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on behalf of himself and all others similarly situated
6 and aggrieved

7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8 **FOR THE COUNTY OF ORANGE**

9 JIMMY A. PALMA, an individual and on
10 behalf of all others similarly situated,

11 Plaintiff,

12 v.
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14 SUNSET SIGNS AND PRINTING, INC., a
California corporation; TRACY
15 ESCHENBRENNER, an individual;
and DOES 1 through 100, inclusive,
16

17 Defendants.
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CASE NO.: 30-2024-01379991-CU-OE-CXC
[Assigned for all purposes to the Hon. Melissa
R. McCormick in Dept. CX-104]

[PROPOSED] **ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT AND CERTIFYING
CLASS FOR SETTLEMENT PURPOSES
ONLY**

1 This Court, having considered the Motion of plaintiff Jimmy A. Palma (“Plaintiff”) for
2 Preliminary Approval of Class and Representative Action Settlement and Provisional Class
3 Certification for Settlement Purposes Only (“Motion for Preliminary Approval”), the Declarations
4 of Joshua Shirian, Plaintiff, and Lisa Mullins, the Joint Stipulation Re: Class Action and
5 Representative Action Settlement (the “Settlement,” “Settlement Agreement” or “Agreement”), the
6 proposed Notice of Proposed Class Action Settlement and Date for Final Approval Hearing (“Class
7 Notice”), and other documents submitted in support of the Motion for Preliminary Approval, hereby
8 **ORDERS, ADJUDGES AND DECREES THAT:**

9 1. The definitions set out in the Settlement Agreement are incorporated by reference
10 into this Order as though set forth in full therein; all terms defined therein shall have the same
11 meaning in this Order. A true and correct copy of the Settlement Agreement is attached hereto as
12 “Exhibit 1”.

13 2. The Court certifies the following settlement class (“Settlement Class,” “Settlement
14 Class Members” or “Class Members”) for the purpose of settlement only: all current and former
15 non-exempt, hourly-paid employees who worked for Sunset Signs and Printing, Inc. (“Sunset
16 Signs”) in California between February 16, 2020 through June 16, 2024 (“Class Period”), excluding
17 family members of Defendant Tracy Eschenbrenner.

18 3. The Court preliminarily appoints the named plaintiff Jimmy A. Palma as Class
19 Representative and Joshua Shirian of Shirian Law, P.C., as Class Counsel.

20 4. The Court preliminarily approves the proposed class settlement upon the terms and
21 conditions set forth in the Settlement Agreement. The Court finds, on a preliminary basis, that the
22 settlement appears to be within the range of reasonableness of settlement that could ultimately be
23 given final approval by the Court. It appears to the Court on a preliminary basis that the settlement
24 amount is fair, adequate, and reasonable as to all potential class members when balanced against the
25 probable outcome of further litigation relating to liability and damages issues. It further appears
26 that extensive and costly investigation and research has been conducted such that counsel for the
27 parties at this time are reasonably able to evaluate their respective positions. It further appears to
28 the Court that the settlement at this time will avoid substantial additional costs to all parties, as well

1 as the delay and risks that would be presented by the further prosecution of the Action. It further
2 appears that the settlement has been reached as the result of intensive, non-collusive and arms-length
3 negotiations utilizing an experienced third-party neutral.

4 5. The Court approves, as to form and content, the Class Notice that has been submitted
5 herewith.

6 6. The Court directs the mailing of the Class Notice by first-class regular U.S. mail to
7 the Class Members in accordance with the procedures set forth in the Settlement Agreement. The
8 Court finds that dissemination of the Class Notice set forth in the Settlement Agreement complies
9 with the requirements of law and appears to be the best notice practicable under the circumstances.

10 7. The Court hereby preliminarily approves the definition and disposition of the Gross
11 Settlement Amount of \$225,000.00, which is inclusive of: attorneys' fees of thirty-two percent
12 (32%) of the Gross Settlement Amount, which, if not escalated pursuant to the Settlement
13 Agreement, amounts to \$72,000.00, in addition to actual costs incurred of up to \$25,000.00; service
14 award of up to \$7,500.00 to Plaintiff; costs of settlement administration of no more than \$12,000.00
15 and Private Attorneys' General Act of 2004 ("PAGA") penalties in the amount of \$15,000.00, of
16 which \$11,250.00 (75%) will be paid to the Labor and Workforce Development Agency ("LWDA")
17 and \$3,750.00 (25%) to "Aggrieved Employees," are defined as all non-exempt, hourly-paid
18 employees who worked for Sunset Signs in California between February 2, 2023 through June 16,
19 2024 ("PAGA Period"), excluding family members of Defendant Tracy Eschenbrenner.

20 8. The Gross Settlement Amount expressly excludes Employer Taxes, which will be
21 paid separately and apart by Defendants on the wages portion of the Gross Settlement Amount.

22 9. "Qualifying Workweek" shall mean a workweek worked by a Settlement Class
23 Member for Sunset Signs in a non-exempt, hourly position during the Class Period.

24 10. "Qualifying Pay Period" is any pay period worked by an Aggrieved Employee for
25 Sunset Signs during the PAGA Period.

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1 11. The Gross Settlement Amount is based on Defendants’ representation that the
2 Settlement Class worked approximately 8,279 Qualifying Workweeks during the Class Period. In
3 the event that it is determined that the number of Qualifying Workweeks worked by Class Members
4 during the Class Period increases by more than 5%, or more than 414 Qualifying Workweeks, then
5 the Gross Settlement Amount shall be increased by one percent (1%) for every one percent (1%)
6 increase in Qualifying Workweeks over the 5% threshold. Thus, if the number of Qualifying
7 Workweeks worked by Class Members from February 16, 2020 to June 16, 2024 is 7% greater than
8 8,693, then Defendants will increase the Gross Settlement Amount by 2%, or $\$225,000 \times .02$, for an
9 increased Gross Settlement Amount of $\$229,500 (\$225,000 + \$4,500)$.

10 12. The Court deems ILYM Group, Inc. (“ILYM” or “Settlement Administrator”), the
11 settlement administrator, and payment of administrative costs, not to exceed \$12,000.00 out of the
12 Gross Settlement Amount for services to be rendered by Phoenix on behalf of the class.

13 13. Before the date by which Plaintiff is required to file the Motion for Final Approval
14 of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a
15 declaration suitable for filing in Court attesting to its due diligence and compliance with all of its
16 obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class
17 Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members,
18 the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
19 number of written objections and attach the Exclusion List. The Administrator will supplement its
20 declaration as needed or requested by the Parties and/or the Court.

21 14. The Court directs Defendants’ Counsel to, within fifteen (15) days after the
22 Preliminary Approval Date, provide ILYM with information with respect to each Class Member
23 and/or Aggrieved Employee, including his or her: (1) name; (2) last known address(es) currently in
24 Defendants’ possession, custody, or control; (3) last known telephone number(s) currently in
25 Defendants’ possession, custody, or control; (4) last known Social Security Number(s) in
26 Defendants’ possession, custody, or control; (5) the the number of Qualifying Workweeks for each
27 Settlement Class Member for the Class Period, and (6) the number of Qualifying Pay Periods for
28 each Aggrieved Employee for the PAGA Period (hereafter, the “Class List”).

1 15. Upon receipt of the Class List, the Settlement Administrator shall perform an address
2 search using the United States Postal Service National Change of Address (“NCOA”) database and
3 update the addresses contained on the Class List with the newly-found addresses, if any. To the
4 extent that this process yields an updated address, that updated address shall replace the last known
5 address and be treated as the new last known address for purposes of this Settlement, and for
6 subsequent mailings.

7 16. Because Social Security Numbers are included in the Class List, the Settlement
8 Administrator shall maintain the Class List in confidence, and shall only access and use the data to
9 administer the settlement in conformity with the Settlement Agreement and the Court’s orders
10 approving the settlement.

11 17. Using best efforts to perform as soon as possible, and in no event later than seven (7)
12 days after receiving the Class List from Defendants, the Settlement Administrator shall mail the
13 Class Notice in English and Spanish to the Settlement Class Members via first-class regular U.S.
14 Mail using the most current mailing address information available.

15 18. “Response Deadline” means the deadline for Settlement Class Members to mail any
16 Requests for Exclusion, Objections, or Qualifying Workweek Disputes to the Settlement
17 Administrator, which is forty-five (45) calendar days from the date that the Class Notice is first
18 mailed by the Settlement Administrator, unless a Class Member’s notice is re-mailed. In such an
19 instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or forty-
20 five (45) calendar days from the date of the initial mailing, whichever is later, in which to postmark
21 a Request for Exclusion, Qualifying Workweek Dispute or Objection. The date of the postmark
22 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or
23 Qualifying Workweek Dispute was submitted by the Response Deadline.

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1 19. Class Members who wish to exclude themselves (opt-out of) the Class Settlement
2 must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days
3 after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose
4 Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her
5 representative that reasonably communicates the Class Member's election to be excluded from the
6 Settlement and includes the Class Member's name, address and email address or telephone number.
7 To be valid, a Request for Exclusion must be emailed or postmarked by the Response Deadline

8 20. Any Class Member who does not opt out of the Settlement Class by submitting a
9 timely and valid Request for Exclusion will be bound by all terms of the Settlement, including those
10 pertaining to the Class Released Claims, as well as any Judgment that may be entered by the Court
11 if Final Approval of the Class Settlement is granted.

12 21. All Aggrieved Employees (including Plaintiff) and the State of California will be
13 bound by all terms of the Settlement, including those pertaining to the Released Claims, as well as
14 any Judgment that may be entered by the Court if Final Approval of the Class Settlement is granted.

15 22. Not later than seven (7) days after the expiration of the deadline for submitting
16 Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel
17 containing (a) the names and other identifying information of Class Members who have timely
18 submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying
19 information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all
20 Requests for Exclusion from Settlement submitted (whether valid or invalid).

21 23. Participating Class Members may send written objections to the Administrator by
22 mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to
23 appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class
24 Member who elects to send a written objection to the Administrator must do so not later than 45
25 days after the Administrator's mailing of the Class Notice (plus an additional 15 days for Class
26 Members whose Class Notice was re-mailed).

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1 24. If a Settlement Class Member submits an Objection and a Request for Exclusion, the
2 Request for Exclusion will control and the Objection will be overruled.

3 25. Each Class Member shall have 45 days after the Administrator mails the Class Notice
4 (plus an additional 15 days for Class Members whose Class Notice is re-mailed) to challenge the
5 number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the
6 Class Notice. The Class Member may challenge the allocation by communicating with the
7 Administrator via mail. The Administrator must encourage the challenging Class Member to submit
8 supporting documentation.

9 26. Defendants shall fund the Gross Settlement Amount, and also fund the amounts
10 necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the
11 Administrator no later than twenty (20) business days after the Effective Date.

12 27. Within seven (7) days after Defendants funds the Gross Settlement Amount, the
13 Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments,
14 the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees
15 Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service
16 Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
17 Payment and the Class Representative Service Payment shall not precede disbursement of Individual
18 Class Payments and Individual PAGA Payments.

19 28. Individual Settlement Payment and Individual PAGA Payment checks shall remain
20 valid and negotiable for one hundred and eighty (180) calendar days after the date of their issuance.
21 In the event that any checks mailed to Participating Class Members and/or Aggrieved Employees
22 are not cashed, deposited, or otherwise negotiated within the 180-day period, then the checks shall
23 be sent to the California State Controller's Office Unclaimed Property Fund in the name of the
24 individual, and such Class Members and/or Aggrieved Employees shall nevertheless be bound to
25 the Settlement and the Final Approval Order. Thus, there shall be no "Unpaid Residue" subject to
26 the requirements of California Code of Civil Procedure section 384.

27 29. All papers filed in support of final approval, including supporting documents for
28 attorneys' fees and costs, shall be filed by _____.

1 30. A Final Approval Hearing shall be held with the Court on _____
2 at ____:____.m in Department CX-104 of the above-entitled Court to determine: (1) whether the
3 proposed settlement is fair, reasonable and adequate, and should be finally approved by the Court;
4 (2) the amount of attorneys' fees and costs to be awarded to Class Counsel; (3) the amount of service
5 award to the Class Representative; (4) the amount to be paid to the Settlement Administrator; and
6 (5) the amount to be apportioned to PAGA and/or paid to the LWDA and Aggrieved Employees.

7 **IT IS SO ORDERED.**

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9 Dated: _____

The Hon. Melissa R. McCormick
Judge of the Superior Court

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EXHIBIT 1

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

JIMMY A. PALMA, an individual and on
 behalf of all others similarly situated

Plaintiff,

v.

SUNSET SIGNS AND PRINTING, INC., a
 California corporation; TRACY
 ESCHENBRENNER, an individual; and
 DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 30-2024-01379991-CU-OE-CXC

[Assigned for all purposes to the Hon.
 Melissa R. McCormick in Dept. CX-104]

CLASS ACTION

**JOINT STIPULATION RE: CLASS
 ACTION AND REPRESENTATIVE
 ACTION SETTLEMENT**

Action Filed: February 16, 2024
 Trial Date: None set

This Joint Stipulation re: Class Action and Representative Action Settlement (“Settlement” or “Agreement” or “Settlement Agreement”) is made by and between plaintiff JIMMY A. PALMA (“Plaintiff”) individually and on behalf of the Settlement Class, on the one hand; and defendants SUNSET SIGNS AND PRINTING, INC. (“Sunset Signs”) and TRACY ESCHENBRENNER (“Eschenbrenner” and collectively with Sunset Signs, “Defendants”), on the other hand, in the lawsuit entitled *Palma v. Sunset Signs and Printing, Inc., et al.*, filed in Orange County Superior Court, Case No. 30-2024-01379991-CU-OE-CXC (the “Action”). Plaintiff and Defendants shall be, at times, collectively referred to as the “Parties”. This Agreement is intended by the Parties to fully, finally, and forever resolve the claims as set forth herein, based upon and subject to the terms and conditions of this Agreement.

1. DEFINITIONS

A. “Action” means *Palma v. Sunset Signs and Printing, Inc., et al.*, filed in Orange County Superior Court, Case No. 30-2024-01379991-CU-OE-CXC.

B. “Aggrieved Employees” means Class Members working for Defendants during the PAGA Period as non-exempt, hourly-paid employees in California.

C. “Class Counsel” means: Joshua Shirian of Shirian Law, P.C. The term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

D. “Class Period” means the period from February 16, 2020 through June 16, 2024.

E. “Class Notice” means and refers to the notice sent to Class Members after preliminary approval of the Settlement in the manner described in Paragraph 9(A) of this Agreement.

F. “Court” means the Superior Court of the State of California for the County of Orange.

G. “Final Approval Date” means the later of: (1) the date the Court signs an Order granting final approval of this Settlement (“Final Approval”) and Judgment; (2) if there is an objector, 60 days from the date the Final Approval and Judgment; or (3) to the extent any appeals have been filed, the date on which they have been resolved or exhausted.

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1 **H. “Defendants”** means, collectively, Sunset Signs and Printing, Inc. and Tracy
2 Eschenbrenner.

3 **I. “Employer Taxes”** means employer-funded taxes and contributions imposed on
4 the wage portions of the Individual Settlement Payments under the Federal Insurance
5 Contributions Act, the Federal Unemployment Tax Act, and any similar state and federal taxes and
6 contributions required of employers, such as for unemployment insurance.

7 **J. “General Release”** means the broader release of claims by Plaintiff, which is in
8 addition to Plaintiff’s limited release of claims as a Participating Class Member.

9 **K. “Gross Settlement Amount”** means a non-reversionary fund in the sum of Two
10 Hundred and Twenty-Five Thousand Dollars and Zero Cents (\$225,000.00),¹ which shall be paid
11 by Defendants, from which all payments for the Individual Settlement Payments to Participating
12 Class Members, the Court-approved amounts for attorneys’ fees and reimbursement of litigation
13 costs and expenses to Class Counsel, Settlement Administration Costs, the Service Award, the
14 PAGA Payment, and the LWDA Payment shall be paid. It expressly excludes Employer Taxes,
15 which shall be paid by Defendants separate, apart, and in addition to the Gross Settlement
16 Amount.

17 **L. “Individual PAGA Payment”** means a payment made to an Aggrieved Employee
18 for his or her share of the PAGA Payment, which may be in addition to his or her Individual
19 Settlement Share if he or she is also a Participating Class Member.

20 **M. “Individual Settlement Payment”** means a payment to a Participating Class
21 Member of his or her net share of the Net Settlement Amount.

22 **N. “Individual Settlement Share”** means the gross amount of the Net Settlement
23 Amount that a Participating Class Member is projected to receive based on the number of
24 Workweeks that he or she worked as a Settlement Class Member during the Class Period, which
25 shall be reflected in his or her Class Notice.

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28 ¹ As the same may be increased in accordance with Paragraph 17, below.

1 **O. “LWDA Payment”** means the payment to the State of California Labor and
2 Workforce Development Agency (“LWDA”) for its seventy-five percent (75%) share of the total
3 amount allocated toward penalties under the PAGA all of which is to be paid from the Gross
4 Settlement Amount. The Parties have agreed that Fifteen Thousand Dollars and Zero Cents
5 (\$15,000.00) shall be allocated toward PAGA penalties, of which Eleven Thousand Two Hundred
6 Fifty Dollars and Zero Cents (\$11,250.00) will be paid to the LWDA (*i.e.*, the LWDA Payment)
7 and Three Thousand Seven Hundred Fifty Dollars and Zero Cents (\$3,750.00) will be paid to
8 Aggrieved Employees on a *pro rata* basis based on the Workweeks worked for Defendants as a
9 non-exempt, hourly-paid employee in California in the PAGA Period (*i.e.* the PAGA Payment).

10 **P. “Net Settlement Amount”** means the portion of the Gross Settlement Amount that
11 is available for distribution to the Participating Class Members after deductions for the Court-
12 approved allocations for Settlement Administration Costs, a Service Award to Plaintiff, an award
13 of attorneys’ fees, reimbursement of litigation costs and expenses to Class Counsel, the LWDA
14 Payment, and the PAGA Payment.

15 **Q. “Operative Complaint” or “Complaint”** means the First Amended Complaint
16 that was filed with the Court on April 24, 2024.

17 **R. “PAGA Payment** is the 25% portion of the Fifteen Thousand Dollars and Zero
18 Cents (\$15,000.00) that is allocated toward PAGA penalties, Three Thousand Seven Hundred
19 Fifty Dollars and Zero Cents (\$3,750.00) that will be paid to Aggrieved Employees on a *pro rata*
20 basis based on the Pay Periods worked as non-exempt, hourly-paid employees in California in the
21 PAGA Period, which would be in addition to their Individual Settlement Payment if they are
22 Participating Class Members, as well.

23 **S. “PAGA Period”** means the period from February 2, 2023 through June 16, 2024.

24 **T. “Participating Class Members”** means all Settlement Class Members who do not
25 submit a timely and valid Request for Exclusion.

26 **U. “Participating Individual Settlement Share”** means the gross amount of the Net
27 Settlement Amount that a Participating Class Member is eligible to receive based on the number
28 of Workweeks that he or she worked as a Settlement Class Member during the Class Period once

1 all opt-outs have been factored in, excluding any Individual PAGA Payment to which he or she
2 may be entitled if he or she is also an Aggrieved Employee.

3 **V. "Pay Periods"** means the number of pay periods that a Class Member was
4 employed by, and worked on one or more days, for the Defendants in a non-exempt, hourly
5 position during the PAGA Period in California.

6 **W. "Plaintiff", "Named Plaintiff" or "Class Representative"** shall refer to Plaintiff
7 Jimmy A. Palma.

8 **X. "Preliminary Approval Date"** means the date on which the Court enters an Order
9 granting preliminary approval of the Settlement.

10 **Y. "Released Parties"** shall mean Defendants and each of their past, present, and
11 future respective subsidiaries, dba's, affiliates, parents, insurers and reinsurers, and company-
12 sponsored employee benefit plans of any nature and their successors and predecessors in interest,
13 including all of their officers, directors, shareholders, employees, agents, principals, heirs,
14 representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees,
15 and agents.

16 **Z. "Response Deadline"** means the deadline for Settlement Class Members to mail
17 any Requests for Exclusion, Objections, or Workweek Disputes to the Settlement Administrator,
18 which is forty-five (45) calendar days from the date that the Class Notice is first mailed in English
19 and Spanish by the Settlement Administrator, unless a Class Member's notice is re-mailed. In
20 such an instance, the Response Deadline shall be fifteen (15) calendar days from the re-mailing, or
21 forty-five (45) calendar days from the date of the initial mailing, whichever is later, in which to
22 postmark a Request for Exclusion, Workweek Dispute or Objection. The date of the postmark
23 shall be the exclusive means for determining whether a Request for Exclusion, Objection, or
24 Workweek Dispute was submitted by the Response Deadline.

25 **AA. "Request for Exclusion"** means a written request to be excluded from the
26 Settlement Class pursuant to Paragraph 9(C) below.

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1 **BB. "Service Award"** means monetary amounts to be paid to Plaintiff of up to Seven
2 Thousand, Five Hundred Dollars and Zero Cents (\$7,500.00), which subject to Court approval,
3 will be paid out of the Gross Settlement Amount.

4 **CC. "Settlement Administration Costs"** means all costs incurred by the Settlement
5 Administrator in administration of the Settlement, including, but not limited to, translating the
6 Class Notice to Spanish, the distribution of the Class Notice to the Settlement Class in English and
7 Spanish, calculating Individual Settlement Shares, Individual Settlement Payments, Individual
8 PAGA Payments, and Participating Individual Settlement Shares, as well as associated taxes and
9 withholdings, providing declarations, generating Individual Settlement Payment checks and
10 related tax reporting forms, doing administrative work related to unclaimed checks, transmitting
11 payment to Class Counsel for the Court-approved amounts for attorneys' fees and reimbursement
12 of litigation costs and expenses, to Plaintiff for their Service Award, and to the LWDA for the
13 LWDA Payment, providing weekly reports of opt-outs, objections and related information, and
14 any other actions of the Settlement Administrator as set forth in this Agreement, all pursuant to the
15 terms of this Agreement. The Settlement Administration Costs are estimated not to exceed
16 \$12,000.00. If the actual amount of the Settlement Administration Costs is less than \$12,000.00,
17 the difference between \$12,000.00 and the actual Settlement Administration Costs shall be a part
18 of the Net Settlement Amount. If the Settlement Administration Costs exceed \$12,000.00 then
19 such excess will be paid solely from the Gross Settlement Amount and Defendants will not be
20 responsible for paying any additional funds in order to pay these additional costs.

21 **DD. "Settlement Administrator"** means the Third-Party Administrator mutually
22 agreed upon by the Parties that will be responsible for the administration of the Settlement
23 including, without limitation, translating the Class Notice in Spanish, the distribution of the
24 Individual Settlement Payments to be made by Defendants from the Gross Settlement Amount
25 and related matters under this Agreement.

26 **EE. "Settlement Class" or "Settlement Class Members"** means all current and former
27 non-exempt, hourly-paid employees who worked in California for Defendants at any time during
28 the Class Period, excluding family members of Defendant Tracy Eschenbrenner.

1 **FF.** “**Workweeks**” means the number of weeks that a Settlement Class Member was
2 employed by, and worked on one or more days for, the Defendants in a non-exempt, hourly
3 position during the Class Period in California.

4 **2. BACKGROUND**

5 **A.** On February 2, 2024, Plaintiff filed with the LWDA and served on Defendants a
6 notice under Labor Code section 2699.3 stating Plaintiff intended to serve as a proxy of the
7 LWDA to recover civil penalties on behalf of Aggrieved Employees for various Labor Code
8 violations. (“PAGA Notice”).

9 **B.** On February 16, 2024, Plaintiff filed a putative wage-and-hour class action alleging
10 that, during the Class Period, Defendants, as it pertains to Class Members: (1) failed to pay
11 overtime wages; (2) failed to pay minimum wages; (3) failed to provide meal periods or
12 compensation in lieu thereof; (4) failed to provide rest periods or compensation in lieu thereof; (5)
13 failed to all wages due upon separation from employment; (6) failed to issue accurate and
14 compliant wage statements; (7) failed to timely pay wages; (8) failed to reimburse employees for
15 business expenses; and (9) engaged in unfair competition.

16 **C.** On April 24, 2024, after sixty-five (65) days had passed since Plaintiff filed the
17 PAGA Notice, without any action by the LWDA with respect to the alleged Labor Code
18 violations, Plaintiff filed a First Amended Complaint in the Action seeking PAGA civil penalties
19 against Defendants for the Labor Code violations alleged in the PAGA Notice.

20 **D.** Shortly thereafter, the Parties agreed to exchange informal discovery and attend an
21 early mediation, in which Plaintiff was provided with, among other things: (1) 100% of time and
22 pay records for approximately 114 Class Members; (2) all relevant policy documents; and (3)
23 exemplars of any purported meal period waivers, arbitration agreements, and release agreements.

24 **E.** On June 19, 2024, the Parties participated in a full-day mediation before Katherine
25 Edwards, Esquire, a well-regarded mediator experienced in mediating complex labor and
26 employment matters. The Parties were unable to resolve the matter at mediation, but with the aid
27 of the mediator continued negotiations and reached the Settlement to resolve the Action.

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1 **F.** Class Counsel has conducted significant investigation of the law and facts relating
2 to the claims asserted in the Action, the PAGA Notice, and has concluded that that the Settlement
3 set forth herein is fair, reasonable, adequate, and in the best interests of the Settlement Class,
4 taking into account the sharply contested issues involved, the purported release agreements signed
5 by Class Members, the purported arbitration agreements signed by Class Members, the expense
6 and time necessary to litigate the Action through trial and any appeals, the risks and costs of
7 further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex
8 litigation, the information learned through informal discovery regarding Plaintiff's allegations, and
9 the substantial benefits to be received by Settlement Class Members.

10 **G.** Defendants have concluded that, because of the substantial expense of defending
11 against the Action, the length of time necessary to resolve the issues presented herein, the
12 inconvenience involved, and the concomitant disruption to its business operations, it is in its best
13 interest to accept the terms of this Agreement. Defendants deny each of the allegations and claims
14 asserted against it in the Action and the PAGA Notice. However, Defendants nevertheless desire
15 to settle the Action for the purpose of avoiding the burden, expense and uncertainty of continuing
16 litigation and for the purpose of putting to rest the controversies engendered by the Action.

17 **H.** This Agreement is intended to and does effectuate the full, final, and complete
18 resolution of all Class Released Claims of Plaintiff and Participating Class Members, and all
19 PAGA Released Claims of Plaintiff and, to the extent permitted by law, of the State of California
20 and Aggrieved Employees.

21 **3. JURISDICTION**

22 The Court has jurisdiction over the Parties and the subject matter of the Action. The
23 Action includes claims that, if proven, would authorize the Court to grant relief pursuant to the
24 applicable statutes. After the Court has granted Final Approval of the Settlement and entered
25 judgment, the Court shall retain jurisdiction over the Parties to enforce the terms of the judgment
26 pursuant to California Rule of Court, rule 3.769, subdivision (h)

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1 4. STIPULATION OF CLASS CERTIFICATION

2 The Parties stipulate to the certification of the Settlement Class under this Agreement for
3 purposes of settlement only.

4 5. MOTIONS FOR APPROVAL OF SETTLEMENT

5 After full execution of this Agreement, Plaintiff will move for an order granting
6 preliminary approval of the Settlement, approving and directing the mailing of the proposed
7 Notice of Class Action Settlement ("Class Notice") attached hereto as **Exhibit "A"**, conditionally
8 certifying the Settlement Class for settlement purposes only, and approving the deadlines proposed
9 by the Parties for the submission of Requests for Exclusion, Workweek Disputes, and Objections.
10 If and when the Court preliminarily approves the Settlement, and after administration of the Class
11 Notice in a manner consistent with the Court's Preliminary Approval Order, Plaintiff will move
12 for an order finally approving the Settlement and seek entry of a Judgment in line with this
13 Settlement. The Parties may both respond to any Objections lodged to final approval of the
14 Settlement up to five (5) court days before the Final Approval Hearing.

15 6. STATEMENT OF NO ADMISSION

16 Defendants deny any wrongdoing of any sort and further deny any liability to Plaintiff and
17 the Settlement Class with respect to any claims or allegations asserted in the Action and the
18 PAGA Notice. This Agreement shall not be deemed an admission by Defendants of any claims or
19 allegations asserted in the Action or the PAGA Notice. Except as set forth elsewhere herein, in
20 the event that this Agreement is not approved by the Court, or any appellate court, is terminated,
21 or otherwise fails to be enforceable, Plaintiff will not be deemed to have waived, limited or
22 affected in any way any claims, rights or remedies, or defenses in the Action or the PAGA Notice,
23 and Defendants will not be deemed to have waived, limited, or affected in any way any of their
24 objections or defenses in the Action and the PAGA Notice. The Parties shall be restored to their
25 respective positions in the Action prior to the entry of this Settlement.

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1 **7. RELEASE OF CLAIMS**

2 **A. Release by All Participating Class Members.**

3 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
4 of Judgment, and payment by Defendants to the Settlement Administrator of the full Gross
5 Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, Plaintiff and all
6 Participating Class Members release all claims against the Released Parties asserted in the
7 Operative Complaint filed in the Action, or any and all claims that may be asserted against the
8 Released Parties based on the factual allegations in the Operative Complaint, as follows: For the
9 duration of the Class Period, the release includes, for Participating Class Members: (1) all claims
10 for failure to pay overtime wages; (2) all claims for failure to pay minimum wages; (3) all claims
11 for failure to provide meal periods or compensation in lieu thereof; (4) all claims for failure to
12 provide rest periods or compensation in lieu thereof; (5) all claims for failure to pay all wages due
13 upon separation from employment; (6) all claims for failure to issue accurate and compliant wage
14 statements; (7) all claims for failure to timely pay wages; (8) all claims for failure to reimburse
15 employees for business expenses; and (9) all claims asserted through California Business &
16 Professions Code section 17200, *et seq.* arising out of the Labor Code violations referenced in the
17 Complaint (the "Class Released Claims").

18 **B. Release by All Aggrieved Employees**

19 For Aggrieved Employees, and, to the extent permitted by law, the State of California, the
20 release includes for the duration of the PAGA Period, all claims asserted in the PAGA Notice, and
21 alleged in the Operative Complaint for PAGA civil penalties pursuant to Labor Code sections 210,
22 226.3, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections
23 96, 98.6, 200, 201, 201.3, 202, 203, 204, 226, 226.7, 227.3, 232, 232.5, 246 *et seq.*, 510, 512,
24 1102.5, 1174, 1194, 1197, 1194.2, 1197, 1197.5, 1198.5, 2802, and 2810.5 (the "PAGA Released
25 Claims"). The Class Released Claims and PAGA Released Claims shall be referred to herein as
26 the "Released Claims".

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1 **C. Claims Not Released**

2 The release expressly excludes all other claims, including claims for vested benefits,
3 wrongful termination, unemployment insurance, disability, social security, workers'
4 compensation, and any other claims outside of the Class Released Claims of Participating Class
5 Members arising during the Class Period and the PAGA Released Claims of Aggrieved
6 Employees (and, to the extent permitted by law, the State of California) arising outside of the
7 PAGA Period.

8 **D. General Release**

9 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry
10 of Judgment, and payment by Defendants to the Settlement Administrator selected of the full
11 Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, in
12 addition to the Released Claims, Plaintiff makes the additional following General Release:
13 Plaintiff releases the Released Parties from all claims, demands, rights, liabilities and causes of
14 action of every nature and description whatsoever, known or unknown, asserted or that might have
15 been asserted, whether in tort, contract, or for violation of any state or federal statute, rule, law or
16 regulation arising out of, relating to, or in connection with any act or omission of the Released
17 Parties through the date of full execution of this Agreement in connection with Plaintiff's
18 employment with Defendants or the termination thereof, except for any and all other claims that
19 may not be released as a matter of law through this Agreement.

20 As further consideration for the releases being provided by Plaintiff, Defendants release
21 and forever discharge Plaintiff, as well as Plaintiff's heirs, assigns and attorneys, of and from any
22 and all claims, actions, causes of action of every kind in law or equity, suits, debts, liens,
23 contracts, agreements, obligations, promises, demands, liabilities, damages, losses, costs and
24 expenses of any nature whatsoever, known or unknown, fixed or contingent, that Defendants may
25 have, or may hereinafter acquire, against Plaintiff, arising out of, or pertaining to, any event or
26 circumstance of any kind that in any way relates to Plaintiff's employment with Defendants or
27 otherwise.

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To the extent of the General Release provided herein, the Parties stipulate and agree that, upon entry of an Order granting Final Approval of the Settlement, entry of Judgment, and payment by Defendants to the Settlement Administrator selected of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, they shall have expressly waived and relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, or any other similar provision under federal or state law, 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.

8. SETTLEMENT ADMINISTRATOR

A. Plaintiff and Defendants, through their respective counsel, have selected ILYM Group, Inc. to administer the Settlement, which includes but is not limited to translating the Class Notice to Spanish, distributing and responding to inquiries about the Class Notice and calculating all amounts to be paid from the Gross Settlement Amount. Charges and expenses of the Settlement Administrator, currently estimated to be \$12,000 will be paid from the Gross Settlement Amount. If the actual amount of the Settlement Administration Costs is less than \$12,000, the difference between \$12,000 and the actual Settlement Administration Costs shall be a part of the Net Settlement Amount. If the Settlement Administration Costs exceed \$12,000, then such excess will be paid solely from the Gross Settlement Amount and Defendants will not be responsible for paying any additional funds in order to pay these additional costs.

9. NOTICE, WORKWEEK DISPUTE, OBJECTION, AND EXCLUSION PROCESS

A. Notice to the Settlement Class Members

(1) Within fifteen (15) calendar days after the Preliminary Approval Date, Defendants' Counsel shall provide the Settlement Administrator with information with respect to each Settlement Class Member, including his or her: (1) name; (2) last known address(es)

1 currently in Defendants' possession, custody, or control; (3) last known telephone number(s)
2 currently in Defendants' possession, custody, or control; (4) last known Social Security Number(s)
3 in Defendants' possession, custody, or control for each Settlement Class Member; and (5) the
4 number of Workweeks worked by each Class Member during the Class Period and the number of
5 Pay Periods worked by each Class Member during the PAGA Period ("Class List"). The number
6 of Workweeks worked by each Class Member during the Class Period and the number of Pay
7 Periods worked by each Class Member during the PAGA Period shall be made available to Class
8 Counsel upon request. The Settlement Administrator shall perform an address search using the
9 United States Postal Service National Change of Address ("NCOA") database and update the
10 addresses contained on the Class List with the newly-found addresses, if any. Within seven (7)
11 calendar days, or soon thereafter, of receiving the Class List from Defendants, the Settlement
12 Administrator shall mail the Class Notice in English and Spanish to the Settlement Class Members
13 via first-class regular U.S. Mail using the most current mailing address information available. The
14 Settlement Administrator shall maintain the Class List and digital copies of all the Settlement
15 Administrator's records evidencing the giving of notice to any Settlement Class Member, for at
16 least four (4) years from the Final Approval Date.

17 (2) The Class Notice will set forth:

- 18 (a) the Settlement Class Member's estimated Individual
19 Settlement Payment and Individual PAGA Payment, and
20 the basis for each;
- 21 (b) the information required by California Rule of Court,
22 rule 3.766, subdivision (d);
- 23 (c) the material terms of the Settlement;
- 24 (d) the proposed Settlement Administration Costs;
- 25 (e) the definition of the Settlement Class;
- 26 (f) a statement that the Court has preliminarily approved the
27 Settlement;

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- 1 (g) how the Settlement Class Member can obtain additional
2 information, including contact information for Class
3 Counsel;
4 (h) instructions for opt-out and objection procedures;
5 (i) the date and location of the Final Approval Hearing; and
6 (j) that the Settlement Class Member must notify the
7 Settlement Administrator no later than the Response
8 Deadline if the Settlement Class Member disputes the
9 accuracy of the number of Workweeks as set forth on his
10 or her Class Notice ("Workweek Dispute"). If a
11 Settlement Class Member fails to timely dispute the
12 number of Workweeks attributed to him or her in
13 conformity with the instructions in the Class Notice, then
14 he or she shall be deemed to have waived any objection
15 to its accuracy and any claim to any additional settlement
16 payment based on different data.

17 (3) If a Class Notice from the initial notice mailing is returned as undeliverable,
18 the Settlement Administrator will attempt to obtain a current address for the Settlement Class
19 Member to whom the returned Class Notice had been mailed, within five (5) calendar days of
20 receipt of the returned Class Notice, by: (1) contacting the Settlement Class Member by phone, if
21 possible, and (2) undertaking skip tracing. If the Settlement Administrator is successful in
22 obtaining a new address, it will promptly re-mail the Class Notice to the Settlement Class
23 Member. Further, any Class Notices that are returned to the Settlement Administrator with a
24 forwarding address before the Response Deadline shall be promptly re-mailed to the forwarding
25 address affixed thereto.

26 (4) No later than seven (7) calendar days from the Response Deadline, the
27 Settlement Administrator shall provide counsel for the Parties with a declaration attesting to the
28 completion of the notice process, including the number of attempts to obtain valid mailing

1 addresses for and re-sending of any returned Class Notices, as well as the identities, number of,
2 and copies of all Requests for Exclusion and Objections received by the Settlement Administrator.

3 **B. Objections.**

4 Only Participating Class Members may object to the Settlement. In order for any Settlement
5 Class Member to object to this Settlement in writing, or any term of it, he or she must do so by
6 mailing a written objection to the Settlement Administrator at the address or phone number provided
7 on the Class Notice no later than the Response Deadline. The Settlement Administrator shall email
8 a copy of the Objection forthwith to Class Counsel and Defendants' counsel and attach copies of all
9 Objections to the Declaration it provides Class Counsel, which Class Counsel shall file in support
10 of Plaintiff's Motion for Final Approval. The Objection should set forth in writing: (1) the
11 Objector's name; (2) the Objector's address; (3) the last four digits of the Objector's Social Security
12 Number; (4) the Objector's signature; (5) a statement of whether the Objector plans to appear at the
13 Final Approval Hearing; and (6) the reason(s) for the Objection, along with whatever legal authority,
14 if any, the Objector asserts in support of the Objection. If a Settlement Class Member objects to the
15 Settlement, the Settlement Class Member will remain a member of the Settlement Class and if the
16 Court approves this Agreement, the Settlement Class Member will be bound by the terms of the
17 Settlement in the same way and to the same extent as a Settlement Class Member who does not
18 object. The date of mailing of the Class Notice to the objecting Settlement Class Member shall be
19 conclusively determined according to the records of the Settlement Administrator. Settlement Class
20 Members need not object in writing to be heard at the Final Approval Hearing; they may object or
21 comment in person at the hearing at their own expense. Class Counsel and Defendants' Counsel
22 may respond to any objection lodged with the Court up to five (5) court days before the Final
23 Approval Hearing.

24 **C. Requesting Exclusion.**

25 Any Settlement Class Member may request exclusion from (*i.e.*, "opt out" of) the Settlement
26 by mailing a written request to be excluded from the Settlement ("Request for Exclusion") to the
27 Settlement Administrator, postmarked on or before the Response Deadline. To be valid, a Request
28 for Exclusion must include: (1) the Class Member's name; (2) the Class Member's Social Security

1 Number; (3) the Class Member's signature; and (4) the following statement: "Please exclude me
2 from the Settlement Class in the *Palma v. Sunset Signs and Printing, Inc., et al.* matter" or any
3 statement of similar meaning standing for the proposition that the Class member does not wish to
4 participate in the Settlement. The Settlement Administrator shall immediately provide copies of all
5 Requests for Exclusion to Class Counsel and Defendants' Counsel and shall report the Requests for
6 Exclusions that it receives, to the Court, in its declaration to be provided in advance of the Final
7 Approval Hearing. Any Settlement Class Member who requests exclusion using this procedure will
8 not be entitled to receive any payment from the Settlement and will not be bound by the Settlement
9 Agreement or have any right to object to, appeal, or comment on the Settlement. Any Settlement
10 Class Member who does not opt out of the Settlement by submitting a timely and valid Request for
11 Exclusion will be bound by all terms of the Settlement, including those pertaining to the Released
12 Claims, as well as any Judgment that may be entered by the Court if Final Approval of the Settlement
13 is granted. A Settlement Class Member cannot submit both a Request for Exclusion and an
14 objection. If a Settlement Class Member submits an Objection and a Request for Exclusion, the
15 Request for Exclusion will control and the Objection will be overruled. Settlement Class Members
16 who worked during the PAGA Period as Aggrieved Employees that submit a valid Request for
17 Exclusion will still be deemed Aggrieved Employees, will still receive their Individual PAGA
18 Payments, and will be bound by the release of the PAGA Released Claims.

19 **D. Disputes Regarding Settlement Class Members' Workweek Data.**

20 Each Settlement Class Member may dispute the number of Workweeks attributed to him or
21 her on his or her Class Notice ("Workweek Dispute"). Any such disputes must be mailed to the
22 Settlement Administrator by the Settlement Class Member, postmarked on or before the Response
23 Deadline. The Settlement Administrator shall immediately provide copies of all disputes to Class
24 Counsel and counsel for Defendants and shall immediately attempt to resolve all such disputes
25 directly with relevant Settlement Class Member(s) with the assistance of Defendants and Class
26 Counsel. If the dispute cannot be resolved in this manner, the Court shall adjudicate the dispute.

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1 **10. INDIVIDUAL SETTLEMENT PAYMENTS AND INDIVIDUAL PAGA**
2 **PAYMENTS**

3 Individual Settlement Payments will be calculated and distributed to Participating Class
4 Members from the Net Settlement Amount on a *pro rata* basis, based on the Participating Class
5 Members' respective number of Workweeks worked during the Class Period. Individual PAGA
6 Payments to Aggrieved Employees will be calculated and distributed to Aggrieved Employees
7 from the PAGA Payment on a *pro rata* basis based on Aggrieved Employees' respective number
8 of Pay Periods worked during the PAGA Period. Specific calculations of the Individual Settlement
9 Shares and Individual PAGA Payments to Aggrieved Employees will be made as follows:

10 A. The Settlement Administrator will determine the total number of Workweeks
11 worked by each Settlement Class Member during the Class Period ("Class Member's
12 Workweeks"), as well as the aggregate number of Workweeks worked by all Settlement Class
13 Members during the Class Period ("Class Workweeks"). Additionally, the Settlement
14 Administrator will determine the total number of Pay Periods worked by each Aggrieved
15 Employee during the PAGA Period ("Aggrieved Employee's Workweeks"), as well as the
16 aggregate number of Pay Periods worked by all Aggrieved Employees during the PAGA Period
17 ("PAGA Pay Periods").

18 B. To determine each Settlement Class Member's Individual Settlement Share, the
19 Settlement Administrator will use the following formula: Individual Settlement Share =
20 (Settlement Class Member's Workweeks ÷ Class Workweeks) × Net Settlement Amount.

21 C. To determine each Participating Class Member's Participating Individual
22 Settlement Share, the Settlement Administrator will determine the aggregate number of
23 Workweeks worked by all Participating Class Members during the Class Period ("Participating
24 Class Workweeks") and use the following formula: Individual Settlement Share = (Participating
25 Class Member's Workweeks ÷ Participating Class Workweeks) × Net Settlement Amount.

26 D. The net amount of the Participating Individual Settlement Share is to be paid out
27 to Participating Class Members by way of check and is referred to as "Individual Settlement
28 Payment(s)".

1 E. To determine each Aggrieved Employee's Individual PAGA Payment, the
2 Settlement Administrator will use the following formula: Aggrieved Employee's Individual
3 PAGA Payment = (Aggrieved Employee's Workweeks ÷ PAGA Pay Periods) x \$3,750.00 (the
4 PAGA Payment).

5 F. Individual Settlement Payments and Individual PAGA Payments shall be paid to
6 Participating Class Members and/or Aggrieved Employees by way of check. When a Participating
7 Class Member is also an Aggrieved Employee, one check may be issued that aggregates both the
8 Individual Settlement Payment and the Individual PAGA Payment.

9 **11. DISTRIBUTION OF PAYMENTS**

10 **A. Distribution of Individual Settlement Payments.**

11 Participating Class Members will receive an Individual Settlement Payment and Aggrieved
12 Employees will receive an Individual PAGA Payment. Individual Settlement Payment and
13 Individual PAGA Payment checks shall remain valid and negotiable for one hundred and eighty
14 (180) calendar days after the date of their issuance. Within seven (7) calendar days after expiration
15 of the 180-day period, checks for such payments shall be canceled and funds associated with such
16 checks shall be considered unpaid, unclaimed or abandoned cash residue pursuant to Code of Civil
17 Procedure section 384 ("Unpaid Residue"). The Unpaid Residue plus accrued interest, if any, as
18 provided in Code of Civil Procedure section 384, shall be transmitted to the California Controller's
19 Office, Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid
20 residue" subject to the requirements of Code of Civil Procedure section 384.

21 **B. Funding of Settlement.**

22 Defendants shall, within twenty (20) calendar days of Final Approval Date, make payment
23 of the Gross Settlement Amount (as the same may be escalated pursuant to Paragraph 17 of this
24 Agreement) to the Settlement Administrator pursuant to Internal Revenue Code section 1.468B-1
25 for deposit in an interest-bearing qualified settlement account ("QSA") with an FDIC insured
26 banking institution, for distribution in accordance with this Agreement and the Court's Orders and
27 subject to the conditions described herein.
28

1 **C. Time for Distribution.**

2 Within seven (7) calendar days after payment of the full Gross Settlement Amount or as
3 soon thereafter as practicable, the Settlement Administrator shall distribute Payments from the
4 QSA for: (1) the Service Award to Plaintiff as specified in this Agreement and approved by the
5 Court; (2) the Attorneys' Fees and Cost Award to be paid to Class Counsel, as specified in this
6 Agreement and approved by the Court; (3) the Settlement Administrator Costs, as specified in this
7 Agreement and approved by the Court; (4) the LWDA Payment, as specified in this Agreement
8 and approved by the Court; and (5) Individual PAGA Payments as specified in this Agreement and
9 approved by the Court. The balance remaining shall constitute the Net Settlement Amount from
10 which Individual Settlement Payments shall be made to Participating Class Members and
11 Individual PAGA Payments shall be made to Class Members, less applicable taxes and
12 withholdings. All interest accrued shall be for the benefit of the Class Members and distributed on
13 a *pro rata* basis to Participating Class Members based on the number of Workweeks worked by
14 them in the Class Period.

15 Within seven (7) calendar days after payment of the full Gross Settlement Amount or as
16 soon thereafter as practicable, the Settlement Administrator shall calculate the amount of the
17 Employer's Share of Payroll Taxes and shall remit and report the applicable portions of the payroll
18 tax payment to the appropriate taxing authorities in a timely manner. Defendant Sunset Signs will
19 be responsible for paying its share of the Payroll Taxes and this amount will not be deducted from
20 the Gross Settlement Amount or Net Settlement Amount.

21 **12. ATTORNEYS' FEES AND LITIGATION COSTS**

22 Class Counsel shall apply for, and Defendants shall not oppose, an award of attorneys' fees
23 of up to 32% of the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 17 of
24 this Agreement, amounts to Seventy-Two Thousand Dollars and Zero Cents (\$72,000.00). Class
25 Counsel shall further apply for, and Defendants shall not oppose, an application or motion by Class
26 Counsel for reimbursement of actual costs associated with Class Counsel's prosecution of this
27 matter as set forth by declaration testimony in an amount up to Twenty-Five Thousand Dollars and
28 Zero Cents (\$25,000.00). Awards of attorneys' fees and costs shall be paid out of the Gross

1 Settlement Amount, for all past and future attorneys' fees and costs necessary to prosecute, settle,
2 and obtain Final Approval of the settlement in Action. The "future" aspect of the amounts stated
3 herein includes, without limitation, all time and expenses expended by Class Counsel (including any
4 appeals therein). There will be no additional charge of any kind to either the Settlement Class
5 Members or request for additional consideration from Defendants for such work unless Defendants
6 materially breach this Agreement, including any term regarding funding, and further efforts are
7 necessary from Class Counsel to remedy said breach, including, without limitation, moving the
8 Court to enforce the Agreement. Should the Court approve attorneys' fees and/or litigation costs
9 and expenses in amounts that are less than the amounts provided for herein, then the unapproved
10 portion(s) shall be a part of the Net Settlement Amount.

11 **13. SERVICE AWARD TO PLAINTIFF**

12 Named Plaintiff shall seek, and Defendants shall not oppose, a Service Award in an
13 amount not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for
14 participation in and assistance with the Class Action. Any Service Award awarded to Plaintiff
15 shall be paid from the Gross Settlement Amount and shall be reported on an IRS Form 1099. If
16 the Court approves the Service Award to Plaintiff in less than the amounts sought herein, then the
17 unapproved portion(s) shall be a part of the Net Settlement Amount.

18 **14. TAXATION AND ALLOCATION**

19 a. Each Individual Settlement Share shall be allocated as follows: 20% as wages (to
20 be reported on an IRS Form W2); and 80% as interest and penalties (to be reported on an IRS
21 Form 1099). Each Individual PAGA Payment shall be allocated entirely as penalties. The Parties
22 agree that the employees' share of taxes and withholdings with respect to the wage-portion of the
23 Individual Settlement Share will be withheld from the Individual Settlement Share in order to
24 yield the Individual Settlement Payment. The amount of federal income tax withholding will be
25 based upon a flat withholding rate for supplemental wage payments in accordance with Treasury
26 Regulation § 31.3402(g)-1(a)(2) as amended or supplemented. Income tax withholding will also
27 be made pursuant to applicable state and/or local withholding codes or regulations.

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1 b. Forms W-2 and/or Forms 1099 will be distributed by the Settlement Administrator
2 at times and in the manner required by the Internal Revenue Code of 1986 (the "Code") and
3 consistent with this Agreement. If the Code, the regulations promulgated thereunder, or other
4 applicable tax law, is changed after the date of this Agreement, the processes set forth in this
5 Section may be modified in a manner to bring Defendants into compliance with any such changes.

6 c. All Employer Taxes shall be paid by Defendant Sunset Signs separate, apart, and in
7 addition to the Gross Settlement Amount. Defendant Sunset Signs shall remain liable to pay the
8 employer's share of payroll taxes as described above.

9 d. Neither Counsel for Plaintiff nor Defendants intend anything contained in this
10 Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement
11 be relied upon as such within the meaning of United States Treasury Department Circular 230 (31
12 C.F.R. Part 10, as amended) or otherwise.

13 **15. PRIVATE ATTORNEYS' GENERAL ACT ALLOCATION**

14 The Parties agree to allocate Fifteen Thousand Dollars and Zero Cents (\$15,000.00) of the
15 Gross Settlement Amount toward PAGA penalties. Pursuant to the PAGA, seventy-five percent
16 (75%) of the amount allocated toward PAGA (\$11,250.00) will be paid to the LWDA and twenty-
17 five percent (25%) (\$3,750.00) will be distributed to Aggrieved Employees on a *pro rata* basis
18 based upon their respective Pay Periods worked for Defendants during the PAGA Period.

19 **16. COURT APPROVAL**

20 This Agreement is contingent upon an order by the Court granting Final Approval of the
21 Settlement, and that the LWDA does not intervene and object to the Settlement. In the event it
22 becomes impossible to secure approval of the Settlement by the Court and the LWDA, the Parties
23 shall be restored to their respective positions in the Action prior to entry of this Settlement. If this
24 Settlement Agreement is voided, not approved by the Court or approval is reversed on appeal, it
25 shall have no force or effect and no Party shall be bound by its terms except to the extent: (a) the
26 Court reserves any authority to issue any appropriate orders when denying approval; and/or (b)
27 there are any terms and conditions in this Settlement Agreement specifically stated to survive the
28 Settlement Agreement being voided or not approved, and which control in such an event.

1 **17. INCREASE IN WORKWEEKS**

2 Defendants represent that there are no more than 8,279 Workweeks worked from February
3 16, 2020 through June 16, 2024. In the event the number of Workweeks worked by Class
4 Members from February 16, 2020 through June 16, 2024 is more than 5% greater than 8,279
5 Workweeks (i.e., if there are more than 8,693 workweeks worked by the Settlement Class
6 Members from February 16, 2020 to June 16, 2024), Defendants will increase the Gross
7 Settlement Amount in proportion to the increase in workweeks worked by the Settlement Class
8 Members over 8,693 (e.g., if the number of workweeks worked by the Settlement Class Members
9 from February 16, 2020 to June 16, 2024 is 7% greater than 8,693 Sunset Signs will increase the
10 Gross Settlement Amount by 2%).

11 **18. NOTICE OF JUDGMENT**

12 In addition to any duties set out herein, the Settlement Administrator shall provide
13 notice of the Final Judgment entered in the Action by posting the same on its website for a period
14 of no less than four (4) years.

15 **19. WITHDRAWAL FROM SETTLEMENT BASED ON REQUESTS FOR**
16 **EXCLUSION**

17 Defendants shall retain the right to nullify the Agreement in the event that Class Members
18 representing more than 15% of the verified workweeks submit timely and valid Requests for
19 Exclusion. Defendants must provide written notice to Class Counsel of their withdrawal within
20 ten (10) calendar days of receiving sufficient information to determine that the opt out rate exceeds
21 15%.

22 At no time shall any of the Parties, Class Counsel, or Defense Counsel seek to solicit or
23 otherwise encourage or discourage Class Members from submitting a Request for Exclusion, Notice
24 of Objection or filing an appeal from the Final Order and Judgment.

25 **20. MISCELLANEOUS PROVISIONS**

26 **A. Interpretation of the Agreement.**

27 This Agreement constitutes the entire agreement between the Parties with respect to its
28 subject matter. Except as expressly provided herein, this Agreement has not been executed in

1 reliance upon any other written or oral representations or terms; and no such extrinsic oral or
2 written representations or terms shall modify, vary or contradict its terms. In entering into this
3 Agreement, the Parties agree that this Agreement is to be construed according to its terms and may
4 not be varied or contradicted by extrinsic evidence. The Agreement will be interpreted and
5 enforced under the laws of the State of California, both in its procedural and substantive aspects,
6 without regard to its conflict of law provisions. Any claim arising out of or relating to the
7 Agreement, or the subject matter hereof, will be resolved solely and exclusively in the Superior
8 Court of the State of California for the County of Orange, and Plaintiff and Defendants hereby
9 consent to the personal jurisdiction of the Court in the Action over it solely in connection
10 therewith. The foregoing is only limited to disputes concerning this Agreement. The Parties, and
11 each of them, participated in the negotiation and drafting of this Agreement and had available to
12 them the advice and assistance of independent counsel. As such, neither Plaintiff nor Defendants
13 may claim that any ambiguity in this Agreement should be construed against the other. The
14 Agreement may be modified only by a writing signed by counsel for the Parties and approved by
15 the Court.

16 **B. Further Cooperation.**

17 The Parties and their respective attorneys shall proceed diligently to prepare and execute
18 all documents, to seek the necessary approvals from the Court, and to do all things reasonably
19 necessary to consummate the Settlement as expeditiously as possible. The Parties agree that they
20 will not take any action inconsistent with this Agreement, including, without limitation,
21 encouraging Class Members to opt out of the Settlement. In the event the Court finds that any
22 Party has taken actions inconsistent with the Settlement, including, without limitation,
23 encouraging Class Members to opt out of the Settlement, the Court may take any corrective
24 actions, including enjoining any Party from communicating regarding the Settlement on an *ex*
25 *parte* basis, issuing (a) corrective notice(s), awarding monetary, issue, evidentiary and/or
26 terminating sanctions against that Party, and/or enforcing this Agreement despite the presence of
27 opt-outs and/or objections.

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1 **C. Counterparts.**

2 The Agreement may be executed in one or more actual or non-original counterparts, all of
3 which will be considered one and the same instrument and all of which will be considered
4 duplicate originals.

5 **D. Authority.**

6 Each individual signing below warrants that he or she has the authority to execute this
7 Agreement on behalf of the Party for whom or which that individual signs.

8 **E. No Third-Party Beneficiaries.**

9 Plaintiff, Participating Class Members, Aggrieved Employees, the State of California,
10 Class Counsel, and Defendants are direct beneficiaries of this Agreement, but there are no third-
11 party beneficiaries.

12 **F. Deadlines Falling on Weekends or Holidays.**

13 To the extent that any deadline set forth in this Agreement falls on a Saturday, Sunday, or
14 legal holiday, that deadline shall be continued until the following business day.

15 **G. Continuing Jurisdiction**

16 The Parties hereby agree that pursuant to Code of Civil Procedure section 664.6,
17 the trial court shall retain jurisdiction over the Parties over the Action to enforce the terms of this
18 Agreement.

19 **H. Severability.**

20 In the event that one or more of the provisions contained in this Agreement shall for any
21 reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or
22 unenforceability shall in no way effect any other provision if Defendants' Counsel and Class
23 Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as
24 if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

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2 **IT IS SO AGREED:**

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4 Dated: 10/02/2024, 2024

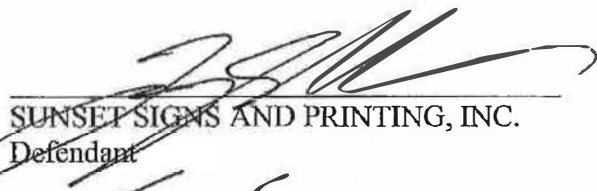


Jimmy Palma (Oct 2, 2024 11:04 PDT)

JIMMY A. PALMA
Plaintiff and Class Representative

6

7 Dated: 9/30/24, 2024
8 TE



SUNSET SIGNS AND PRINTING, INC.
Defendant

By: TRACY ESCHENBRENNER

Its: CEO

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13 Dated 9/30/24, 2024



TRACY ESCHENBRENNER
Defendant

By: TRACY ESCHENBRENNER

Its: CEO

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18 **AGREED AS TO FORM:**

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20 Dated: October 1, 2024

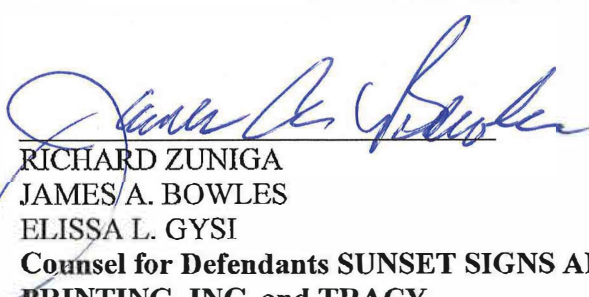


JOSHUA SHIRIAN
Counsel for Plaintiff JIMMY A. PALMA

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23 Dated: 10/11/24, 2024



RICHARD ZUNIGA
JAMES A. BOWLES
ELISSA L. GYSI
Counsel for Defendants SUNSET SIGNS AND
PRINTING, INC. and TRACY
ESCHENBRENNER

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EXHIBIT A

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND DATE
FOR FINAL APPROVAL HEARING**

Palma v. Sunset Signs and Printing, Inc., et. al.

(County of Orange County, California Superior Court Case No. 30-2024-01379991-CU-OE-CXC)

Please read this Notice carefully. This Notice relates to a proposed settlement of class and representative action lawsuit. If you are a Class Member or an Aggrieved Employee, it contains important information about your right to receive a payment from the Settlement.

You have received this Notice of Class Action Settlement because the records of Sunset Signs and Printing, Inc. ("Sunset Signs") and Tracy Eschenbrenner ("Eschenbrenner" and collectively with Sunset Signs, "Defendants") show you are a "Class Member" and/or an "Aggrieved Employee," and therefore are entitled to a payment from this class and representative action Settlement. Class Members are all current and former non-exempt, hourly-paid employees who worked for Sunset Signs in California at any time from February 16, 2020 through June 16, 2024 ("Class Period" or "Settlement Period"). Aggrieved Employees are all current and former non-exempt, hourly-paid employees who worked for Sunset Signs in California at any time during the PAGA Period, which is defined as February 2, 2023 through June 16, 2024.

- The settlement is to resolve a class and representative action lawsuit, *Palma v. Sunset Signs and Printing, Inc., et al.*, pending in the Superior Court of California for the County of Orange County, Case Number 30-2024-01379991-CU-OE-CXC (the "Lawsuit"), alleging, *inter alia*, that, during the Class Period, Defendants, as it pertains to Class Members: (1) failed to pay overtime wages; (2) failed to pay minimum wages; (3) failed to provide meal periods or compensation in lieu thereof; (4) failed to provide rest periods or compensation in lieu thereof; (5) failed to all wages due upon termination; (6) failed to provide accurate wage statements; (7) failed to timely pay wages during employment; (8) failed to reimburse for business expenses; and (9) engaged in unfair competition. Based on these and other alleged Labor Code violations, Plaintiff also seek penalties under the California Labor Code Private Attorney Generals Act ("PAGA") for allegedly Aggrieved Employees.
- On _____, the Orange County Superior Court granted preliminary approval of this class action settlement and ordered that all Class Members be notified of the Settlement. The Court has not made any determination of the validity of the claims in the Lawsuit. Defendants vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE CLASS SETTLEMENT	Exclude yourself from the class action portion of the Settlement, get no payment for settlement of the class claims, and retain your legal rights to individually pursue the class claims that would otherwise be released by the settlement of the Lawsuit. If you worked in the PAGA Period as a hourly-paid non-exempt employee of Defendants then you will be deemed a "Aggrieved Employee" and you will still receive your share of the proceeds available from the settlement of the PAGA Released Claims, defined below, (your "Individual

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

	PAGA Payment”) even if you opt out of the class settlement.
OBJECT TO THE CLASS SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, _____, about why you object to the settlement, and they will forward your concerns to counsel which will then be provided to the Court. If the Court approves the Settlement despite your objection, you will still be bound by the Settlement. You or your attorney may also address the Court during the Final Approval Hearing scheduled for [DATE AND TIME] in Department CX-104 of the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Blvd., Santa Ana, CA 92701.

The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held at _____m. on _____, in the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Blvd., Santa Ana, CA 92701, in Department CX-104. You are not required to attend the Hearing, but you are welcome to do so.

Why Am I Receiving This Notice?

Defendants’ records show that you currently work, or previously worked, for Sunset Signs in the State of California as a non-exempt, hourly-paid employee at some point during the Class Period and/or PAGA Period. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the Court decides whether to finally approve the settlement. If the Court approves the settlement and then any objections and appeals are resolved, a “Settlement Administrator” appointed by the Court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

What Is This Case About?

Plaintiff Jimmy A. Palma was a non-exempt, hourly-paid employee of Defendants. He is the “Plaintiff” in this case and is suing on behalf of himself and Class Members for Defendants’ alleged failure to pay overtime and minimum wages, failure to provide meal periods or compensation in lieu thereof, failure to provide rest periods or compensation in lieu thereof, failure to pay due wages upon separation from employment, failure to timely pay wages during employment, failure to issue compliant and accurate wage statements, expense reimbursement violations, and unfair competition, among other claims.

Based on these and other alleged Labor Code violations, Plaintiff also seeks to recover civil penalties under PAGA.

Defendants deny all of the allegations made by Plaintiff and raised in the Lawsuit and firmly believe they did not violate the law in any way and have no liability for any of Plaintiff’s or the Class Members’ claims under any statute, wage order, common law, or equitable theory. Defendants are settling this Lawsuit as a compromise. Defendants reserve the right to object to and defend themselves against any claim if, for any reason, the Settlement fails.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this class action settlement. The Court will decide whether to give final approval to this settlement at the Final Approval Hearing.

Summary of the Settlement Terms

Plaintiff has agreed to settle this case on behalf of himself and Class Members and Aggrieved Employees for the Gross Settlement Amount of \$225,000.00, unless escalated pursuant to the Settlement Agreement. The Gross Settlement includes: (1) Administration Costs up to \$12,000.00 (2) up to 32% of the Gross Settlement Amount in attorneys' fees which, unless escalated pursuant to the Settlement Agreement, shall amount to \$72,000.00; (3) up to \$25,000.00 in litigation costs to Class Counsel, according to proof; (4) up to \$7,500.00 in a Service Award to the Class Representative and (5) payment allocated to PAGA penalties in the amount of \$15,000.00 of which 75% (or \$11,250.00) will be paid to the California Labor and Workforce Development Agency ("LWDA") and twenty-five percent 25% (or \$3,750.00) will be distributed to Aggrieved Employees. After deducting these sums, a total of approximately not less than \$93,500.00 will be available for distribution to Class Members ("Net Settlement Amount"). Employer-side payroll taxes are excluded and will be separately paid by Sunset Signs.

Distribution to Class Members

Class Members who do not opt out will receive a *pro rata* payment of the Net Settlement Amount based on the number of Qualifying Workweeks worked by Class Members in hourly-paid positions for Sunset Signs in California during the Class Period ("Qualifying Workweeks"). Specifically, Class Members' payments will be calculated by dividing the number of Qualifying Workweeks attributed to the Class Member by all Qualifying Workweeks attributed to members of the Settlement Class, multiplied by the Net Settlement Amount. Otherwise stated, the formula for a Class Member is: (Individual's Qualifying Workweeks ÷ total Settlement Class Qualifying Workweeks) x Net Settlement Amount. In addition, Class Members who worked during the PAGA Period (*i.e.*, Aggrieved Employees) will receive a *pro rata* share of the \$3,750.00 allocated as PAGA penalties to Aggrieved Employees, whether or not they opt out of the class settlement, based on the number of Qualifying Pay Periods worked by each Aggrieved Employees during the PAGA Period.

Defendants' records indicate that you worked [Qualifying Workweeks] as an hourly-paid employee in California during the Class Period and [Qualifying Pay Periods] during the PAGA Period. Based on these records, your estimated payment as a Class Member would be [\$Estimated Award] and your estimated payment as an Aggrieved Employee would be [\$Estimated Award]. If you believe this information is incorrect and wish to dispute it, you must mail a dispute to the Settlement Administrator and it must be postmarked no later than [RESPONSE DEADLINE]. Please include: (1) your name, address, telephone number, last four digits of your social security number and your signature; (2) a statement of your dispute and how many Qualifying Workweeks you contend should be credited to you; and (3) any documentation you have that you contend supports your dispute.

Tax Reporting

100% of the payments for PAGA penalties to Aggrieved Employees will be allocated as penalties reported on IRS Form 1099. Twenty percent (20%) of each Settlement Payment to Class Members who do not opt out will be allocated as wages and reported on an IRS Form W-2, and eighty percent (80%) will be allocated as civil or statutory penalties and interest, which will be reported on IRS Form 1099. This notice is not intended to provide legal or tax advice on your Settlement Share.

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Your check will be valid for 180 days after issuance. After 180 days, uncashed checks shall be sent to the California State Controller's Office Unclaimed Property Fund in the name of the individual, and such Class Members and/or Aggrieved Employees shall nevertheless be bound to the Settlement and the Final Approval Order.

Your Options Under the Settlement

Option 1 – Do Nothing and Receive Your Payment

If you do not opt out, you are automatically entitled to your Individual Settlement Payment (*i.e.*, your share of the Net Settlement Amount) because you are a Class Member. If you do not dispute your settlement share calculation and do not opt out of the settlement, you will be bound by the entire release in the settlement and receive your Individual Settlement Payment, as well as your Individual PAGA Payment if you are also an Aggrieved Employee. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment(s) set forth above.**

Class Members who do not submit a valid and timely opt out (pursuant to Option 2 below), will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Claims he or she may have or had upon final approval of this Settlement and payment by Defendants to the Settlement Administrator.

Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of Judgment and payment by Defendants to the Settlement Administrator of the full Gross Settlement Amount and Employers' Taxes necessary to effectuate the Settlement, Plaintiffs and all Participating Class Members release the Released Parties of any and all claims that have been or could reasonably have been asserted based on the factual allegations in the Operative Complaint as follows: For the duration of the Class Period, the release includes, for Participating Class Members: (1) all claims for failure to pay (or properly pay) overtime wages; (2) all claims for failure to pay minimum or other wages for all hours worked; (3) all claims for failure to provide meal periods or compensation in lieu thereof (including, without limitation, break premiums); (4) all claims for failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums); (5) all claims for failure to pay all wages due upon separation from employment; (6) all claims for failure to issue accurate wage statements; (7) all claims for failure to timely pay wages during employment; (8) all claims asserting a failure to properly reimburse employees for business-related expenses; (9) all claims asserted through California Business & Professions Code section 17200, *et seq.* arising out of the Labor Code violations referenced in the FAC; and (10) all claims for relief, including damages, statutory and/or civil penalties, equitable and/or injunctive relief, attorneys' fees, interest, costs, and any other kind of relief whatsoever that could be sought based on the factual allegations and theories of liability asserted in the FAC (the "Class Released Claims"). The Parties additionally agree that the Class Released Claims shall include the release of claims under the federal Fair Labor Standards Act ("FLSA") pursuant to *Rangel v. Check Cashers*, 899 F.3d 1106 (9th Cir. 2018).

For Plaintiff, the Aggrieved Employees, and, to the extent permitted by law, the State of California, the release includes, for the duration of the PAGA Period, (a) all claims alleged in the FAC for PAGA civil penalties pursuant to Labor Code sections 96(k), 98.6, 201.3, 210, 226.3, 432.7, 432.8, 558, 1174.5, 1197.1, and 2699 in connection with alleged violations of Labor Code sections 201, 202, 203, 204, 212, 213, 221, 223, 226, 226.7, 227.3, 232, 232.5, 246 *et seq.*, 404, 432, 432.3, 432.5, 432.6, 510, 512, 558, 1102.5, 1174, 1182.12, 1194, 1194.2, 1197, 1197.5, 1198.5, 1527, 2802, 2810.5, 3366, 3457, 6401, 6402, 6403, 6409, 6409.6, 6432 and 8397.4, including for alleged (1) failure to pay (or properly pay) overtime wages; (2) failure to pay minimum or other wages for all hours worked; (3) failure to provide meal periods or compensation in lieu thereof (including, without limitation,

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

break premiums); (4) failure to provide rest periods or compensation in lieu thereof (including, without limitation, break premiums); (5) failure to pay all wages due upon separation from employment; (6) failure to issue accurate wage statements; (7) failure to timely pay wages during employment; (8) failure to properly reimburse employees for business-related expenses; (9) violations of Labor Code section 227.3 with respect to the payment of vacation wages; (10) failure to maintain and/or produce payroll and time records; (11) payment of wages via non-compliant instruments; (12) failure to provide Labor Code section 2810.5 notices; (13) failure to provide or properly pay for sick leave; (14) failure to provide weekly pay to temporary workers; (15) failure to provide suitable seating; (16) whistleblower retaliation; (17) failure to provide safety devices/safeguards; (18) failure to keep adequate sanitation facilities; (19) requiring employees to sign unlawful agreements; (20) unlawful pre-employment inquiries and background checks; and (21) unlawful reliance on salary history in making hiring and compensation offers (the "PAGA Released Claims"). The Class Released Claims and PAGA Released Claims are collectively referred to herein as the "Released Claims".

"Released Parties" means Defendants and each of their past, present, and future respective subsidiaries, dba's, affiliates, parents, insurers and reinsurers, and company-sponsored employee benefit plans of any nature and their successors and predecessors in interest, including all of their officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, administrators, fiduciaries, trustees, and agents.

Option 2 – Opt Out of the Settlement

If you do not wish to receive your Individual Settlement Payment or release the Class Released Claims, you may exclude yourself by submitting a written request to be excluded from the Class. Your written request must expressly and clearly indicate that you do not want to participate in the Settlement, and you desire to be excluded from the Settlement. The written request for exclusion must include your name, Social Security Number, and the following statement or any statement standing for the proposition that you seek to be excluded from the Settlement Class: "Please exclude me from the Settlement Class in the *Palma v. Sunset Signs and Printing, Inc., et al.* matter. I understand that by requesting exclusion, I will not participate in the class settlement and will not receive any money from the class settlement." or any statement of similar meaning standing for the proposition that you do not wish to participate in the Settlement. Sign, date, and mail your written request for exclusion by U.S. First-Class Mail to the address below.

Settlement Administrators
[Add Mailing Address]

Your written request for exclusion must be mailed to the Administrator and postmarked no later than [RESPONSE DEADLINE].

The proposed settlement includes the settlement of the PAGA Released Claims. An employee may not request exclusion from the settlement of a PAGA claim. Thus, if the court approves the settlement, then even if you request exclusion from the Class Settlement, if you are an Aggrieved Employee, you will still receive your Individual PAGA Payment and will be deemed to have released the PAGA Released Claims. A request for exclusion will preserve your right, if any, to individually pursue only the Class Released Claims.

Option 3 – Submit an Objection to the Settlement

If you wish to object to the Settlement, you may submit an objection in writing stating why you object to the Settlement. Your written objection must provide your name, address, the last four digits of your Social Security

Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]

Number, signature, and a statement of the reason(s) why you believe that the Court should not approve the Settlement. Your written objection must be mailed the Administrator and postmarked no later than [RESPONSE DEADLINE]. Please note that you cannot both object to the Settlement and opt out of the Settlement. If you exclude yourself, then your objection will be overruled. If the Court overrules your objection, you will be bound by the Settlement and will receive your Settlement Share.

Final Approval Hearing

You may, if you wish, also appear at the Final Approval Hearing set for _____ at _____m. in the Oraneg County Superior Court, Civil Complex Center located at 751 West Santa Ana Blvd., Santa Ana, CA 92701, in Department CX-104, and orally object to the Settlement, discuss your written objections with the Court and the Parties, or otherwise comment on the Settlement at your own expense. You may attend this hearing virtually by audio or video at <https://my.lacourt.org/laccwelcome>. You may also retain an attorney to represent you at the Hearing at your own expense.

Additional Information

This Notice of Class Action Settlement is only a summary of this case and the Settlement. For a more detailed statement of the matters involved in this case and the Settlement, you may call the Settlement Administrator at the contact information listed below.

[Insert Name] Settlement Administrator
c/o [Insert Name of Settlement Administrator]
[ADDRESS]
[PHONE NUMBER]
[WEBSITE]
[FAX]

You may also visit the Settlement Administrator's website at [WEBSITE] to gain access to key documents in this case, including the Settlement Agreement, the Order Granting Preliminary Approval of this Settlement, the Order Granting Final Approval of this Settlement, and the Final Judgment.

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in this case, which may be inspected at the Orange County Superior Court, Civil Complex Center located at 751 West Santa Ana Blvd., Santa Ana, CA 92701, during regular business hours of each court day. You may also obtain these documents through the Court's website at <https://www.occourts.org/online-services/case-access>.

All inquiries by Class Members regarding this Notice of Class Action Settlement and/or the Settlement should be directed to the Settlement Administrator.

DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES.

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Questions? Contact the Settlement Administrator toll free at [PHONE NUMBER]