 31, 2024, Plaintiff filed a Complaint for Enforcement Under the Private
18 Attorneys General Act, California Labor Code §§ 2698, *Et Seq.* (“PAGA Complaint”) in the action
19 entitled *Armida Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior Court Case
20 No. 24TRCV00353 , thereby commencing a putative representative PAGA action against Defendant.
21 The PAGA Complaint alleges a single cause of action for civil penalties under the Private Attorneys
22 General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”) based on the
23 aforementioned California Labor Code violations.

24 4. On May 22, 2024, Defendant removed the Class Action to the U.S. District Court for
25 the Central District of California, thereby initiating federal district case no. 2:24-cv-04260.

26 5. On January 8, 2025, the Parties stipulated to remand the Class Action for purposes of
27 effectuating the settlement.

28 6. The “Action” shall be defined as: the PAGA Letter, the Class Action, and the PAGA

1 Action collectively.

2 7. Defendant denies all materials allegations set forth in the Action and has asserted
3 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, the
4 Parties desire to fully and finally settle the Action, Released Class Claims (as defined herein), and
5 Released PAGA Claims (as defined herein).

6 8. Class Counsel diligently investigated the class and PAGA claims against Defendant,
7 including any and all applicable defenses and the applicable law. The investigation included, *inter*
8 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
9 The Parties have engaged in sufficient formal and informal discovery and investigation to assess the
10 relative merits of the claims and contentions of the Parties.

11 9. On October 29, 2024, the Parties participated in mediation with Monique Ngo-Bonnici
12 (the “Mediator”), a respected mediator of complex wage and hour actions, and with the assistance of
13 the Mediator’s evaluations, the Parties reached the settlement that is memorialized herein. The Parties’
14 settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed
15 and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks
16 associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class
17 Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in
18 this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class
19 Members, State of California, and PAGA Employees in light of all known facts and circumstances,
20 including the risk of significant delay and uncertainty associated with litigation and various defenses
21 asserted by Defendant.

22 10. The Parties expressly acknowledge that this Settlement Agreement is entered into
23 solely for the purpose of compromising significantly disputed claims and that nothing herein is an
24 admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is
25 not approved, it will be of no force or effect, and the Parties shall be returned to their original respective
26 positions.

27 11. Prior to Preliminary Approval, and in conjunction with this Settlement Agreement, the
28 Parties will stipulate to amend the Class Action Complaint via a First Amended Complaint (“FAC”)

1 adding all PAGA claims included in the PAGA Complaint to the Class Action. The Parties will seek
2 Preliminary Approval and Final Approval of the Settlement in the Class Action, as amended by the
3 FAC. After Final Approval of the Settlement Agreement, the Plaintiff shall dismiss the PAGA
4 Complaint without prejudice.

5 **CLASS CERTIFICATION**

6 12. For the purposes of this Settlement only, the Parties stipulate to the certification of the
7 Class.

8 13. The Parties agree that certification for the purpose of settlement is not an admission
9 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
10 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
11 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
12 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
13 non-settlement context.

14 **TERMS OF THE AGREEMENT**

15 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
16 forth herein, the Parties agree, subject to the Court's approval, as follows:

17 14. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
18 or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the
19 Gross Settlement Amount (i.e., \$122,500.00 if the Gross Settlement Amount is \$350,000.00) and
20 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
21 of the Action, in an amount not to exceed Thirty Thousand Dollars (\$30,000), both of which will be
22 paid from the Gross Settlement Amount. These amounts will cover any and all work performed and
23 any and all costs incurred by Class Counsel in connection with the litigation of the Action, including
24 without limitation all work performed and costs incurred to date, and all work to be performed and all
25 costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement,
26 including any objections raised and any appeals necessitated by those objections. Class Counsel shall
27 be solely and legally responsible for correctly characterizing this compensation for tax purposes and
28 for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form

1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

15. Enhancement Payment. Defendant agrees not to oppose or impede any application or motion by Plaintiff for an Enhancement Payment in the amount up to Ten Thousand Dollars (\$10,000). The Enhancement Payment, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to her Individual Settlement Payment as a Settlement Class Member and Individual PAGA Payment as a PAGA Employee. Plaintiff shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiff for the Enhancement Payment. Any portion of the requested Enhancement Payment that is not awarded by the Court to Plaintiff shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

16. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Forty-Six Thousand Six Hundred Sixty-Seven Dollars and Zero Cents (\$46,667.00) shall be allocated from the Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$35,000.25, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$11,666.75 will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e., the Individual PAGA Payments).

17. Settlement Administration Costs. 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 Seven Thousand Five Hundred Dollars (\$7,500). These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*, 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 necessary reports and

1 declarations, and other duties and responsibilities set forth herein to process the Settlement, and as
2 requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the
3 estimated amount stated herein, such excess amount will be deducted from the Gross Settlement
4 Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded
5 Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement
6 Administrator to undertake the required settlement administration duties shall be reallocated to the Net
7 Settlement Amount for the benefit of the Settlement Class Members.

8 18. Escalator Clause. Defendant has represented that the Class Members worked a total of
9 12,834 Workweeks during the period from January 31, 2020, through December 12, 2024. If it is
10 determined by the Settlement Administrator that the total number of Workweeks worked by the Class
11 Members during the Class Period actually exceeds 12,834 by more than 10% (Workweeks total more
12 than 14,117.40), then Defendant shall either: a) increase the Gross Settlement Amount on a *pro rata*
13 basis equal to the percentage increase in the number of Workweeks worked by the Class Members
14 above 10% (for example, if the number of Workweeks increases by 11%, then the Gross Settlement
15 Amount will increase by 1%), or b) end the Class Period and PAGA Period on the date when the
16 Workweeks do not exceed 14,117.40.

17 19. Individual Settlement Share Calculations. Individual Settlement Shares will be
18 calculated and apportioned from the Net Settlement Amount based on the Class Members' number of
19 Workweeks, as follows:

20 a. After Preliminary Approval, the Settlement Administrator will divide the Net
21 Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek
22 Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value
23 to yield each Class Member's estimated Individual Settlement Share that the Class Member may be
24 entitled to receive under the Class Settlement.

25 b. After Final Approval, the Settlement Administrator will divide the final Net
26 Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek
27 Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek
28 Value to each Settlement Class Member's final Individual Settlement Share.

1 20. Individual PAGA Payment Calculations. Individual PAGA Payments will be
2 calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees'
3 number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee
4 Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the
5 "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period
6 Value to yield each PAGA Employee's Individual PAGA Payment.

7 21. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each
8 Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty
9 percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be
10 reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages
11 will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement
12 Administrator will withhold the employee's share of taxes and withholdings with respect to the wages
13 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
14 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes
15 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross
16 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)
17 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

18 22. Administration of Taxes by the Settlement Administrator. The Settlement
19 Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, PAGA
20 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
21 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
22 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll
23 taxes and other legally required withholdings to the appropriate government authorities.

24 23. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not
25 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
26 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiff, Settlement
27 Class Members, and PAGA Employees are not relying on any statement, representation, or calculation
28 by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiff, Settlement

1 Class Members, and PAGA Employees understand and agree that Plaintiff, Settlement Class
2 Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties
3 assessed on the payments described in this Settlement Agreement. Plaintiff, Settlement Class
4 Members, and PAGA Employees should consult with their tax advisors concerning the tax
5 consequences of any payment they receive under the Settlement.

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

1 25. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
2 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
3 are issued to the payee. It is expressly understood and agreed that payments made under this
4 Settlement shall not in any way entitle Plaintiff, Settlement Class Members, or any PAGA Employee
5 to additional compensation or benefits under any new or additional compensation or benefits, or any
6 bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period,
7 nor will it entitle Plaintiff, Settlement Class Members, or any PAGA Employee to any increased
8 retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding
9 any contrary language or agreement in any benefit or compensation plan document that might have
10 been in effect during the Class Period).

11 26. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.
12 Plaintiff will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of
13 the Settlement, which Class Counsel will be responsible for drafting, and will submit this Settlement
14 Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a
15 draft of the preliminary approval motion before filing it with the Court. Defendant agrees not to
16 oppose the motion for preliminary approval of the Settlement consistent with this Settlement
17 Agreement. By way of said motion, Plaintiff will apply for the entry of the Preliminary Approval
18 Order seeking the following:

- 19 a. Conditionally certifying the Class for settlement purposes only;
- 20 b. Granting Preliminary Approval of the Settlement;
- 21 c. Preliminarily appointing Plaintiff as the representative of the Class;
- 22 d. Preliminarily appointing Class Counsel as counsel for the Class;
- 23 e. Approving as to form and content, the mutually-agreed upon and proposed
24 Class Notice and directing its mailing by First Class U.S. Mail;
- 25 f. Approving the manner and method for Class Members to request exclusion
26 from or object to the Class Settlement as contained herein and within the Class Notice;
- 27 g. Scheduling a Final Approval Hearing at which the Court will determine whether
28 Final Approval of the Settlement should be granted.

1 27. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2),
2 Class Counsel shall notify the LWDA of the Settlement upon filing the motion for preliminary
3 approval of the Settlement.

4 28. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval,
5 Defendant will provide the Class List to the Settlement Administrator.

6 29. Notice by First-Class U.S. Mail.

7 a. Within seven (7) calendar days after receiving the Class List from Defendant,
8 the Settlement Administrator will perform a search based on the National Change of Address Database
9 or any other similar services available, such as provided by Experian, for information to update and
10 correct for any known or identifiable address changes, and will mail a Class Notice (in the form
11 attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail,
12 using the most current, known mailing addresses identified by the Settlement Administrator.

13 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
14 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
15 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
16 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
17 attempt to determine the correct address using a skip-trace or other search, using the name, address,
18 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
19 calendar days.

20 c. Compliance with the procedures described herein above shall constitute due and
21 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
22 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
23 provide notice of the Settlement.

24 30. Disputes Regarding Workweeks and/or Pay Periods. Class Members/PAGA
25 Employees will have an opportunity to dispute the number of Workweeks and/or Pay Periods which
26 have been credited to them, as reflected in their respective Class Notices, by submitting a timely and
27 valid Workweeks Dispute to the Settlement Administrator, by mail, postmarked on or before the
28 Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive

means to determine whether a Workweeks Dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class Member/PAGA Employee, Defendant's records will be presumed to be correct and determinative of the dispute. However, if a Class Member/PAGA Employee produces information and/or documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the Class Member/PAGA Employee and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that the disputing Class Member/PAGA Employee should be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

31. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are submitted, and also identify the individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to request exclusion from the Class Settlement. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

1 32. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
2 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
3 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
4 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
5 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
6 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely
7 and complete and which were not), and also attach them to a declaration that is to be filed with the
8 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
9 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
10 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
11 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
12 whether they have submitted a Notice of Objection.

13 33. Reports by the Settlement Administrator. The Settlement Administrator shall provide
14 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
15 Class Notices; (ii) the number of Class Members who have submitted Workweeks Disputes; (iii) the
16 number of Class Members who have submitted Requests for Exclusion; and (iv) the number of
17 Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement
18 Administrator will provide to counsel for the Parties any updated reports regarding the administration
19 of the Settlement Agreement as needed or requested, and immediately notify the Parties when it
20 receives a request from an individual or any other entity regarding inclusion in the Class and/or
21 Settlement or regarding a Workweeks Dispute.

22 34. Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members
23 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement
24 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
25 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of
26 the number of Class Members who have submitted timely and valid Requests for Exclusion following
27 the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
28 administration owed to the Settlement Administrator incurred up to that date.

1 35. Certification of Completion. Upon completion of administration of the Settlement, the
2 Settlement Administrator will provide a written declaration under oath to certify such completion to
3 the Court and counsel for all Parties.

4 36. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
5 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
6 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
7 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
8 Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. The Final
9 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
10 Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
11 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
12 before filing it with the Court. By way of said motion, Plaintiff will apply for the entry of the Final
13 Approval Order and Judgment, which will provide for, in substantial part, the following:

14 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
15 consummation of its terms and provisions;

16 b. Certification of the Settlement Class;

17 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

18 d. Approval of the application for Enhancement Payment to Plaintiff;

19 e. Directing Defendant to fund all amounts due under the Settlement Agreement
20 and ordered by the Court; and

21 f. Entering judgment in the Action, while maintaining continuing jurisdiction, in
22 conformity with California Rules of Court 3.769 and the Settlement Agreement.

23 37. Funding of the Gross Settlement Amount. No later than five (5) business days after
24 the Effective Date, Defendant will deposit the Gross Settlement Amount into a Qualified Settlement
25 Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established
26 by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement
27 Administrator to calculate necessary payroll taxes including its official name, 8-digit state
28 unemployment insurance tax ID number, and other information requested by the Settlement
Administrator, no later than five (5) business days after the Effective Date.

1 38. Distribution of the Gross Settlement Amount. Within five (5) business days of the
2 funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual
3 Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees,
4 LWDA Payment to the LWDA, Enhancement Payment to Plaintiff, Attorneys' Fees and Costs to Class
5 Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set
6 aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and
7 timely forward these to the appropriate government authorities.

8 39. Settlement Checks. The Settlement Administrator will be responsible for undertaking
9 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
10 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
11 PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the
12 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
13 Payment into one check if the intended recipient for both payments is one individual. Settlement Class
14 Members and PAGA Employees are not required to submit a claim to be issued an Individual
15 Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and
16 Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180)
17 calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds
18 associated with such canceled checks shall be distributed by the Settlement Administrator to the State
19 of California's Unclaimed Property Fund in the name of the Settlement Class Member and/or PAGA
20 Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil
21 Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Settlement Class
22 Members, whether or not they cash their settlement checks. Therefore, Defendant will not be required
23 to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or
24 supplemental tax filings and reporting required under applicable local, state, and federal tax laws that
25 are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA
26 Payment checks. Settlement Class Members whose Individual Settlement Payment checks are
27 canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Employees whose
28 Individual PAGA Payment checks are cancelled shall, nevertheless, be bound by the PAGA
Settlement.

1 40. Class Settlement Release. Upon the full funding of the Gross Settlement Amount,
2 Plaintiff and all Settlement Class Members will be deemed to have fully, finally, and forever released,
3 settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

4 41. PAGA Settlement Release. Upon the full funding of the Gross Settlement Amount,
5 Plaintiff, the State of California with respect to all PAGA Employees, and all PAGA Employees will
6 be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and
7 discharged the Released Parties of all Released PAGA Claims.

8 42. Final Approval Order and Judgment. The Parties shall provide the Settlement
9 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
10 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
11 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
12 Class will be required.

13 43. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
14 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
15 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
16 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
17 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
18 Settlement Agreement.

19 44. Effects of Termination or Rescission of Settlement. Termination or rescission of the
20 Settlement Agreement shall have the following effects:

21 a. The Settlement Agreement shall be void and shall have no force or effect, and
22 no Party shall be bound by any of its terms;

23 b. In the event the Settlement Agreement is terminated, Defendant shall have no
24 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
25 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
26 Administrator is notified that the Settlement has been terminated;

27 c. The Preliminary Approval Order, Final Approval Order and Judgment,
28 including any order certifying the Class, shall be vacated;

1 d. The Settlement Agreement and all negotiations, statements, and proceedings
2 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
3 restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

4 e. Neither this Settlement Agreement, nor any ancillary documents, actions,
5 statements, or filings in furtherance of the Settlement (including all matters associated with the
6 mediation) shall be admissible or offered into evidence in the Action or any other action for any
7 purpose whatsoever; and

8 f. Any documents generated to bring the Settlement into effect, will be null and
9 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
10 likewise be treated as void from the beginning.

11 45. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant
12 that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign,
13 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause
14 of action or right herein released and discharged.

15 46. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set
16 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
17 Any exhibits to this Settlement Agreement are an integral part of the Settlement.

18 47. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
19 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
20 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
21 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
22 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
23 expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a),
24 which provide that a written agreement is to be construed according to its terms and may not be varied
25 or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written
26 representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

27 48. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
28 the Action (including with respect to California Code of Civil Procedure § 583.310), except such
proceedings necessary to implement and complete this Settlement Agreement, pending the Final

1 Approval Hearing to be conducted by the Court.

2 49. Amendment or Modification. Prior to the filing of the motion for preliminary approval
3 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
4 except by written agreement signed by counsel for all Parties. After the filing of the motion for
5 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
6 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
7 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
8 constitute a waiver of any other provision.

9 50. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
10 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
11 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
12 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
13 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
14 full authority to enter into this Settlement Agreement, and further intend that this Settlement
15 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
16 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
17 confidentiality provisions that otherwise might apply under state or federal law.

18 51. Signatories. It is agreed that because the members of the Class are so numerous, it is
19 impossible or impractical to have each Settlement Class Member or PAGA Employee execute this
20 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
21 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
22 as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have
23 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
24 Member and PAGA Employee.

25 52. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
26 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

27 53. California Law Governs. All terms of this Settlement Agreement and attached exhibits
28 hereto will be governed by and interpreted according to the laws of the State of California.

54. Execution and Counterparts. This Settlement Agreement is subject only to the
execution of all Parties. However, this Settlement Agreement may be executed in one or more

counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

55. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

56. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

57. Plaintiff's Cooperation. Plaintiff agrees to sign this Settlement Agreement and, by signing this Settlement Agreement, is hereby bound by the terms herein and agrees to fully cooperate to implement the Settlement.

58. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement

1 Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received
2 as evidence in any action or proceeding to establish any liability or admission on the part of Defendant
3 or to establish the existence of any condition constituting a violation of, or a non-compliance with,
4 federal, state, local or other applicable law.

5 59. Captions. The captions and paragraph numbers in this Settlement Agreement are
6 inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or
7 intent of the provisions of this Settlement Agreement.

8 60. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
9 conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be
10 construed more strictly against one Party than another merely by virtue of the fact that it may have
11 been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length
12 negotiations between the Parties, all Parties have contributed equally to the preparation of this
13 Settlement Agreement.

14 61. Representation By Counsel. The Parties acknowledge that they have been represented
15 by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and
16 that this Settlement Agreement has been executed with the consent and advice of counsel, and
17 reviewed in full.

18 62. All Terms Subject to Final Court Approval. All amounts and procedures described in
19 this Settlement Agreement herein will be subject to final Court approval.

20 63. Notices. All notices, demands, and other communications to be provided concerning
21 the Settlement Agreement shall be in writing and deemed to have been duly given as of the third
22 business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed
23 as follows:

24 To Plaintiffs and Class Counsel:

25 Jonathan M. Genish
jgenish@blackstonepc.com
26 Barbara DuVan-Clarke
BDC@blackstonepc.com
27 Danielle GruppChang
dgruppchang@blackstonepc.com
28 P.J. Van Ert
pjvanert@blackstonepc.com

1 Annabel Blanchard
2 ablanchard@blackstonepc.com
3 **BLACKSTONE LAW, APC**
4 8383 Wilshire Boulevard, Suite 745
5 Beverly Hills, California 90211
6 Tel: (310) 622-4278 / Fax: (855) 786-6356

7 To Defendant:
8 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
9 DEREK R. HAVEL
10 dhavel@sheppardmullin.com
11 TYLER J. JOHNSON
12 tjjohnson@sheppardmullin.com
13 CHENXI LU
14 ablu@sheppardmullin.com
15 333 South Hope Street, 43rd Floor
16 Los Angeles, California 90071-1422
17 Telephone: 213.620.1780
18 Facsimile: 213.620.1398

19 64. Cooperation and Execution of Necessary Documents. All Parties and their counsel will
20 cooperate with each other in good faith and use their best efforts to implement the Settlement,
21 including and not limited to, executing all documents to the extent reasonably necessary to effectuate
22 the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or
23 content of any document needed to implement the Settlement Agreement, or on any supplemental
24 provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties
25 may seek the assistance of the Mediator and then the Court to resolve such disagreement.

26 65. Confidentiality. Defendant, Plaintiff, and Class Counsel will not disclose, disseminate
27 and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the
28 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) to the extent necessary
to report income to appropriate taxing authorities; (3) in response to a court order or subpoena; or (4)
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, Defendant and Defense Counsel separately agree
not to, directly or indirectly, initiate any conversation or other communication, before the filing of the

1 Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving
2 rise to this Agreement except to respond only that “the matter was resolved,” or words to that effect.
3 This provision does not prevent Defendant from making disclosures to shareholders as required by the
4 Securities and Exchange Commission. From and after preliminary approval of the Settlement, Class
5 Counsel may communicate regarding the Class Action Settlement in accordance with Class Counsel’s
6 ethical obligations owed to Class Members. In all other cases, Plaintiff and Class Counsel agree to
7 limit their statements regarding the terms of the Class Action Settlement, whether oral, written, or
8 electronic, to say the Action has been resolved and that Plaintiff and Class Counsel are satisfied with
9 the settlement terms. Notwithstanding the foregoing, nothing in this paragraph shall limit class
10 counsel’s right to describe this settlement (without naming Defendant), including the gross settlement
11 amount, for purposes of supporting adequacy of class counsel in future declarations in support of
12 motions for approval.

13 **IN WITNESS WHEREOF**, the Parties hereto knowingly and voluntarily executed this Joint
14 Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

15 **IT IS SO AGREED.**

16 **PLAINTIFF ARMIDA BURTON**

17
18 Dated: 03/03/2025

19
20
21 
22 _____
23 Armida Burton

24 **DEFENDANT MERCURY MISSION**
25 **SYSTEMS, LLC**

26
27 Dated: March 6, 2025

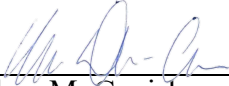
28 

Full Name: David Farnsworth
Title: Chief Financial Officer
On behalf of Mercury Mission Systems, LLC

1 **APPROVED AS TO FORM ONLY:**

2 **BLACKSTONE LAW, APC**

3
4 Dated: 03/04/2025

5 
Jonathan M. Genish
Barbara DuVan-Clarke
Attorneys for Plaintiff Armida Burton
and Proposed Class Counsel

7 **SHEPPARD MULLIN**

8
9 Dated: 3/7/2025

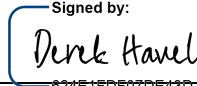
10 
Signed by:
Derek R. Havel
Tyler J. Johnson
Chenxi Lu
Attorneys for Defendant Mercury Mission
Systems, LLC

EXHIBIT 4

Thank you for your Proposed Settlement Submission

Desde DIR PAGA Unit <no-reply@formassembly.com>

Fecha Lun 23 Jun 2025 17:30

Para Karina Hernandez <khernandez@blackstonepc.com>

[External Email].

06/23/2025 05:30:22 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: <http://labor.ca.gov/Private Attorneys General Act.htm>