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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO**

JEFFERY JOHNSON, individually and on
behalf of others similarly situated, and as a
private attorney general,

Plaintiff,

vs.

TECNICO CORPORATION, a California
corporation; and DOES 1 through 50,
inclusive,

Defendants.

Case No. 30-2022-00021970

**JOINT STIPULATION OF CLASS
ACTION AND PAGA SETTLEMENT**

Filed date: June 8, 2022

This Joint Stipulation of Class Action and PAGA Settlement is entered into by and between Plaintiff Jeffery Johnson, individually and on behalf of the Settlement Class and Defendant Tecnico Corporation.

1. “Agreement” or “Settlement Agreement” means this Joint Stipulation of Class Action and PAGA Settlement.

3. “Class Counsel” means Protection Law Group, LLP and Lawyers *for* Justice, P.C.

5. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from their records and provide to the Settlement Administrator within fourteen (14) calendar days after Preliminary Approval of this Settlement. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet and will include Class Member’s: (1) full name; (2) last known home address; (3) last known telephone number; (4) social security number; (5) start and end dates of active employment as a non-exempt employee of Defendant in the State of California; (6) total Workweeks worked by each Class Member during the Class Period; (7) total Workweeks worked by each PAGA Member during the PAGA Period; and (8) any other information requested by the Settlement Administrator in order to effectuate the terms of the Settlement.

6. “Class” or “Class Members” means all current and former hourly-paid, non-exempt employees of Defendant who were employed by Defendant in the State of California at any time during the Class Period.

7. “Class Period” means the period from June 8, 2018, through November 20, 2023.

8. “Class Representative” means Jeffrey Johnson in his capacity as representative of the Participating Class Members.

9. “Class Representative Enhancement Payment” means the amount that the Court authorizes to be paid to Plaintiff in addition to his Individual Settlement Payment, in recognition of the efforts and risks he has taken in assisting with the prosecution of the Action and in exchange for the General Release of their claims as provided herein.

10. “Court” means the Superior Court of the State of California for the County of San Diego.

11. “Defendant” means Tecnico Corporation.

12. “Effective Date” means: the later of: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal being filed (c) if any timely appeals are filed, the date of the resolution (or withdrawal) of any such appeal in a way that does not alter the terms of the settlement

13. “Final Approval” means the Court entering an order granting final approval of the Settlement Agreement.

14. “Gross Settlement Amount” means the sum of Eight Hundred and Fifty Thousand Dollars (\$850,000). The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendant.

15. “Individual Settlement Payment” means the amount payable from the Net Settlement Amount to each Participating Class Member and any payment a PAGA Member is eligible to receive from the employee portion of the PAGA Payment. Individual Settlement Payments shall be paid by a Settlement Check made payable to Participating Class Members and/or PAGA Members.

1 16. “Net Settlement Amount” means the funds available for payments to the Class,
2 which shall be amount remaining after the following amounts are deducted from the Gross
3 Settlement Amount: (1) Class Counsel’s fees, (2) Class Counsel’s costs, (3) Settlement
4 Administration Costs, (4) Class Representative Enhancement Payments to Plaintiff; and (5) the
5 PAGA Payment to the LWDA and PAGA Members.

6 17. “Notice” means the Notice of Class Action Settlement in a form substantially
7 similar to the form attached hereto as Exhibit A, that will be mailed to Class Members’ last known
8 addresses and which will provide Class Members with information regarding the Action and
9 information regarding the settlement of the Action.

10 18. “PAGA” means the California Labor Code Private Attorneys General Act of 2004
11 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”).

12 19. “PAGA Payment” means the amount that the Parties have agreed to allocate in
13 order to settle claims arising under the Private Attorneys General Act of 2004 (Cal. Lab. Code §§
14 2698, *et seq.*)(“PAGA”). The Parties have agreed that Forty Thousand Dollars (\$40,000.00) of the
15 Gross Settlement Amount will be allocated to the resolution of Plaintiff’s PAGA Claims. Seventy
16 Five Percent (75%) of this amount (\$30,000.00) will be paid to the California Labor and Workforce
17 Development Agency in accordance with Labor Code §§ 2698 *et seq.* Twenty Five Percent (25%)
18 of this amount (\$10,000.00), will be distributed to PAGA Members. PAGA Members will receive
19 payment from the employee portion of the PAGA Payment regardless of their decision to
20 participate in the class action if the PAGA Payment is approved by the Court.

21 20. “PAGA Period” means the period from June 8, 2021, through November 20, 2023.

22 21. “PAGA Members” means all current and former hourly-paid non-exempt
23 employees of Defendant who were employed by Defendant in the state of California at any time
24 during the PAGA Period.

25 22. “Parties” means Plaintiff and Defendant, collectively, and “Party” shall mean either
26 Plaintiff or Defendant, individually.

27 23. “Participating Class Members” means all Class Members who do not submit valid
28 and timely Requests for Exclusion.

1 24. “Plaintiff” means Jeffrey Johnson.

2 25. “Preliminary Approval” means the Court order granting preliminary approval of
3 the Settlement Agreement.

4 26. “Objection” means a Participating Class Member’s valid and timely written
5 objection to the Settlement Agreement. For an Objection to be valid, it must include: (a) the
6 objector’s full name, address, telephone number, last four digits of the employee’s social security
7 number or employee ID number and (b) the name of the case and case number; and (c) a written
8 statement of all grounds for the objection accompanied by legal support, if any, for such objection.

9 27. “Released Class Claims” means claims, rights, demands, liabilities and causes of
10 actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in
11 the operative complaint in the Action, and that arose during the Class Period, including, but not
12 limited to, state wage and house claims for any and all violations of California’s Labor Code and
13 Unfair Competition Law based on: (i) failure to pay all regular wages, minimum wages and
14 overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii)
15 failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary
16 business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay
17 wages timely at time of termination or resignation; (vii) failure to timely pay wages during
18 employment ; (viii) unfair business practices; and (ix) failure to maintain required payroll records.
19 The Class Members who cash their Settlement Checks further acknowledge they are releasing any
20 claims they have against Defendant under the Fair Labor Standards Act (“FLSA”).

21 28. “Released PAGA Claims” means all claims for civil penalties under the California
22 Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts
23 alleged both in the PAGA Notice provided to the LWDA and in the operative complaint, and that
24 arose during the PAGA Period, including but not limited to penalties that could have been awarded
25 pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699.

26 29. “Released Parties” means Tecnico Corporation and its past, present and/or future
27 officers, directors, members, managers, employees, agents, representatives, attorneys, insurers,
28

partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

30. “Request for Exclusion” means a valid and timely written statement submitted by a Class Member requesting to be excluded from the Action. To be effective, the Request for Exclusion must contain (a) the Class Member’s name, address, telephone number, and the last four digits of the Class Member’s Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. To be effective, the Request for Exclusion must be post-marked by the Response Deadline and received by the Settlement Administrator. The Request for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

31. “Response Deadline” means the date forty-five (45) days after the Settlement Administrator mails Notice to Class Members and the last date on which Class Members may submit Requests for Exclusion, written objections to the Settlement, or Workweek Disputes. In the event the 45th day falls on a Sunday or Federal holiday, the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Requests for Exclusion, written objections, or workweek disputes, will be extended fifteen (15) calendar days for any Class Member who is re-mailed a Notice by the Settlement Administrator, unless the 15th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant. Under no circumstances, however, will the Settlement Administrator have the authority to unilaterally extend the Response Deadline.

32. “Settlement” means the disposition of the Action pursuant to this Agreement.

33. “Settlement Administrator” means ILYM Group, Inc.

34. “Settlement Administration Costs” mean the costs payable from the Gross Settlement Amount to the Settlement Administrator for administering this Settlement, including, but not limited to, printing, distributing, and tracking documents for this Settlement, calculating/confirming the class member Workweeks from the information contained in the Class

1 List, calculating each Participating Class Member's Individual Settlement Payment, tax reporting,
2 distributing the Gross Settlement Amount, providing necessary reports and declarations, and other
3 duties and responsibilities set forth herein to process this Settlement, and as requested by the
4 Parties. Settlement Administration Costs shall not exceed Five Thousand Dollars (\$5,000.00)

5 35. "Workweek" shall mean any calendar week (i.e. a week beginning on Sunday and
6 ending on Saturday) in which a Class Member or PAGA Member worked at least 1 day.

7 **TERMS OF AGREEMENT**

8 36. Submission of PAGA Notice and Filing of Amended Complaint: On November 3,
9 2023, Plaintiff provided written notice to the California Labor and Workforce Development
10 Agency (the "LWDA") notifying the LWDA of his intent to seek PAGA Penalties on behalf of the
11 state. The LWDA did not provide a response within sixty-five (65) days of Plaintiff's submission.
12 Following expiration of the statutory waiting period on January 17, 2024, the Parties filed a
13 stipulation and order to permit the filing of an amended complaint that shall add a cause of action
14 under California Labor Code §2699 et. seq (PAGA). The Court granted the Order on January 18,
15 2024. Plaintiff filed a First Amended Class and Representative Action Compliant on January 18,
16 2024 alleging causes of action for (1) Violation of California Labor Code §§ 510 and 1198 (Unpaid
17 Overtime); (2) Violation of California Labor Code §§ 226.7 and 512(a) (Unpaid Meal Period
18 Premiums); (3) Violation of California Labor Code § 226.7 (Unpaid Rest Period Premiums); (4)
19 Violation of California Labor Code §§ 1194, 1197, and 1197.1 (Unpaid Minimum Wages); (5)
20 Violation of California Labor Code §§ 201 and 202 (Final Wages Not Timely Paid); (6) Violation
21 of California Labor Code § 204 (Wages Not Timely Paid During Employment); (7) Violation of
22 California Labor Code § 226(a) (Non-Compliant Wage Statements); (8) Violation of California
23 Labor Code § 1174(d) (Failure To Keep Requisite Payroll Records); (9) Violation of California
24 Labor Code §§ 2800 and 2802 (Unreimbursed Business Expenses); (10) Violation of California
25 Business & Professions Code §§ 17200, et seq. (11) Violation of Cal. Labor Code § 2699, (Private
26 Attorneys General Act).

27 37. Settlement Consideration: Defendant shall fund the Gross Settlement Amount and
28 all applicable employer-side payroll taxes following Final Approval by the Court and the

occurrence of the Effective Date. The following will be paid out of the Gross Settlement Amount: the sum of the Individual Settlement Payments, the Class Representative Enhancement Payments, Class Counsel's Fees and Costs, the PAGA Payment, and the Settlement Administration Costs, as specified in this Agreement. Except for any employer-side taxes due on the Individual Settlement Payments, or as a result of an increase in the number of workweeks as set forth below, Defendant shall not be required to pay more than the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will revert to Defendant.

38. Potential Increase to the Gross Settlement Amount: Defendant has represented there are approximately 16,878 Workweeks between June 8, 2018, and September 8, 2023. Should the actual number of Workweeks in the Class Period increase by more than ten percent (10%) (i.e. by more than 1,687 Workweeks) Defendant shall increase the Gross Settlement Amount on a *pro-rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 165,503 Workweeks, the Gross Settlement Amount will increase by 1%.

39. Funding of the Gross Settlement Amount: Within fourteen (14) calendar days of the Effective Date of the Settlement, Defendant will deposit the Gross Settlement Amount and all applicable employer-side payroll taxes into a Qualified Settlement Fund ("QSF") to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8 digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator, no later than seven (7) calendar days of the Effective Date.

40. Distribution of the Gross Settlement Amount: Within fourteen (14) calendar days of the funding of the Settlement, the Settlement Administrator will issue payments for: (a) Individual Settlement Payments; (b) the PAGA Payment to the Labor and Workforce Development Agency; (c) the Class Representative Enhancement Payments; (d) Class Counsel's Fees and Costs and (e) Settlement Administration Costs. The back of each Settlement check mailed to Participating Class Members shall state: "By endorsing this check, I acknowledge that I read,

understood, and agree to the terms set forth in the Notice of Class Action Settlement and elect to participate in the settlement of any potential FLSA claims covered by the Agreement.

41. Attorneys' Fees and Costs: Defendant agrees not to oppose any application or motion by Class Counsel for attorneys' fees of not more than Two Hundred and Eighty-Three Thousand Three Hundred and Thirty-Three Dollars and Thirty Three Cents (\$283,333.33) plus the reimbursement of costs and expenses associated with the litigation and settlement of the Action, in an amount not to exceed Twenty-Five Thousand Dollars (\$25,000.00), both of which will be paid from the Gross Settlement Amount. Any portion of the requested fees or costs that is not awarded to the Class Counsel shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

42. Class Representative Enhancement Payment: Defendant agrees not to oppose or object to any application or motion by Plaintiff for Class Representative Enhancement Payment of Ten Thousand Dollars (\$10,000) for Plaintiff. The Class Representative Enhancement Payment is in exchange for the General Release of the Plaintiff's individual claims and for his time, effort and risk in bringing and prosecuting the Action. Any portion of the requested Class Representative Enhancement Payment that is not awarded to Plaintiff shall be reallocated to the Net Settlement Amount and distributed to Participating Class Members as provided in this Agreement.

43. Settlement Administration Costs: The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments from the Gross Settlement Amount as further set forth in this Agreement. Settlement Administration Costs shall not exceed Five Thousand Dollars (\$5,000.00).

44. PAGA Payment: Fifty Thousand Dollars (\$40,000.00) shall be allocated from the Gross Settlement Amount for settlement of claims for civil penalties under the PAGA. The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Payment, or Thirty-Seven Thousand Five Hundred Dollars (\$30,000.00), to the California Labor and Workforce Development Agency ("LWDA"). Ten Thousand Dollars (\$10,000), will be distributed to PAGA Members on a *pro rata* basis based on the total number of Workweeks worked by each PAGA

Member during the PAGA Period. PAGA Members shall receive their portion of the PAGA Payment regardless of their decision to opt-out of the class settlement.

45. Net Settlement Amount for Payment of Class Claims: The Net Settlement Amount will be used to satisfy the class portion of Participating Class Members Individual Settlement Payments in accordance with the terms of this Agreement. The estimated Net Settlement Amount is as follows:

Gross Settlement Amount	\$	850,000.00
Enhancement Payment:	\$	10,000.00
Class Counsel's Fees:	\$	283,333.33
Class Counsel's Costs:	\$	25,000.00
PAGA Payment	\$	40,000.00
Settlement Administration Costs:	\$	5,000.00
Estimated Net Settlement Amount	\$	486,666.67

46. Individual Settlement Payment Calculations: Individual Settlement Payments will be paid from the Net Settlement Amount and the 25% portion of the PAGA Payment allocated for PAGA Members and shall be paid pursuant to the formula set forth herein:

a) Calculation of Class Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all Participating Class Members by adding the number of Workweeks worked by each Participating Class Member during the Class Period. The respective Workweeks for each Participating Class Member will be divided by the total Workweeks for all Participating Class Members, resulting in the Payment Ratio for each Participating Class Member. Each Participating Class Member's Payment Ratio will then be multiplied by the Net Settlement Amount to calculate each Participating Class Member's estimated share of the Net Settlement Amount.

b) Calculation of PAGA Portion of Individual Settlement Payments:

The Settlement Administrator will calculate the total Workweeks for all PAGA Members by adding the number of Workweeks worked by each PAGA Member during the PAGA Period. The

1 respective Workweeks for each PAGA Member will be divided by the total Workweeks for all
2 PAGA Members, resulting in the Payment Ratio for each PAGA Member. Each PAGA Member's
3 Payment Ratio will then be multiplied by the employee portion of the PAGA Payment to calculate
4 each PAGA Member's estimated share of the PAGA Payment. PAGA Members shall receive this
5 portion of their Individual Settlement Payment regardless of whether they opt out of the
6 participation regarding the class claims.

7 c) Allocation of Individual Settlement Payments: The Class Portion of
8 each Individual Settlement Payments will be allocated as follows: ten percent (10%) of each
9 Individual Settlement Payment will be allocated as wages, forty-five percent (45%) shall be
10 allocated as interest, and forty-five percent (45%) shall be allocated as penalties. The PAGA Portion
11 of each Individual Settlement Payment will be allocated 100% as Penalties. The portion of the
12 Individual Settlement Payment allocated to wages will be reported by the Settlement Administrator
13 on an IRS Form W-2. The remaining non-wage payments will be reported on an IRS Form-1099
14 by the Settlement Administrator.

15 47. No Credit Toward Benefit Plans: The Individual Settlement Payments made to
16 Participating Class Members under this Settlement, as well as any other payments made pursuant
17 to this Settlement, will not be utilized to calculate any additional benefits under any benefit plans
18 to which any Class Members may be eligible, including, but not limited to profit-sharing plans,
19 bonus plans, 401(k) plans, stock purchase plans, vacation plans, sick leave plans, PTO plans, and
20 any other benefit plan. Rather, it is the Parties' intention that this Settlement Agreement will not
21 affect any rights, contributions, or amounts to which any Class Members may be entitled under
22 any benefit plans.

23 48. Settlement Administration Process: The Parties agree to cooperate in the
24 administration of the Settlement and to make all reasonable efforts to control and minimize the
25 costs and expenses incurred in administration of the Settlement. The Settlement Administrator will
26 provide the following services:

27 a) Establish and maintain a Qualified Settlement Fund.
28

- b) Calculate the Individual Settlement Payment each Participating Class Member is eligible to receive and the portion of the PAGA Payment each PAGA Member shall receive.
- c) Print and mail the Notice.
- d) Conduct additional address searches for mailed Notices that are returned as undeliverable.
- e) Process Requests for Exclusion, field inquiries from Class Members,
- f) Print and issue and issue Settlement Payment Checks, prepare IRS W2 and 1099 Tax Forms and any other filings required by any governmental taxing authority.
- g) Provide declarations and/or other information to this Court as requested by the Parties and/or the Court regarding the settlement administration process.
- h) Provide weekly status reports to counsel for the Parties.
- i) Posting a notice of final judgment online at Settlement Administrator's website.
- j) Translate the Notice from English to Spanish

49. Delivery of the Class List: Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. This is a material term of the Agreement, and if Defendant fails to comply, Plaintiff shall have the right to void the Agreement.

50. Notice by First-Class U.S. Mail: Within seven (7) calendar days after receiving the Class List from Defendant, the Settlement Administrator will mail the Notice to all Class Members via regular First-Class U.S. Mail, using the most current, known mailing addresses identified in the Class List.

51. Confirmation of Contact Information in the Class List: Prior to mailing, the Settlement Administrator will perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. Any Notice returned to the Settlement Administrator as non-deliverable on or before the Response Deadline

1 will be sent promptly via regular First-Class U.S. Mail to the forwarding address affixed thereto
2 and the Settlement Administrator will indicate the date of such re-mailing on the Notice. If no
3 forwarding address is provided, the Settlement Administrator will promptly attempt to determine
4 the correct address using a skip-trace, or other search using the name, address and/or Social
5 Security number of the Class Member involved, and will then perform a single re-mailing. If any
6 notice sent to a Class Member by the Settlement Administrator is returned as undeliverable to a
7 current employee, then Defendant shall make all reasonable efforts to obtain the current address
8 from the Class Member and provide the same within seven (7) calendar days of notice from the
9 Settlement Administrator. Those Class Members who receive a re-mailed Notice, whether by skip-
10 trace or by request, will have between the later of (a) an additional fifteen (15) calendar days or
11 (b) the Response Deadline to postmark a Request for Exclusion, written objection, or workweek
12 dispute.

13 52. Notice: All Class Members will be mailed a Notice. Each Notice will provide: (a)
14 information regarding the nature of the Action; (b) a summary of the Settlement's principal terms;
15 (c) the Class definition; (d) the total number of Workweeks each respective Class Member worked
16 for Defendat during the Class Period; (e) each Class Member's estimated Individual Settlement
17 Payment and the formula for calculating Individual Settlement Payments; (f) the dates which
18 comprise the Class Period; (g) instructions on how to opt-out of and object to the Settlement; (h)
19 the deadlines by which the Class Member must postmark Requests for Exclusion, Objections to
20 the Settlement, or Workweek Disputes; (i) the claims to be released, as set forth herein; and (j) the
21 date for the final approval hearing.

22 53. Disputed Information on Notice: Class Members will have an opportunity to
23 dispute the information provided in their Notice. To the extent Class Members dispute the number
24 of Workweeks with which they have been credited or the amount of their Individual Settlement
25 Payment, Class Members may produce evidence to the Settlement Administrator showing that
26 such information is inaccurate. Absent evidence rebutting Defendant's records, Defendant's
27 records will be presumed determinative. However, if a Class Member produces evidence to the
28 contrary by the Response Deadline, the Parties will evaluate the evidence submitted by the Class

Member and the Parties will make the final decision as to the number of eligible Workweeks that should be applied and/or the Individual Settlement Payment to which the Class Member may be entitled. If the Parties do not agree, the dispute will be submitted to the Court.

54. Defective Submissions: If a Class Member's Request for Exclusion is defective as to the requirements listed herein, that Class Member will be given an opportunity to cure the defect(s). The Settlement Administrator will mail the Class Member a cure letter within three (3) business days of receiving the defective submission to advise the Class Member that his or her submission is defective and that the defect must be cured to render the Request for Exclusion valid. The Class Member will have until the later of (a) the Response Deadline or (b) fifteen (15) calendar days from the date of the cure letter, whichever date is later, to postmark a revised Request for Exclusion. If a Class Member responds to a cure letter by filing a defective claim, then the Settlement Administrator will have no further obligation to give notice of a need to cure. If the revised Request for Exclusion is not postmarked within that period, it will be deemed untimely.

55. Request for Exclusion Procedures: Any Class Member wishing to opt-out from the Action must sign and postmark a written Request for Exclusion to the Settlement Administrator by the Response Deadline. The Request for Exclusion must include (a) the Class Member's name, address, telephone number, and the last four digits of the Class Member's Social Security number and/or the Employee ID number and (b) a clear statement requesting to be excluded from the settlement of the class claims. The date of the postmark on the return mailing envelope receipt confirmation will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. All Requests for Exclusion will be submitted to the Settlement Administrator, who will certify jointly to Class Counsel and Defendant's Counsel the Requests for Exclusion that were timely submitted. All Class Members who do not request exclusion from the Action will be bound by all terms of the Settlement Agreement if the Settlement is granted final approval by the Court. The Request for Exclusion shall not be effective as to the release of claims arising under the Private Attorneys General Act.

56. Defendant's Right to Rescind: If five percent (5%) or more of the Class Members (rounded to the next whole number) elect not to participate in the Settlement, Defendant may, at

1 its election, rescind the Settlement Agreement and all actions taken in furtherance of it will be
2 thereby null and void. Defendant must meet and confer with Class Counsel prior to exercising this
3 right and must make clear their intent to rescind the Agreement within fourteen (14) calendar days
4 of the Settlement Administrator notifying the Parties of these opt-outs. If Defendant exercises its
5 right to rescind the Agreement, Defendant shall be responsible for all Settlement Administration
6 Costs incurred to the date of rescission.

7 57. Settlement Terms Bind All Class Members Who Do Not Opt-Out: Upon the
8 complete funding of the Gross Settlement Amount, any Class Member who does not affirmatively
9 opt-out of the Settlement by submitting a timely and valid Request for Exclusion will be bound by
10 all of its terms, including those pertaining to the Released Class Claims, as well as any Judgment
11 that may be entered by the Court if it grants final approval to the Settlement. Class Members who
12 opt-out of the Settlement shall not be bound by such Judgment or the Class Release. However, the
13 opt-out shall not be effective as to the release of claims arising under the Private Attorneys General
14 Act. The names of Class Members who have opted-out of the settlement shall be disclosed to the
15 Counsel for both Plaintiff and Defendant and noted in the proposed Judgment submitted to the
16 Court.

17 58. Objection Procedures: To object to the Settlement, a Participating Class Member
18 must postmark a valid Objection to the Settlement Administrator on or before the Response
19 Deadline. The Objection must be signed by the Participating Class Member and contain all
20 information required by this Settlement Agreement including the employees full name, address,
21 telephone number, the last four digits of their social security number and/or Employee ID number,
22 the name of the case and case number, and the specific reason including any legal grounds for the
23 Participating Class Members objection. The postmark date will be deemed the exclusive means
24 for determining that the Notice of Objection is timely. Participating Class Members who fail to
25 object in the manner specified above will be foreclosed from making a written objection, but shall
26 still have a right to appear at the Final Approval Hearing in order to have their objections heard by
27 the Court. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage
28 Participating Class Members to submit written objections to the Settlement or appeal from the

Order and Judgment. Class Counsel will not represent any Class Members with respect to any objections to this Settlement.

59. Certification Reports Regarding Individual Settlement Payment Calculations: The Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which certifies: (a) the number of Class Members who have submitted valid Requests for Exclusion; (b) the number of Notices returned and re-mailed and (c) whether any Class Member has submitted a challenge to any information contained in the Notice. Additionally, the Settlement Administrator will provide to counsel for both Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested.

60. Uncashed Settlement Checks: Any checks issued by the Settlement Administrator to Participating Class Members and PAGA Members will be negotiable for at least one hundred eighty (180) calendar days. If a Participating Class Member or PAGA Member does not cash his or her Settlement Check or PAGA payment check within 180 days, the uncashed funds, subject to Court approval, shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code §1500, *et. seq.* for the benefit of those Participating Class Members and PAGA Members who did not cash their checks until such time that they claim their property. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code § 384, as the entire Net Settlement Amount will be paid out to Participating Class Members and the entire 25% portion of the PAGA Payment will be paid out to the PAGA Members, whether or not they all cash their Settlement Checks or PAGA payment checks. Therefore, Defendant will not be required to pay any interest on such amounts. The Individual Settlement Payments provided to Participating Class Members and to PAGA Members shall prominently state the expiration date or a statement that the Settlement Check will expire in one hundred eighty (180) days, or alternatively, such a statement may be made in a letter accompanying the Individual Settlement Payment. Expired Individual Settlement Payments will not be reissued, except for good cause and as mutually agreed by the Parties in writing. The parties agree no unclaimed funds will result from the settlement.

61. Administration of Taxes by the Settlement Administrator: The Settlement

1 Administrator will be responsible for issuing to Plaintiff, Participating Class Members, PAGA
2 Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all
3 amounts paid pursuant to this Settlement. The Settlement Administrator will also be responsible
4 for forwarding all payroll taxes and penalties to the appropriate government authorities.

5 62. Tax Liability: Defendant makes no representation as to the tax treatment or legal
6 effect of the payments called for hereunder, and Plaintiff and Participating Class Members are not
7 relying on any statement, representation, or calculation by Defendant or by the Settlement
8 Administrator in this regard. Plaintiff and Participating Class Members understand and agree that
9 they will be solely responsible for the payment of any taxes and penalties assessed on the payments
10 described herein. Defendant's share of any employer payroll taxes and other required employer
11 withholdings due on the Individual Settlement Payments, including, but not limited to, Defendant's
12 FICA and FUTA contributions, shall be paid separate and apart from the Gross Settlement
13 Amount.

14 63. Circular 230 Disclaimer: Each Party to this Agreement (for purposes of this section,
15 the "acknowledging party" and each Party to this Agreement other than the acknowledging party,
16 an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written
17 communication or disclosure between or among the Parties or their attorneys and other advisers,
18 is or was intended to be, nor shall any such communication or disclosure constitute or be construed
19 or be relied upon as, tax advice within the meaning of United States Treasury Department circular
20 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon
21 his, her or its own, independent legal and tax counsel for advice (including tax advice) in
22 connection with this Agreement, (b) has not entered into this Agreement based upon the
23 recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not
24 entitled to rely upon any communication or disclosure by any attorney or adviser to any other party
25 to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or
26 adviser to any other Party has imposed any limitation that protects the confidentiality of any such
27 attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon
28 disclosure by the acknowledging party of the tax treatment or tax structure of any transaction,

including any transaction contemplated by this Agreement.

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

65. Release by Participating Class Members: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant, Participating Class Members shall fully release and discharge the Released Parties from the Released Class Claims that arose during the Class Period. This release shall be binding on all Participating Class Members.

66. Release by the State of California and LWDA: Upon the complete funding of the Gross Settlement Amount and all applicable employer-side payroll taxes by Defendant the LWDA and the State of California, through Plaintiff as its agent and/or proxy, shall release and discharge the Released Parties from the Released PAGA Claims that arose during the PAGA Period. The Parties intend for this PAGA settlement to have claim preclusion, issue preclusion, or otherwise bar a representative action if an aggrieved employee were to bring a subsequent claim on behalf of the LWDA based on the same factual predicate as this action and covering the same time period.

67. Release of Additional Claims & Rights by Plaintiff: Upon the funding of the Gross Settlement Amount, Plaintiff agrees—on behalf of himself only—to the additional following General Release: In consideration of Defendant’s promises and agreements as set forth herein, Plaintiff hereby fully releases the Released Parties from any and all Released Class Claims and Released PAGA Claims and also generally release and discharge the Released Parties from any and all claims, demands, obligations, causes of action, rights, or liabilities of any kind which have been or could have been asserted against the Released Parties arising out of or relating to their employment by Defendant or termination thereof, including but not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination, harassment or wrongful termination of employment. This release specifically includes any and all claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest, and attorneys’ fees and costs (except

provided by the Settlement Agreement) relating to or in any way connected with the matters referred to herein, whether or not known or suspected to exist, and whether or not specifically or particularly described herein. Specifically, Plaintiff waives all rights and benefits afforded by California Civil Code Section 1542, which provides:

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

This release specifically excludes claims for unemployment insurance, disability, social security, and workers compensation (with the exception of claims arising pursuant to California Labor Code Sections 132(a) and 4553)

68. Neutral Employment Reference: Defendant agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of employment and job titles during employment. Defendant shall not refer to the Action or this Settlement.

69. Nullification of Settlement Agreement: In the event that: (a) the Court does not finally approve the Settlement as provided herein; (b) the Court strikes or does not approve any material term of this Settlement Agreement; or (c) the Settlement does not become final as written and agreed to by the Parties for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void, all amounts deposited into the QSF will be returned to Defendant, and the Parties shall be returned to their original respective positions. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning. Should the Court fail to approve this settlement for any reason, the Parties agree that they will return to and attend mediation with a mutually

1 agreed Mediator in an effort to reach a settlement that may be approved by the Court.

2 70. Preliminary Approval Hearing: Plaintiff will obtain a hearing before the Court to
3 request Preliminary Approval of the Settlement Agreement, and the entry of a Preliminary
4 Approval Order for: (a) conditional certification of the Class for settlement purposes only, (b)
5 Preliminary Approval of the proposed Settlement Agreement, and (c) setting a date for a Final
6 Approval/Settlement Fairness Hearing. The Preliminary Approval Order will provide for the
7 Notice to be sent to all Class Members as specified herein. In conjunction with the Preliminary
8 Approval hearing, Plaintiff will submit this Agreement, which sets forth the terms of the
9 Settlement, and will include the proposed Notice attached as Exhibit A. Defendant agrees that it
10 will not oppose Plaintiff's motion for Preliminary Approval. Any failure by the Court to fully and
11 completely approve the Agreement as to the Action will result in this Settlement Agreement and
12 the Memorandum of Understanding entered into by the Parties, and all obligations under this
13 Settlement Agreement and the Memorandum of Understanding being nullified and voided.

14 71. Final Settlement Approval Hearing and Entry of Judgment: Upon expiration of the
15 deadlines to postmark Requests for Exclusion or objections to the Settlement Agreement, and with
16 the Court's permission, a Final Approval/Settlement Fairness Hearing will be conducted to
17 determine the Final Approval of the Settlement Agreement along with the amounts properly
18 payable for: (a) Individual Settlement Payments; (b) the Attorneys' Fees and Costs; (c) the Class
19 Representative Enhancement Payments; and (d) the Settlement Administration Costs. Class
20 Counsel will be responsible for drafting all documents necessary to obtain Final Approval. Any
21 failure by the Court to fully and completely approve the Settlement Agreement as to all of the
22 Action, or the entry of any Order by another Court with regard to any of the Action which has the
23 effect of modifying material terms of this Agreement or preventing the full and complete approval
24 of the Settlement Agreement as written and agreed to by the Parties, will result in this Agreement
25 and all obligations under this Agreement being null and void. Defendant agrees it shall not oppose
26 the granting of the Motion for Final Approval, provided Defendant has not exercised its right to
27 rescind pursuant to the terms of this Agreement.

28 72. Judgment and Continued Jurisdiction: Upon Final Approval of the Settlement by

1 the Court or after the Final Approval/Settlement Fairness Hearing, the Parties will present the
2 Judgment to the Court for its approval. After entry of the Judgment, the Court will have continuing
3 jurisdiction solely for purposes of addressing: (a) the interpretation and enforcement of the terms
4 of the Settlement, (b) Settlement administration matters, and (c) such post-Judgment matters as
5 may be appropriate under court rules or as set forth in this Settlement.

6 73. Exhibits Incorporated by Reference: The terms of this Settlement include the terms
7 set forth in any attached Exhibits, which are incorporated by this reference as though fully set forth
8 herein. Any Exhibits to this Settlement are an integral part of the Settlement.

9 74. Entire Agreement: This Settlement Agreement and any attached Exhibits constitute
10 the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral
11 agreements may be deemed binding on the Parties.

12 75. Amendment or Modification: This Settlement Agreement may be amended or
13 modified only by a written instrument signed by counsel for all Parties or their successors-in-
14 interest and approved by the Court.

15 76. Authorization to Enter Into Settlement Agreement: Counsel for all Parties warrant
16 and represent they are expressly authorized by the Parties whom they represent to negotiate this
17 Settlement Agreement and to take all appropriate action required or permitted to be taken by such
18 Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other
19 documents required to effectuate the terms of this Settlement Agreement. The Parties and their
20 counsel will cooperate with each other and use their best efforts to affect the implementation of
21 the Settlement. If the Parties are unable to reach agreement on the form or content of any document
22 needed to implement the Settlement, or on any supplemental provisions that may become
23 necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court
24 to resolve such disagreement.

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

28 78. California Law Governs: All terms of this Settlement Agreement and Exhibits

hereto will be governed by and interpreted according to the laws of the State of California.

79. Execution and Counterparts: This Settlement Agreement is subject only to the execution of all Parties. However, the Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

80. 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.

81. Invalidity of Any Provision: Before declaring any provision of this 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 Agreement valid and enforceable.

82. Waiver of Certain Appeals: The Parties agree to waive appeals and to stipulate to class certification for purposes of this Settlement only; except, however, that either party may appeal any court order that materially alters the Settlement Agreement's terms.

83. Class Action Certification for Settlement Purposes Only: The Parties agree to stipulate to class action certification only for purposes of the Settlement. If, for any reason, the Settlement is not approved, the stipulation to certification will be void. The Parties further agree that certification for purposes of the Settlement is not an admission that class action certification is proper under the standards applied to contested certification motions and that this Agreement will not be admissible in this or any other proceeding as evidence that either: (a) a class action should be certified or (b) Defendant is liable to Plaintiff or any Class Member, other than according to the Settlement's terms.

1 84. Non-Admission of Liability: The Parties enter into this Agreement to resolve the
2 dispute that has arisen between them and to avoid the burden, expense and risk of continued
3 litigation. In entering into this Agreement, Defendant does not admit, and specifically denies, it
4 has violated any federal, state, or local law; violated any regulations or guidelines promulgated
5 pursuant to any statute or any other applicable laws, regulations or legal requirements; breached
6 any contract; violated or breached any duty; engaged in any misrepresentation or deception; or
7 engaged in any other unlawful conduct with respect to their employees. Neither this Agreement,
8 nor any of its terms or provisions, nor any of the negotiations connected with it, shall be construed
9 as an admission or concession by Defendant of any such violations or failures to comply with any
10 applicable law. Except as necessary in a proceeding to enforce the terms of this Agreement, this
11 Agreement and its terms and provisions shall not be offered or received as evidence in any action
12 or proceeding to establish any liability or admission on the part of Defendant or to establish the
13 existence of any condition constituting a violation of, or a non-compliance with, federal, state,
14 local or other applicable law.

15 85. Captions: The captions and section numbers in this Agreement are inserted for the
16 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
17 provisions of this Agreement.

18 86. Waiver: No waiver of any condition or covenant contained in this Settlement
19 Agreement or failure to exercise a right or remedy by any of the Parties hereto will be considered
20 to imply or constitute a further waiver by such party of the same or any other condition, covenant,
21 right or remedy.

22 87. Enforcement Action: In the event that one or more of the Parties institutes any legal
23 action or other proceeding against any other Party or Parties to enforce the provisions of this
24 Settlement or to declare rights and/or obligations under this Settlement, the successful Party or
25 Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees
26 and costs, including expert witness fees incurred in connection with any enforcement actions.

27 88. Mutual Preparation: The Parties have had a full opportunity to negotiate the terms
28 and conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly

1 against one Party than another merely by virtue of the fact that it may have been prepared by
2 counsel for one of the Parties, it being recognized that, because of the arms-length negotiations
3 between the Parties, all Parties have contributed to the preparation of this Settlement Agreement.

4 89. Representation By Counsel: The Parties acknowledge that they have been
5 represented by counsel throughout all negotiations that preceded the execution of this Agreement,
6 and that this Agreement has been executed with the consent and advice of counsel and reviewed
7 in full.

8 90. All Terms Subject to Final Court Approval: All amounts and procedures described
9 in this Settlement Agreement herein will be subject to final Court approval.

10 91. Cooperation and Execution of Necessary Documents: The Parties agree to
11 cooperate to promote participation in the Settlement, and in seeking court approval of the
12 Settlement. The Parties and their counsel agree not to take any action to encourage any Class
13 Members to opt out of and/or object to the Settlement. Defendant agrees not to obtain any
14 settlement agreement waivers, Pick Up Stix agreements or arbitration agreements from any Class
15 Member prior to the funding of the Gross Settlement Amount concerning claims released via this
16 Agreement, or enter into any arbitration agreement with any Class Member that covers the claims
17 released via this Agreement during the Settlement approval process prior to the funding of the
18 Gross Settlement Amount and that the Parties will work in good faith to reach an agreement
19 approved by the Court.

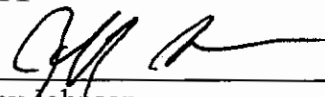
20 92. Confidentiality: The Parties and their counsel agree to keep the terms of the
21 Settlement confidential until the filing of Plaintiff's Motion for Preliminary Approval. Plaintiff,
22 Class Counsel, Defendant and their counsel agree that they will not issue any press releases, initiate
23 any contact with the press, respond to any press inquiry or have any communication with the press
24 about the fact, amount or terms of the Settlement Agreement. Nothing in this Settlement
25 Agreement shall limit Defendant's ability to fulfill disclosure obligations reasonably required by
26 law or in furtherance of business purposes, including the fulfillment of obligations stated in this
27 Settlement Agreement or limit Class Counsel's communications with the Class Members in
28 furtherance of approval of this Settlement.

1 93. Binding Agreement: The Parties warrant that they understand and have full
2 authority to enter into this Settlement, and further intend that this Settlement Agreement will be
3 fully enforceable and binding on all Parties and agree that it will be admissible and subject to
4 disclosure in any proceeding to enforce its terms, notwithstanding any settlement confidentiality
5 provisions that otherwise might apply under federal or state law.

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7 [SIGNATURES ON FOLLOWING PAGE]
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1 Dated: 3/26/24

2 **PLAINTIFF**

3 By: 

4 Jeffrey Johnson

5 Dated: 3/27/2024

6 **PROTECTION LAW GROUP, LLP**

7 By: 

8 Heather Davis, Esq.

9 Attorneys for Plaintiff

10 Dated: April 9, 2024

11 **LAWYERS FOR JUSTICE P.C.**

12 By: 

13 Joanna Ghosh

14 Arby Aiwarzian

15 Attorneys for Plaintiff

16 Dated: _____

17 **DEFENDANT**

18 **TECNICO CORPORATION**

19 By: _____

20 Name: _____

21 Title: _____

22 Dated: _____

23 **O'HAGAN MEYER.**

24 By: _____

25 Vickie Grasu

26 Attorneys for Defendant

1 Dated: _____
2

PLAINTIFF

3 By: _____
4 Jeffrey Johnson

5 Dated: _____
6

PROTECTION LAW GROUP, LLP

7 By: _____
8 Heather Davis, Esq.
9 Attorneys for Plaintiff

10 Dated: _____
11

LAWYERS FOR JUSTICE P.C.

12 By: _____
13 Joanna Ghosh
14 Arby Aiwarzian
15 Attorneys for Plaintiff

16 Dated: 4/1/2024
17

DEFENDANT

TECNICO CORPORATION

18 By: Raymond G. Wittersheim
19 Name: RAYMOND G. WITTERSHEIM
20 Title: PRESIDENT & CEO
21

22 Dated: April 1, 2024
23

O'HAGAN MEYER.

24 By: Vickie Grasu
25 Vickie Grasu
26 Attorneys for Defendant
27
28

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Johnson v. Tecnico Corporation

San Diego County Superior Court, Case No. 30-2022-000219709

**THIS IS A COURT-AUTHORIZED NOTICE. IT IS NOT A SOLICITATION.
PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DO NOT ACT.**

To:	All current and former hourly-paid, non-exempt employees who are or were employed by Tecnico Corporation in the State of California at any time from June 8, 2018, through November 20, 2023.
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BASIC INFORMATION

1. What is this settlement about?

A lawsuit was commenced by Jeffrey Johnson (“Plaintiff”) a former employee of Tecnico Corporation (“Defendant”) on August 20, 2021. The case is currently pending in the San Diego County Superior Court, Case No. 30-2022-00021970.

The lawsuit claims that Defendant violated sections of the California Labor Code and California Business and Professions Code. Specifically, Plaintiff alleges that Defendant failed to provide compliant meal and rest periods and associated premium pay, did not properly pay employees all wages owed for time worked, did not provide accurate wage statements, did not timely pay all wages during employment and all wages owed at termination of employment, failed to reimburse employees for necessary business expenses, failed to maintain accurate payroll records, and maintained unfair business practices. The settlement also seeks to recover penalties pursuant to the California Private Attorneys General Act (“PAGA”). The lawsuit claims that the Defendant violated the California Labor Code and the California Business and Professions Code, entitling Class Members to, *inter alia*, damages, penalties and restitution. Defendant denies all alleged violations and denies that it owes Class Members any remedies. The Court has not made a ruling on the merits of the case.

2. Why is this a class action?

In a class action, one or more people called the Class Representative (in this case Jeffrey Johnson, also known as “Plaintiff”), sue on behalf of people who appear to have similar claims (in this case all individuals who were employed by Defendant Tecnico Corporation in the state of California as hourly-paid, non-exempt employees at any time from June 8, 2018, through November 20, 2023. All these people are referred to here as Class Members. In a class action one court resolves the issues for all Class Members in one lawsuit, except for those who exclude themselves from the Class. The San Diego County Superior Court is in charge of this class action.

3. Why is there a settlement?

The Court has not decided in favor of the Plaintiff or Defendant. Instead, both sides agreed to a settlement which is memorialized in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement” or “Settlement”). On [DATE OF PRELIMINARY APPROVAL] the Court granted preliminary approval of the Settlement, appointed Plaintiff Jeffrey Johnson as the Class Representative, and appointed his attorneys at Protection Law Group and Lawyers for Justice as counsel for the Class (“Class Counsel”). The Court has not made a final ruling on whether the settlement is fair, adequate, and reasonable. Instead, the Court has found that the settlement within the range of

reasonableness that could be approved. A Final Determination on whether to approve the settlement will be made at the hearing on [REDACTED]. The Class Representative and Class Counsel think the Settlement is best for the Class.

WHO IS IN THE SETTLEMENT?

4. How do I know if I am part of the settlement?

You are part of the Settlement, and a Class Member, if you were employed by Defendant as an hourly-paid, non-exempt employee in the state of California at any time between June 8, 2018, and November 20, 2023.

THE SETTLEMENT BENEFITS—WHAT YOU GET

5. What does the settlement provide?

The Settlement provides that Defendant will pay a maximum of Eight Hundred and Fifty Thousand Dollars (\$850,000.00) (“Gross Settlement Amount”). This includes all costs and attorneys’ fees for Class Counsel.

The “Net Settlement Amount” is the portion of the Gross Settlement Amount that will be available for distribution to Class Members who do not submit timely and valid requests for exclusion in exchange for the release of their class claims. The Net Settlement Amount is the Gross Settlement Amount less the following amounts (which are subject to Court approval):

- A. **Attorneys’ Fees to Class Counsel** not to exceed one-third of the Gross Settlement Amount or Two Hundred and Eighty-Three Thousand Three Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$283,333.33);
- B. **Litigation Costs/Expenses to Class Counsel** not to exceed Twenty-Five Thousand Dollars (\$25,000.00);
- C. **Incentive Payment to the Class Representative** in an amount not to exceed Ten Thousand Dollars (\$10,000.00);
- D. **Settlement Administration Costs** which are currently estimated to be Five Thousand Dollars (\$5,000.00); and
- E. **PAGA Payment** in the amount of Forty Thousand Dollars (\$40,000.00) for the settlement of claims arising under the Private Attorney’s General Act of 2004 (PAGA). Seventy-Five percent (75%) of this amount, (\$30,000.00) shall be paid to the LWDA. The remaining twenty-five percent (25%) (\$10,000.00) will be distributed to hourly-paid, non-exempt employees who worked for Defendant from June 8, 2021, through November 20, 2023 (the “PAGA Members”) for the release of their claims arising under PAGA.

The amount you are eligible to receive from the settlement, your “Individual Settlement Payment” will be determined on a *pro rata* basis, based on the number of weeks you worked in California as an hourly-paid, non-exempt employee of Defendant from June 8, 2018, through November 20, 2023. (“Workweeks”). Your Individual Settlement Payment includes both your estimated share of the Net Settlement Amount and, if eligible, your share of the PAGA Payment.

The Class Portion of your Individual Settlement Payment will be apportioned as ten percent (10%) wages, forty-five percent (45%) interest, and forty-five percent (45%) penalties. The PAGA Portion of your Individual Settlement Payment will be allocated 100% as penalties. The wage portion of the Individual Settlement Payment will be subject to withholding for the employee taxes and will be reported on a W-2 Form. Employer-side payroll taxes shall be paid separately from and in addition to the Gross Settlement Amount. The penalties and interest portions of each class member’s settlement payment will not be subject to any withholdings and will be reported on an IRS Form 1099.

You worked XXX workweeks during the Class Period. The Class Portion of your Individual Settlement Payment is \$XXX.XX. The amount of the payment may change depending on the number of timely and valid requests for exclusions submitted in the Settlement, if any.

You worked XXX workweeks during the PAGA Period. The PAGA Portion of your Individual Settlement Payment is \$XXX.XX.

This Amount was determined based on Defendant's record of your employment between June 8, 2018, and November 20, 2023, and is presumed correct. If you dispute the accuracy of Defendant's records as to the number of weeks worked during the Class Period, you must contact the Settlement Administrator and provide any documentation you have supporting such dispute by [DATE]. All disputes regarding your workweeks will be resolved and decided by the Parties or if the Parties cannot agree, the Court, after you submit evidence to the Settlement Administrator. The Settlement Administrator's contact information is listed below:

[Settlement Administrator]

[Address]

[Telephone No].

HOW TO GET A PAYMENT FROM THE SETTLEMENT

6. How can I get a payment?

You do not have to do anything to qualify for a payment of your portion of the Settlement.

7. What am I giving up if I do not request to be excluded from the Settlement?

Upon the funding of the Gross Settlement Amount by Defendant, in exchange for the consideration set forth by the Settlement, Class Members who do not submit a timely request for exclusion will release the "Released Parties" from the "Released Class Claims" that arose during the "Class Period."

The "Released Parties" include Defendant and any of its past, present and/or future, direct and/or indirect, officers, directors, members, managers, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers.

The "Released Class Claims" claims, rights, demands, liabilities and causes of actions that are alleged, or that reasonably could have been alleged, based on the facts asserted in the operative complaint in the Action, and that arose during the Class Period, including, but not limited to, state wage and house claims for any and all violations of California's Labor Code and Unfair Competition Law based on: (i) failure to pay all regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof; (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate wage statements; (vi) failure to pay wages timely at time of termination or resignation; ; (vii) failure to timely pay wages during employment ; (viii) unfair business practices; and (ix) failure to maintain required payroll records. The Class Members who cash their Settlement Checks further acknowledge they are releasing any claims they have against Defendant under the Fair Labor Standards Act ("FLSA").

The "Class Period" during which the release of Released Class Claims pertains is from June 8, 2018, through November 20, 2023.

Additionally, all current and former non-exempt employees of Defendant who were employed by Defendant in the state of California between June 8, 2021, and November 20, 2023, shall release the Released PAGA Claims that arose during the PAGA Period. You cannot opt-out of the release of the claims alleged under PAGA.

The "Released PAGA Claims" include: all claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the facts alleged both in the PAGA Notice provided to the

LWDA and in the operative complaint, and that arose during the PAGA Period, including but not limited to penalties that could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699.

The “PAGA Period” during which the release of the Released PAGA Claims pertains is from June 8, 2021, through November 20, 2023.

EXCLUDING YOURSELF FROM THE RELEASE OF NON-PAGA CLAIMS

If you want to keep the right to sue or continue to sue Defendant with respect to the Released Class Claims then you must submit a request for exclusion in conformity with the requirements set forth herein. If you exclude yourself, you will not receive payment from Net Settlement Amount. However, if eligible, you will still receive a payment in an amount equal to your estimated *pro rata* share of the PAGA Payment because the Request for Exclusion does not apply to this claim.

8. How can I not participate in the Settlement?

To exclude yourself from the release of Released Class Claims you must submit a written request for exclusion. You must include your name, address, telephone number and the last four digits of your social security number and/or Employee ID number. Your request for exclusion must include a clear statement that you do not wish to be included in this action.

The written for Exclusion must be mailed to the Settlement Administrator at the address listed below, post-marked by [DATE]. You cannot exclude yourself by phone.

[Settlement Administrator]

[Address]

[Telephone No.]

If you ask to be excluded, you will not receive payment of any portion of the Net Settlement Amount and you cannot object to the Settlement. You will not be legally bound by the release of Released Class Claims.

You may be able to sue Defendant and/or the Released Parties or continue any suit you have pending against Defendant or the Released Parties, regarding the Released Class Claims.

9. If I don’t exclude myself, can I sue Defendant for the same thing later?

No. Unless you submit a request for exclusion, you give up the right to sue Defendant and Released Parties for the Released Class Claims. If you have a pending lawsuit involving the Released Class Claims, speak to your lawyer in that lawsuit immediately.

10. If I exclude myself, can I get money from this settlement?

No. (except if you worked between June 8, 2021, and November 20, 2023, in which case you will still receive the portion of your Individual Settlement Payment for claims that arise under PAGA.). But if you submit a timely and valid request for exclusion, you retain any right that you may have to sue, continue to sue, or be part of a different lawsuit against Released Parties for Released Class Claims.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court has approved PROTECTION LAW GROUP, LLP and LAWYERS FOR JUSTICE, P.C. as Class Counsel. The firms' contact information is:

Lawyers for Justice, PC
Edwin Aiwarzian, Esq.
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020

PROTECTION LAW GROUP LLP
Heather Davis, Esq.
Amir Nayebdadash, Esq.
237 California Street
El Segundo, California 90245
Telephone: (424) 290-3095

Class Counsel will ask the Court for attorneys' fees of up to \$283,333.33 and reimbursement of litigation cost/expenses of up to \$25,000. These amounts are subject to Court approval and the Court may award less than these amounts.

OBJECTING TO THE SETTLEMENT

You can object to the Settlement or some part of it.

12. How do I tell the Court if I don't like the settlement?

If you are a Class Member, you can object to the Settlement and you can give reasons for why you think the Court should not approve it. The Court will consider your views. To object, you must mail your objection to the Settlement Administrator no later than [DATE]. Your objection must include your full name, address, telephone number, the last four digits of your social security number or employee ID number, the name of the case and case number, and the specific reason for your objection. You may also come to the Final Approval Hearing on [DATE] and make an objection at that time, regardless of whether you submitted a written objection.

13. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to grant final approval of the Settlement ("Final Approval Hearing"). You may attend, but you do not have to attend.

14. When and where will the Court decide whether to approve the settlement?

The Court will hold the Final Approval Hearing at [] a.m./p.m. on [], 2024], in Department C-65 of the San Diego Superior Court, located at 330 W Broadway San Diego, CA 92101

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate, and determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them.

15. Do I have to come to the hearing?

No. If you agree to the Settlement you do not have to come to Court to talk about it. However, you may attend. You may also retain your own lawyer at your expense to attend on your behalf. You may attend in person, but you may also attend remotely if you wish. Information on appearing remotely may be found on the San Diego Superior Court's website located at: <https://www.sdcourt.ca.gov/sdcourt/civil2/civilvirtualhearings>

16. How will I learn if the settlement was approved

A notice of final judgment will be posted on the Settlement Administrator website located at [www. \[REDACTED\] .com](http://www. [REDACTED] .com)

IF YOU DO NOTHING

17. What happens if I do nothing at all?

If you do nothing, you will receive your share of the Settlement, and you will release the Released Class Claims. You will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendant or Released Parties about the Released Class Claims, ever again. Your Individual Settlement Payment will be mailed to you and remain valid and negotiable for 180 days. If you do not cash your settlement check within 180 days, these funds will be transferred to the Controller of the State of California's Unclaimed Property Fund. You may then claim these funds from there.

GETTING MORE INFORMATION

18. How do I get more information?

This notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by viewing the settlement located on the Settlement Administrator's website at [\[REDACTED\] .com](http:// [REDACTED] .com) or by contacting the Settlement Administrator or Class Counsel.

WHAT IF MY INFORMATION CHANGES?

19. What if my contact information changes?

It is your responsibility to inform the Settlement Administrator of your updated information to ensure receipt of settlement payments or communications regarding this matter. You can change or update your contact information by contacting the Settlement Administrator.

DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR THE LITIGATION TO THE CLERK OF THE COURT OR THE JUDGE